

VCT Anti-Embolism Stockings

Premier's Nursing Committee is pleased to announce new agreements in VCT Anti-Embolism Stockings have been awarded to incumbent Carolon Company and to new suppliers BSN Medical, Inc.; Encompass Group, LLC; and LSL Industries, Inc.

This category includes stockings that are designed to reduce venous stasis in the leg through graduated compression from ankle to knee/ upper thigh and ensure optimum blood flow velocity.

Related category:

• Vascular Compression Therapy: capital equipment as well as the disposable sleeves used in the prevention of deep vein thrombosis (DVT) and pulmonary embolisms (PE)

Considerations when purchasing anti-embolism stockings:

Financial considerations Reimbursement

- Value-adds such as
- conversion incentives and bulk buy discounts

Patient safety and satisfaction

- · Sigel profile · Patient comfort
- · Ease of use
- · Contraindications for specific patients
- · Color options e.g. white, nude, black

Roadblocks to conversion

· Existing supplier relationships

The following tools and resources within this toolkit are designed to assist you through the value analysis process:

- Clinical information: Basic understanding of anti-embolism stockings
- Product offerings: Chart of contracted products
- **Critical specifications**: Supplier responses to committee questions
- Product review tips: Items to look at when comparing products
- Supplier tiers, financial highlights, market highlights, value-adds and terms and conditions for the agreements

Additional resources:

- Executive summary: A high-level PDF overview intended for supply chain and C-suite executives. This document includes agreement highlights, purchasing considerations and information on Premier resources.
- Modifiable value analysis toolkit: A Microsoft Word version of the toolkit that allows for edits and customization for member specific needs. Please note that the links in the Word version to Premier resources may be broken. To maintain link integrity please use the PDF value analysis toolkit.
- Conversion guide: A PDF document intended to show possible product conversion opportunities based on the cross reference.
- Product cross reference: An Excel spreadsheet reference identifying product comparisons and functional equivalents. Where possible, non-awarded supplier product information is included along with awarded supplier product information.
- Cost calculator: An Excel file designed to help members analyze the financial impact of the contracts.

Awarded Suppliers

Ctrl + click on supplier name for more information.

VCT Anti-Embolism Stocking				
Supplier	New	Expiring		
Supplier	contract	contract		
<u>BSN</u>	PP-NS-898	New		
Corolon	PP-NS-901	PP-NS-737		
<u>Carolon</u>	AS-NS-901	PP-N3-737		
Encompass	PP-NS-899	New		
<u>LSL</u>	PP-NS-900	New		
TI				

The current agreement with Covidien (PP-NS-736) expires November 30, 2015

Note: Carolon and Encompass are small business enterprises (SBE) and LSL is a minority-owned business (MBE)

These agreements are effective December 1, 2015, through November 30, 2018.

Portfolio Highlights

- A Participating Member Designation Form (PMDF) or electronic price activation (PA) is required for Tier 2 or higher with all suppliers.
- · Aggregation is allowed for multi-facility systems, GPOs and established networks.
- · Pricing is firm for the term with all suppliers.
- Financial analysis reveals:
 - · Carolon's new agreement offers a 0.9 percent savings overall compared to the expiring agreement.
 - All suppliers offer more favorable pricing compared to the expiring Covidien agreement.
 - BSN is the low-cost supplier on crossed items.
- · Carolon, Encompass and LSL offer value-adds including conversion incentives and discounted pricing. See value-adds for more information.
- · Agreements are available to acute care. continuum of care and Premier REACH™ members.



the ASCEND portal for information.



Clinical Information

Anti-embolism stockings (AES) reduce venous stasis in the legs through graduated compression. The compression is graduated, with the strongest support starting at the ankles and gradually decreasing further up the leg. Venous stasis is a condition of slow blood flow in the veins, usually in the legs. If left untreated this could lead to deep vein thrombosis or blood clots in the legs.

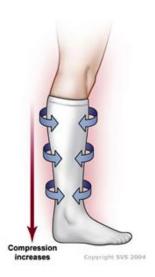
Anti-embolism stockings are worn by non-ambulatory or post-surgical patients to help prevent pooling of blood in the legs. Anti-embolism stockings are one method of compression therapy. They may be used alone or in conjunction with sequential compression devices (SCD), as directed by the manufacturer.

