Webinar: Integrating sustainable purchasing into your health system

August 11, 2020
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Learning objectives

By the end of this webinar you will learn:

1. 10 components of a successful program
2. Best practices to reduce carbon, waste, and toxicity, all while saving money
3. Solutions to sourcing and purchasing challenges
Panelists

Mary Larsen
Environmental Affairs and Sustainability Director
Advocate Aurora Health

Elizabeth Eldridge
Director of Sustainable Sourcing
Kaiser Permanente

Beth Eckl
Director, Environmental Purchasing Program
Practice Greenhealth
Groundbreaking new guide!

- Provides step-by-step guidance, tools and resources to develop a sustainable purchasing strategy
- Prioritizes community and environmental health and safety while reducing costs
- Available to Practice Greenhealth members

http://practicegreenhealth.org/sustainableprocurementguide
Guide structure | PDCA

- Follows PDCA four-step management method
- The best practices that every program should have are incorporated into each part of the framework
10 Key Elements
10 key elements | Sustainable procurement program

1. Sustainable procurement strategy
2. Action plan, goals
3. High-impact procurement opportunities (HIPO list)
4. Sustainable procurement policy
5. Standard operating procedures
6. Tools
7. Training and communications
8. Supplier and GPO engagement
9. Tracking and monitoring
10. Reporting
10 key elements | PLAN
Key elements | PLAN (cont.)

FIGURE 5: SAMPLE SUPPLY CHAIN WORK PLAN (HEALTHPARTNERS)

<table>
<thead>
<tr>
<th>DIMENSION DRIVER AND TACTICS</th>
<th>OWNER(S)</th>
<th>TIMING</th>
<th>STATUS</th>
<th>COMPLETED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Solar Garden Subscription Agreements</td>
<td>Vini</td>
<td>Ongoing</td>
<td>• At the end of 2016: 20 million kWh/yr committed to</td>
<td>12/31/2017</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Facilities include: Methodist Hospital, Inver Grove Clinic,</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lakeview Hospital, and Westfields</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Signed an agreement for Regions Hospital for 11,413,000 kWh/yr</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• Signed an agreement for Curve Crest clinic for 500,000 kWh/yr</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• At the end of 2017: 33,660,833 kWh/yr committed to</td>
<td></td>
</tr>
<tr>
<td>Conduct fleet vehicle assessment to identify</td>
<td>Bob S.</td>
<td></td>
<td>• Purchased one Nissan Leaf for TRIA East. This EV will be used</td>
<td>12/1/2017</td>
</tr>
<tr>
<td>opportunities to reduce greenhouse gas emissions</td>
<td></td>
<td></td>
<td>for daily deliveries form Woodbury Clinic.</td>
<td></td>
</tr>
<tr>
<td>rechargeable batteries, switching to gasoline</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PLAN

Action plan
Key elements | PLAN (cont.)

Sample high-impact procurement opportunities

Practice Greenhealth and Health Care Without Harm have identified high-impact procurement opportunities based on input from a wide range of health care organizations. “High-impact” means the category can play a significant role in the health and safety of patients, staff, and the environment. The list is not in priority order; it is sorted by the primary topic, though many topics may be applicable to each category.

For additional ideas, see Practice Greenhealth’s sustainable procurement directory, which lists 120 prioritized product categories. The list is not in priority order; it is sorted by the primary topic: Climate Change, Safer Chemicals, Resource Conservation and Food. Many topics may be applicable to each category.

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<table>
<thead>
<tr>
<th>#</th>
<th>PROCUREMENT CATEGORY</th>
<th>SUSTAINABLE ALTERNATIVES</th>
<th>SUSTAINABILITY GOALS, MEASURES (WHEN APPLICABLE), RESOURCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Renewable energy</td>
<td>Renewable electricity</td>
<td>100% renewable electricity by 2030.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Greenhouse gas reduction toolkit</td>
</tr>
<tr>
<td>2</td>
<td>Air conditioning and cooling</td>
<td>Energy-efficient, low hydro- fluorocarbons (HFC) cooling</td>
<td>Reduce GHG emissions from HFCs in air conditioning and improve energy efficiency by decreasing weather-adjusted energy intensity from metered energy use by ten percent from baseline over a five year period.</td>
</tr>
</tbody>
</table>
Key elements | DO

- Policy
- Procedures
- Tools
- Training and communication
- Engagement
Key elements | CHECK

CHECK

Tracking and monitoring
Key elements | ACT
HEALTHY PLANET

HEALTHY PEOPLE
Overview

• Introduction to AAH
• Sustainable Procurement in Healthcare
• EPP Priorities and Setting Goals
• Accountability and Reporting
• Wins and Opportunities
Reimagining Health. Transforming Care.

