



Mercy Wins Process Innovation Award

The Sisters of Mercy Health System and St. John's Mercy Health Care, St. Louis, were recognized with the Process Innovation Award from Kinetic Information LLC. Mercy was recognized for several measurable improvements resulting from the implementation of the Automated Work Distributor tool at St. John's Mercy Health Care hospitals. •

ROI Named Supply Chain Innovator by National Industry Publication



Mercy's Resource Optimization & Innovation (ROI) division was named a 2004 Supply Chain Innovator by *Supply Chain Systems* magazine.

The magazine's annual list is compiled by examining innovation and success in implementing supply chain management software and hardware, changes in processes, and benefits achieved from implementation. Mercy's supply chain strategies also were featured in the November 22, 2004, issue of *Modern Healthcare* magazine. •

Kansas Hospital Expands MRI Service

Mercy Hospital of Independence, Kansas, has completed construction of a new addition to accommodate full-time MRI services. Service from the new area began in early January. The Mercy Hospital Foundation has committed \$100,000 to fund the project. •

Mercy-Northwest Arkansas Receives \$1 Million Donation

Mercy Health System of Northwest Arkansas recently received a \$1 million donation to its capital campaign from Don

and JoAnn Soderquist, long-time residents of Rogers, Arkansas. The gift brings the total raised in the campaign to \$22 million. The campaign is helping to fund a new medical campus that will replace the 50-year-old St. Mary's Hospital, as well as transform the way healthcare is provided in Northwest Arkansas. •

St. Joseph's Receives Award, Recognition for Clinical Excellence



St. Joseph's Mercy Health Center co-workers and volunteers accept the HealthGrades 2004 Distinguished Hospital Award for Clinical Excellence. Holding the award is Randy Fale, St. Joseph's president and CEO.

St. Joseph's Mercy Health Center in Hot Springs, Arkansas, has received the 2004 Distinguished Hospital Award for Clinical Excellence from HealthGrades, a national healthcare quality firm. This is the second year in a row the hospital has won this award, making it the only hospital in Arkansas to receive such a designation. In addition, St. Joseph's recently received five-star ratings from HealthGrades for clinical performance in coronary bypass surgery, the treatment of heart attacks and chronic obstructive pulmonary disease and orthopaedic services. •



Donald Wantuck, M.D.

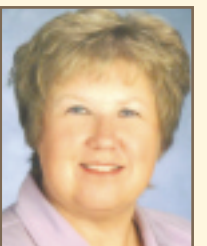
Springfield Physician Honored by Chamber of Commerce

Donald Wantuck, M.D.,

pulmonologist and chief of staff at

St. John's Hospital in Springfield, Missouri, was recently honored at the annual Springfield Area Chamber of Commerce Salute to Health Care banquet, which

Leadership Changes



Reta Baker

Reta Baker has been named interim CEO for Mercy Health System of Kansas. She will serve in this capacity until the CEO search is complete. Baker replaces Jerry Stevenson, who recently became president and CEO of St. Edward Mercy Health Network in Fort Smith, Arkansas.

Jim Best has been named Co-president of Oklahoma Heart Hospital in Oklahoma City, sharing the responsibility with Dr. John Harvey. Best also will continue to have responsibilities at Mercy Health Center, where he previously served as vice president of operations and ambulatory services.



Jim Best



Jeff Johnston

Jeff Johnston has been named chief operating officer for Mercy Health Center in Oklahoma City, Oklahoma. He succeeds David Strong, who resigned earlier this year.

Gary Jordan has been named president of St. John's West Region Hospitals in Aurora and Cassville, Missouri. He previously was president of St. John's St. Francis Hospital in Mountain View, Missouri.