Patients should be given stockings as soon as they are identified as having a high risk of venous thromboembolism (VTE). Patients should be advised to wear them day and night until their mobility is no longer significantly reduced.

The stocking compression profile should be equivalent to the Sigel profile (a pressure profile for elastic stockings):

- 18 mmHg at the ankle
- 14 mmHg at the mid-calf
- 8 mmHg at the upper thigh

	Levels of compression – based on Sigel profile					
	Ankle Calf Upper thigh 18 mmHg 14 mmHg 8 mmHg					
BSN	18 mmHg	15 mmHg	9 mmHg			
Carolon	18 mmHg	14 mmHg	8 mmHg			
Encompass	18 mmHg	14 mmHg	8 mmHg			
LSL	18 mmHg	14 mmHg	8 mmHg			



Sources: Premier, American Venous Forum, National Institute of for Health and Clinical Excellence (NICE), National Health Service (NHS), VascularWeb

Industry guidelines and resources

National Institute for Health and Care Excellence (NICE) Venous thromboembolism in adults admitted to hospital: reducing the risk

- Ensure that patients who need anti-embolism stockings have their legs
 measured and that the correct size of stocking is provided. Anti-embolism
 stockings should be fitted and patients shown how to use them by staff
 trained in their use.
- Use anti-embolism stockings that provide graduated compression and produce a calf pressure of 14–15 mmHg.
- Encourage patients to wear their anti-embolism stockings day and night until they no longer have significantly reduced mobility.
- Remove anti-embolism stockings daily for hygiene purposes and to inspect skin condition.
- Show patients how to use anti-embolism stockings correctly and ensure they understand that this will reduce their risk of developing VTE.



Product Offering

Product images are a representation of products included in this category. For a complete list of contracted products, see Supply Chain Advisor® for more details. Press ctrl + click on supplier name to visit supplier websites.

	<u>BSN</u>	Carolon	Encompass	<u>LSL</u>
Brand name	JOBST®	CAP® ATS®	UltraCARE® EssentialCARE®	LSL.
Knee length	✓	✓	✓	✓
Thigh length	✓	✓	✓	✓
Waist length	✓	✓	✓	✓
Bariatric sizes	Up to 36"	Up to 39"	Up to 36"	Up to 36"



Critical Specifications

Premier's <u>Nursing Committee</u> considered the criteria below when making contract award decisions. These are recommended variables for clinician evaluation in product selection. All information comes directly from supplier responses to Premier's Request for Information.

	BSN	Carolon	Encompass	LSL	
Product information					
Food and Drug Administration (FDA) clearance	Yes	FDA Exempt	Yes	Yes	
Recalls within the last three years	No	No	No	No	
Backorders within the last two years	No	No	No	No	
Products specifically designed for the bariatric population	No	Yes	Yes	Yes	
Shelf life	≥ 3 years	≥ 3 years	2 to 3 years	2 to 3 years	
Clinical criteria					
Points of measurement in applying your thigh length stockings	Ankle, calf, upper thigh, length	Ankle, calf, upper thigh, length	Calf, upper thigh, length	Calf, upper thigh, length	
Ankle measurement is required for precise fitting	Yes	Yes	No	No	
Stocking line is certified for graduated compression by an external testing laboratory	Yes	Yes	No	No	
Product line is <u>latex-free</u> for all sizes and styles	Yes	Yes	Yes	Yes	
Gradient pressure at the thigh band is tested and published	Yes	Yes	No	No	
Stocking has a gusset at the upper thigh to prevent a tourniquet effect	No, but manufactured for no tourniquet effect	Yes	No, but manufactured for no tourniquet effect	No, but manufactured for no tourniquet effect	
Stocking offers clinically- documented graduated compression zones	Yes	Yes	Yes	Yes	
Approx. length of time one pair of stockings lasts	3 to 6 months	90 washings	50 washings	25 washings	
Stocking has a visual pressure relief through the popliteal area and an inspection port for skin assessment	Inspection port at toe	Yes	Inspection port at toe	Inspection port at toe	
Supplier attributes					
ISO registered	Yes	No	Yes	No	
Manufacturing locations	North Carolina	North Carolina	Tennessee, Mexico, China	Tennessee	
Sales representatives (Full-time employees)	21 to 40 FTEs	< 5 FTEs	61 to 80 FTEs	5 to 20 FTEs	
Clinical representatives (Full-time employees)	11 to 20 FTEs	1 to 4 FTEs	1 to 4 FTEs	1 to 4 FTEs	



Product Review

Product factors influencing the <u>Nursing Committee's</u> decision to move suppliers through the contracting process focused on committee member discussions and <u>critical specifications</u>.