We are now part of something bigger. Something extraordinary. Two national leaders together as one, helping millions of people live well with unsurpassed access to world-class care.

Advocate Aurora Health

Advocate Health Care  Aurora Health Care

500 Sites of Care
Creating new possibilities in our communities

8,100+ Physicians
Providing integrated access to world-class specialists

70,000 Team Members
Impacting lives every day as champions of wellness
Helping People Live Well

- Healthy Planet – Healthy People
- Culture of conservation and wellness
- Responsible corporate citizen
- Public and community health
- Attracting and retaining the best talent
- Market transformation
Sustainable Procurement in Health Care
What We Buy Matters

Leadership & Culture

Procurement

Waste

Energy

Climate

Food

Operating Room

Building

Chemicals

Water

Images from Practice Greenhealth
Health Care Buyer Beware

EPA has been able to require testing on just 200 of the more than 80,000 chemicals produced and used in the U.S.

- Growing number of disposable products
- Voluminous packaging materials
- Energy and water intensive products
- Antibiotics and hormones in meat
- Hazardous waste disposal at end of life
THE PLAN-DO-CHECK-ACT CYCLE (PRACTICE GREENHEALTH)

PLAN
- STRATEGY
- IMPLEMENTATION PLAN
- HIGH-IMPACT OPPORTUNITY PROCUREMENT LIST

DO
- POLICY
- PROCEDURES & TOOLS
- TRAINING & COMMUNICATION
- SUPPLIER ENGAGEMENT

ACT
- REPORTING

CHECK
- TRACKING AND MONITORING
Framework for Priorities

Metrics for Success: Smarter Purchasing Measure Details
- Surgical Kit Review: Review & reformulate (where appropriate) at least 80 percent of total O.R. kit types.
- Single Use Device Reprocessing: Collect and purchase 20 percent reprocessed non-invasive devices compared to total.
- Greener Electronics: Specify, purchase, and report expenditures on greener electronics with a goal of 80 percent registered with EPEAT.

Metrics for Success: Safer Chemicals Measure Details
- Green Cleaning: Inventory cleaning products & purchase 90% Green Seal or UL ECOLOGO certified cleaning products in the following categories: carpet, window, all purpose, bathroom, & general floor care.
- PVC & DEHP Elimination: Eliminate PVC and DEHP from at least two product categories.
- Healthy Interiors: Ensure that 30 percent of the annual volume of furnishings and furniture purchases (based on cost) eliminate the use of formaldehyde, perfluorinated compounds, (PVC), antimicrobials, and all flame retardants.
- Mercury Elimination: Achieve mercury-free status or develop and implement mercury elimination plan.
Furniture and Furnishings

**Procurement strategy**
- Educated leadership
- Established new furniture standard
- Introduced new purchasing criteria to prime suppliers
- Steelcase developed custom catalog of HHI compliant furniture for interiors team
- Enforced furniture standards

**Outcomes**
- Increased transparency
- Cost neutral
- Market Transformation
Furniture & Furnishings

2013: HHI launch

2015: 47% (Steelcase only)

2016: 47% (All manufacturers)

2017: 63% (Illinois only)

2018: Illinois – 78% Wisconsin – 55%

2020: 85% AAH (All Manufacturers)
Dashboard Evolution

2014 Healthy Environment Index

- Energy Utilization: -2% to -3.5% achieved
  - Solid + Medical Waste (lbs/ADP): 16.89 to 16.68
  - C & D Recycling: 85% to 94%
  - Reprocessing Savings: 90% to 77%
  - Paper Reduction: -4% to -3%
- Quality
  - Green Cleaners: 90% to 83%
  - Healthy Beverages: 25% to 48%
- Service
  - Health Environment Events: 8 to 19
  - Screenings: 70% to 58%
  - Earned Incentives: 45% to 80%