Gary Jordan



Don Swafford

Don Swafford has been named president of St. John's St. Francis Hospital. He previously was administrator for Mercy Villa in Springfield, Missouri. •

recognizes the medical achievements and community service of local leaders in the healthcare industry. Last spring, Dr. Wantuck was the recipient of the Missouri Hospital Association's 2004 Excellence in Governance Award. •

Ardmore Hospital President Receives Distinguished Service Award

Bob Thompson, president of Mercy Memorial Health Center in Ardmore, Oklahoma, received the W. Cleveland Rodgers Distinguished Service Award in November



Bob Thompson

2004 at the Oklahoma Hospital Association annual convention. The award is given to a hospital executive in recognition of that person's contribution to healthcare during his/her career. •

Mercy Board Member Joins CMS Advisory Panel

Marlon L. Priest, M.D., professor of Emergency Medicine at the University of Alabama at Birmingham and a member of the Sisters of Mercy Health System Board of Directors, has been appointed to the Advisory Panel on Medicare Education for the Centers for Medicare and Medicaid Services (CMS). His two-year term will end in July 2006. •

Genesis Product Update continued from page 3

scheduled to begin in 2006. These will be shared with SSUs this spring.

■ **Clinical** – Future state design sessions involving 400 Subject Matter Experts from Mercy SSUs recently began. The Experts will be engaged in regular meetings through mid-May, developing process standardization recommendations that will guide installation of new technology. Special attention is being devoted to building support among physicians for the changes, which will cover areas such as radiology, laboratory, pharmacy, emergency, surgery, cardiology, nursing and ICU.

■ **Supply Chain** – The Supply Chain track, which has been working with the other Genesis Project tracks as well as preparing to convert its PMM software to Lawson, received validation from SSUs of its current state assessment in October. It recently completed its vision and guiding principles documents in preparation for its future state design work, which will begin early this year.

Keeping an Eye on Our Customers' Needs

To help ensure that patients' needs remain the number one priority through the design process, several initiatives have been undertaken. Among these is a new tool that depicts the Mercy customer experience from the time care is sought through post-care. Changes to processes then are evaluated in light of Mercy's service commitments, including aspects such as quality, convenience and courtesy, to highlight whether design decisions are being made that are true to the goal of making sure patient care is the first consideration. This tool also has been used to evaluate Genesis metrics as they are developed.

Co-workers who want to know more about the Genesis Project may visit the Mercy intranet site, <http://inside.mercy.net>, and click on the Genesis Project logo. •

New Product Contracting Strategy continued from page 2

and purchasing power to ensure the best product at the best price.”

Four different product categories are addressed by ROI Aligned with the goal of reducing product and vendor variation while ensuring quality and service. The greatest contracting effort is focused on the “high preference” and “high cost/high preference” product categories because they represent the greatest area of opportunity. By leveraging Mercy's purchasing power through a strong commitment to current ROI Aligned contracting decisions, Mercy facilities have the potential to achieve savings of between 13 to 25 percent on annual high cost/high preference spending of approximately \$55 million.

ROI Aligned's unique governance structure has been designed to ensure involvement by leadership, clinicians and others involved in purchasing decisions at Mercy's Strategic Service Units. An executive oversight committee, comprised of hospital CEOs and co-chaired by John Sullivan, Mercy executive vice president and chief operating officer, and Lynn Britton, senior vice president, meets monthly with group

purchasing leaders to review progress and set priorities. At the hospital level, product selection teams have been formed to provide input into the selection of products – with a particular focus on physician and nursing involvement in the selection of high cost/high preference clinical products.

“The key to the success of ROI Aligned is the commitment of our leaders and clinicians, particularly in the high cost/high preference product areas,” said Sullivan.

One of the outcomes of ROI Aligned is to consolidate contracting to a select, smaller number of vendors across Mercy. Vendors will be highly motivated to be selected because of the purchasing volume and commitment to compliance represented by ROI Aligned, Kane noted. “As a result, these vendors will be highly influenced by Mercy in areas such as price, quality, service and product options,” he said.

ROI Aligned was launched in September 2004 at a meeting with SSU leaders, including CEOs and physician leadership. From that meeting, the direction was set and the program was introduced within Mercy's SSUs in November. •

Mercy is published quarterly by the Sisters of Mercy Health System. Its purpose is to communicate Mercy activities and issues, to share ideas and information useful in managing or delivering healthcare, to assist in spreading a common Mercy culture, and to reinforce the Mission and Core Values of the Health System.

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