When conducting a product review in your facility, consider:

- Ease of use and patient comfort requirements
- Size requirements for your facility's patient population
- Contraindication such as peripheral artery disease (PAD), severe edema, cardiac failure, recent skin graft, or venous ulcers/wounds
- Medicare and Medicaid reimbursement
 - HCPCS codes (list of codes may not be all-inclusive):
 - Gradient compression stocking, below knee: A6530 through A6532
 - Gradient compression stocking, thigh length: A6533 through A6535
 - Gradient compression stocking, full length: A6536 through A6538
 - Gradient compression stocking, waist length: A6539 through A6541
 - Gradient compression stocking, not otherwise specified: A6549

Consider speaking with the following influencers and decision makers:

- Nursing
- Orthopedic recovery
- Physiotherapy
- Infection control
- Patient care

To review anti-embolism stockings in your facility, contact:

BSN: Michael Boner, 704.731.1147, <u>michael.boner@bsnmedical.com</u> Carolon: John Morehead, 336.969.6001, <u>jmorehead@carolon.com</u>

Encompass: Tom Sweatt, 817.233.8064, tom.sweatt@encompassgroup.net LSL: Ryan Russell, 773.878.1100 x124, ryan.russell@lslhealthcare.com

Note: Supplier contact information is current at time of launch. For up-to-date contact information, see the supplier's detail tab in Supply Chain Advisor.

Supplier Tiers

BSN <u>new</u> tiers (PP-NS-898)

Total product purchases (per calendar year)

New supplier → Tier 1 < \$10,000

Tier 2 ≥ \$10,000

Carolon <u>expiring</u> tiers (PP-NS-737)			
Total product purchases (per calendar year)			
Tier 1	< 80% participation		
Tier 2	≥ 80% participation		
Tier 3	≥ \$100,000 AND ≥ 90% participation		
i iei 3	2 \$100,000 AND 2 90% participation		

Carolon <u>new</u> tiers (PP-NS-901)			
Total product purchases (per calendar year)			
Tier 1 < 80% participation			
Tier 2 ≥ 80% participation			
Tier 3	≥ \$100,000 OR ≥ 90% participation		

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Supplier Tiers (continued)

 Encompass <u>new</u> tiers (PP-NS-899)

 Total product purchases (per calendar year)

 Tier 1
 < \$10,000</td>

 \$10,000 to < \$60,000</td>
 OR 80% participation

 Tier 3
 ≥ \$60,000

New supplier ->

LSL <u>new</u> tiers (PP-NS-900)			
Total p	Total product purchases (per calendar year)		
Tier 1	Tier 1 < \$50,000		
Tier 2 ≥ \$50,000 OR ≥ 60% participation			

Financial Analysis

The financial analyses include the following:

- Incumbent new agreement pricing compared to incumbent expiring agreement pricing
- Supplier new agreement pricing differential between tiers
- Supplier to supplier comparison Covidien as the base

Cross reference performed by product planning staff and validated by suppliers. Calculations are based upon overall Premier utilization. **Individual savings will vary.**

Notes: Weighted financial analysis considers the impact of each product increase/decrease in proportion to the aggregated Premier member purchase volume. Non-weighted financial analysis considers every product equally regardless of volume purchased.

When conducting an analysis, product quantity values are adjusted to represent the total number of consumable units for unit of measures (UOM). Using the same quantity of measurement values creates consistency for all calculations within a category.

