Device reprocessing makes inroads in ASCs

There are 3 ways to handle used disposable medical-surgical devices: throw them out after a single use (as the manufacturer recommends); reprocess them according to strict Food and Drug Administration (FDA) guidelines; or hire a specialty company to collect, reprocess, and return them.

The first option is expensive, compounding the costs of supply purchases and disposal.

The second choice, even most large hospitals agree, is problematic because of the need to follow complex standards used in manufacturing. For an ambulatory surgery center (ASC) or any outpatient facility, it is completely impractical.

That leaves the third choice, contracting with a third-party reprocessor. While it is not clear how many surgery centers have decided to reprocess this way, those who have tried it report good results, both clinically and financially.

Electing to reuse

As director of materials management at Craven Regional Medical Center, New Bern, North Carolina, Joanne Boyle also handles materials management for its affiliated Craven Surgery Center.

In 2003, Craven selected Ascent Healthcare Solutions, Phoenix, Arizona, to provide reprocessing services. From September 2007 to August 2008, the surgery center saved about $41,000 reprocessing items such as arthroscopic shavers and burrs, trocars, saw blades, and soft tissue ablaters.

“In light of the regulations Ascent has to follow in reprocessing and remanufacturing our supplies, the finished product is as good as new,” Boyle says. “Of course, we have the occasional problem with an item, but you have that with new products as well.”

Craven participates in Ascent’s ServiceExpress program, designed for facilities that want to manage their reprocessing programs internally. Each ServiceExpress customer works with a specialty services manager, who serves as the primary Ascent contact.

Since January 2006, Craven Surgery Center has reprocessed 2,200 devices, saved 206 pounds of used medical supplies from being added to landfills, and saved $82,000 in supply costs.

Increased oversight assures quality

The FDA has been regulating the reuse of single-use devices since 2001. The agency publishes an extensive list of devices that could be reprocessed, with increasingly stringent guidelines for higher risk devices, especially those that penetrate the mucosa.

The oversight began after original equipment manufacturers (OEMs) com-
plained that hospitals were reusing the devices without the appropriate procedures for ensuring sterility and device integrity.

The Association of Medical Device Reprocessors (AMDA) was formed to promote the use of third-party reprocessing companies, whose operations are set up to comply with manufacturing and reporting regulations. Currently, the AMDA has 2 members, Assent and SterilMed, Minneapolis. Together, the association says they account for 95% of the US market in disposable device reprocessing.

In March 2008, the Government Accountability Office (GAO) reported to Congress that use of reprocessed devices “does not indicate that use presents an elevated health risk.”

**Capacity, service important**

While Thousand Oaks Surgical Hospital in California is not an ASC, its experience illustrates what an ASC might expect when establishing a reprocessing program. The facility has 7 ORs and 20 inpatient beds, but 80% of its procedures are outpatient.

Thousand Oaks began working with Ascent in August 2008 and projects annual savings of $50,000. The OR manager, Linda Michaelis, RN, says the smaller reprocessors she tried were not certified to reprocess as many items as the hospital needed.

“It is critical for somebody looking into a reprocessing company to investigate thoroughly their capacity, quality, and reputation,” she notes.

Ascent is certified for a long list of items, and what it cannot reprocess it accepts and discards through its own facilities. Currently, Thousand Oaks reprocesses all sequential compression sleeves, many arthroscopic shavers and blades, and laparoscopic instruments and cannulas. It also sends out saw blades and drill bits that are opened but not used.

**Setting up the service**

Materials management director Frank Melia, who manages the operation, says, “You set it up however is best for your facility.”

Ascent charged a $200 start-up fee to deliver a set of bins, similar to biohazard bins, for collection of used items. At the beginning, Melia ordered pickup every other week “to get the idea of the flow of product” but soon changed that to a weekly pickup. Technicians collect the bins and remove them to an Ascent facility where they are sorted. After discarding or recycling items that cannot be reprocessed, they send Melia a list of available reprocessed items.

“Then I give them a PO [purchase order]. The whole process takes about 3 weeks.”

The returned items are not necessarily the same items the hospital originally purchased but are considered equivalent. If a needed item is not available, Melia says, “then we buy an OEM product new.”

The $50,000 annual savings is net of what Ascent charges to reprocess each item. Savings also include $1,600 not spent on biohazard bins and $7,600 per year on actual disposal of the used items.

**Some need convincing**

Evansville Surgery Center in Indiana reuses orthopedic burrs, bits and shaver blades, handpieces, sequential compression device sleeves, and other devices, also through Ascent. Evansville also participates in a recycling program in which the company provides a “green” sharps container (not for needles, however)
that the company picks up. For those products the company does not have FDA clearance to reprocess, it recycles them or uses them as test items in reprocessing trials. The program, notes Evansville’s materials manager, Lee Ann Puckett, “is a huge cost savings for us” and conserves space in the local landfill.

Like many ASCs, Evansville had to confront skepticism among surgeons and staff members. Puckett recalls vendor sales reps warning physicians how “bad” recycling devices could be.

“Some of our surgeons and staff went to tour the Ascent plant,” she says. “Once they saw the science, they were fine with it.”

Management, she notes, endorsed the idea from the start because of savings, which average 40% to 50% per device.

At Craven, on the other hand, Boyle says it took her 2 years to convince management to endorse reprocessing. Meanwhile, at Thousand Oaks, “they were pretty much on board to start with,” Michaelis says of her top management.

Even with stricter regulations and demonstrated safety, reprocessing remains the subject of public relations wars between OEMs, whose revenues are threatened, and third-party reprocessors, who seek to expand their market.

“I think everybody knows about it,” Puckett says of the reprocessing option. “The main issue is pushback from surgeons. It’s usually because of OEMs. But with the economy the way it is, I can’t imagine more people aren’t going to look at it.”

—Paula DeJohn