Carolon <u>expiring</u> agreement pricing compared to <u>new</u> agreement pricing (weighted)				
Old Tier 1/New Tier 1 Old Tier 2/New Tier 2 Old Tier 3/New Tier 3 Overall				
0.9% savings	0.8% savings	0.8% savings	0.9% savings	



Financial Analysis (continued)

Supplier new agreement pricing – tier differential (weighted)					
Supplier Tier 1 to Tier 2 Tier 2 to Tier 3					
BSN	0.6% savings				
Carolon 1.9% savings		0.9% savings			
Encompass	0.3% savings	1.7% savings			
LSL	2.0% savings				

Supplier <u>new</u> agreement pricing compared to <u>Covidien expiring</u> agreement pricing (weighted)					
Supplier	Access/access	Top tier/top tier	Overall	Percent of crossed spend	
BSN	63.0% more favorable	22.8% more favorable	40.4% more favorable	96.0%	
Carolon	57.2% more favorable	12.6% more favorable	32.1% more favorable	100%	
Encompass	58.3% more favorable	14.2% more favorable	33.4% more favorable	99.8%	
LSL	55.8% more favorable	8.9% more favorable	29.5% more favorable	99.8%	



Value-adds

	Carolon See Exhibit J Value Adds for more details			
Hosiery incentive	Any member or IDN who purchases Carolon's health support ambulatory hosiery along with Carolon anti-embolism stockings will automatically be able to purchase both at Tier 3 pricing after a price activation request through the Premier SCA portal regardless of unit or dollar volume .			
	Encompass See Exhibit J Value Adds for more details			
Conversion incentive	Any member who purchases products under this agreement within the first 90 days of the contract, after the effective date of this agreement in order to replace current products will be moved up one price tier for the duration of the agreement.			
Bulk buy discount	 Members who purchase at least \$50,000 of products on a single order with one shipment date and one ship-to-address will be eligible for a bulk buy discount. Discount will be locally negotiated based on product mix, lead time and other factors. Contact local representative for additional information. 			
	LSL See Exhibit J Value Adds for more details			
Conversion incentive	 If a member converts their anti-embolism stocking business within 90 days of the contract effective date, LSL will pay a 1.5 percent rebate incentive off the Premier contract price on all products purchased within this category for the first 12 months following conversion, provided member maintains 60 percent compliance. Payment shall be made: Within 60 days following the end of the first 6-month period for conversions made during that time; and within 60 days following the end of the second 6-month period for conversions made during the second half of the 12-month conversion period. Incentive amounts must exceed \$50 for the applicable measurement period in order to be considered earned and payable. 			



Terms and Conditions

	BSN	Carolon	Encompass	LSL
Diversity status	N/A	SBE	SBE	MBE
Electronic PA/PMDF	Required for Tier 2	Required for Tier 2 or higher	Required for Tier 2 or higher	Required for Tier 2
Aggregation	Allowed for multi- facility systems, GPOs and established networks	Allowed for multi- facility systems, GPOs and established networks	Allowed for multi- facility systems, GPOs and established networks	Allowed for multi- facility systems, GPOs and established networks
Continuum of care/ Premier REACH	Allowed	Allowed	Allowed	Allowed
Local negotiation	Allowed	Allowed	Allowed	Allowed
Direct/distribution	Direct and through authorized distributors	Direct and through authorized distributors	Direct and through authorized distributors	Direct and through authorized distributors
Price protection	Firm for the term	Firm for the term	Firm for the term	Firm for the term
Payment terms*	Within 30 days of product delivery, invoice receipt or acceptance, whichever date is later	Within 60 days of product delivery, invoice receipt or acceptance, whichever date is later	Within 60 days of product delivery, invoice receipt or acceptance, whichever date is later	Within 45 days of product delivery, invoice receipt or acceptance, whichever date is later
Early payment discount*	None	2% if paid within 30 days of product delivery, invoice receipt or acceptance, whichever date is later	2% if paid within 30 days of product delivery, invoice receipt or acceptance, whichever date is later	None
Electronic payments*	Electronic fund transfers, credit cards and purchase cards at no additional cost	Electronic fund transfers, credit cards and purchase cards at no additional cost	Electronic fund transfers, credit cards and purchase cards at no additional cost	Electronic fund transfers, credit cards and purchase cards at no additional cost
Acceptance*	Within 7 business days of delivery	Within 10 business days of delivery	Within 10 business days of delivery	Within 10 business days of delivery
Minimum order*	\$500	None	None	\$500 (may include any LSL products)
Shipping terms*	Transportation and insurance paid by seller, title and risk of loss transfer on delivery	Transportation and insurance paid by seller, title and risk of loss transfer on delivery	Transportation and insurance paid by seller, title and risk of loss transfer on delivery	Transportation and insurance paid by seller, title and risk of loss transfer on delivery
Freight management*	Will accommodate	Will accommodate	Will accommodate	Will accommodate
Guaranteed delivery time*	7 to 10 days	10 days	5 days	10 days
Reimbursement for failure to supply*	100% of the difference	100% of the difference	100% of the difference	100% of the difference

^{*} For orders through distributors, terms are negotiated between authorized distributor and member.



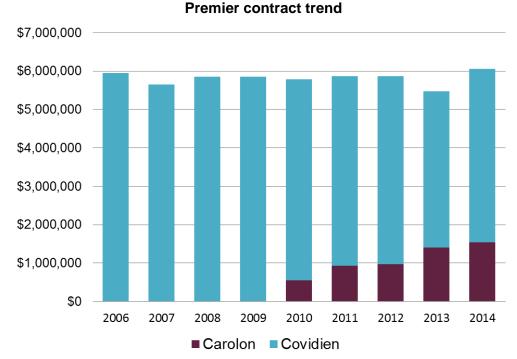
Terms and Conditions (continued)

	BSN	Carolon	Encompass	LSL
Clinical/in-service training	Included in the product price	Included in the product price	Included in the product price	Included in the product price
Returned goods policy*	Returns must be made within 120 days of purchase. 20% restocking fee applies.	Returns must be made within 180 days from invoice. Returns within 90 subject to 20% service charge. Returns after 90 days 80% credit minus 20% service charge.	20% restocking fee applies. No partial case or sterile product returns.	Returns must be made within 30 days of shipment. 25% restocking fee applies.
Ordering instructions*	Phone: 800.552.1157 Fax: 800.835.4325 Email: bsn.orders@bsnmedical.com	Phone: 800.334.0414 Fax: 336.969.6999 Email: carolon@carolon.com	Phone: 800.284.4636	Phone: 773.878.1100

^{*} For orders through distributors, terms are negotiated between authorized distributor and member.

Market Highlights

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Source: Premier CAMS



Sourcing Summary

VCT Anti-Embolism Stockings				
Committee:	Nursing – all contract decisions for the Nursing portfolio are decided upon by this team of dedicated professionals			
Suppliers invited to participate:	Anatomy SupplyBSN MedicalCardinalCarolonCovidien	DJOEncompassFit RiteLSLMedline		
Awarded suppliers:	BSN Medical Carolon	EncompassLSL		

About the Nursing Committee:

The 16 voting members of the Nursing Committee come from all geographic regions of the United States and represent the full diversity of Premier entities. Facilities are urban and rural, teaching and non-teaching, acute and non-acute. Individually, the committee members' years of healthcare experience range from 16 to 35, with a median 26 years in the industry. Clinical backgrounds include nursing, infection control, value analysis, clinical integration and clinical education. The committee is rounded out with professionals from positions in administration and materials management.

Information contained in this document is current as of September 1, 2015.

Why price activation/PMDF is important:

In addition to ensuring member and supplier agreement for both appropriate price tier(s) and applicable facilities, price activation (PA)/PMDF also enables:

- Member visibility to the PA/PMDF status in the Supply Chain Advisor catalog at the contract and price tier level.
- Transmission of PA/PMDF information to SpendAdvisor® and Global Healthcare Exchange (GHX).
- Price tier visibility for boarded distributors (i.e. distributors with direct access to Supply Chain Advisor on all contracts where they were selected as a distributor).

Questions

For questions about these agreements, please contact your local Premier representative or the Premier Solution Center at 877.777.1552 or solutioncenter@premierinc.com. Pricing and other contract information may be accessed through Premier's Supply Chain Advisor® catalog at https://premierconnect.premierinc.com.

Value analysis toolkits: The goal of the value analysis toolkits is to expedite value analysis processes of Premier supplier offerings within member facilities by leveraging the existing work already completed by the Premier member committees as part of the standard negotiations process. Certain contracted products and/or services may still require a trial within your IDN, regional collaborative or facility. While some members may still choose to complete ad hoc value analysis work at their facility, we hope that these enhanced documents will give you the critical information gathered in our in-depth sourcing process as well as related resources to move you to trial more efficiently.

As in your own facilities, depth of material will depend on who was awarded, their market share, healthcare-associated conditions and concerns commonly associated with procedures in which the product/service is used, and the ability to share member conversion/usage experiences.