Health Environment Index YTD: 3.7

2019 Environmental Sustainability Dashboard

- Chemical Free Furniture Purchases: 85% achieved
- Certified Green Cleaner Purchases: 55% achieved
- Antibiotic Free Meat Purchases: 23% achieved
- Waste Reduction: -4.4% achieved
- Paper Reduction: -6.0% achieved
- Energy Use Intensity Reduction: -0.62% achieved
- Green Building: 95% achieved

 Advocate Aurora Health

2019 Regional & PSA Results

- Chemical Free Furniture Purchases: 66% vs. 85%
- Certified Green Cleaner Purchases: 53% vs. 55%
- Antibiotic Free Meat Purchases: 25% vs. 23%
- Waste Reduction: -4.8% vs. -2%
- Paper Reduction: -5.4% vs. -5.6%
- Energy Use Intensity Reduction: -0.62% vs. -0.37%
- Green Building: 95% vs. 95%
Supply Chain Education

- Integrate Sustainable Criteria into Sourcing and Logistics decisions
  - Less resource intensive
  - Less polluting
  - Less harmful to human and environmental health
  - Supplier Corporate Social Responsibility

- Engage suppliers and GPO
  - Chemicals transparency, regrettable substitutions
  - End of life burden
  - Life cycle costs
  - Reduce material and hazardous waste
Sustainability Wins

[Images of sustainability-related content and people holding awards]

AdvocateAuroraHealth
Supply Chain and......

- PVC and DEHP free medical products – Clinical team
- Sustainable food – Food & Nutrition
- Single Use Device Reprocessing strategy – Multi disciplinary team
- Waste management and diversion – Environmental Services
- Compostable cups and serve ware – Food & Nutrition
- Green Cleansers – Environmental Services
Executing on Priorities

- Business case connected to mission and values
- Operations Leadership Buy-in
- Embed sustainability criteria in supply chain decisions
- Engage suppliers and GPO’s

Policy, Procedure, Tools and Reporting
SUSTAINABLE PROCUREMENT

Elizabeth Eldridge
Director of Sustainable Sourcing
August 2020
KP’s 2025 Environmental Stewardship Goals
Our Sustainability Framework

**CLIMATE ACTION**
Become “carbon net positive” by buying enough clean energy and carbon offsets to remove more greenhouse gases from the atmosphere than we emit.

**SUSTAINABLE FOOD**
Buy all of our food locally or from farms and producers that use sustainable practices, including using antibiotics responsibly.

**WASTE REDUCTION**
Recycle, reuse or compost 100% of our non-hazardous waste.

**WATER CONSERVATION**
Reduce the amount of water we use by 25% per square foot of buildings.

**SAFER PRODUCTS**
Increase our purchase of products and materials meeting environmental standards to 50%.

**COLLABORATION**
Pursue new collaborations to reduce environmental risks to foodsheds, watersheds and air basins supplying our communities.

**SUSTAINING SUSTAINABILITY**
Meet international standards for environmental management at all of our hospitals.
Our Path to Sustainable Procurement

- Policy
- Contract Language
- Data Collection
- Supplier Innovation
- Sustainable Product Achievement
Our Sustainable Procurement Strategy

Key Elements

- Linked to our corporate mission and strategy
- Commitment of leadership and stakeholders
- Imbedded in the sourcing process

- Sustainable Procurement Policy
- EPP Standard (Chemicals of Concern & Waste Criteria)

- Measurement
- Accountability
Sustainable Procurement
Key Considerations

- How does sustainable procurement tie into your organization’s mission?
- Who are the key stakeholders that can help drive change?
- Where can you have the most impact?
- What does success look like?
Get involved

**Affiliate Partner**
From the definition “to officially attach or connect to an organization”. Affiliate partners are manufacturers, suppliers, service providers, or other supply chain partners. As a key player in the supply chain, your partnership and collaboration is paramount to our work.

**Allied Partner**
From the definition “to side with or support”. Allied partners are NGOs, government agencies, or other organizations. As an allied partner, we want you to be aligned with our mission, resources, and efforts to advance sustainability.

**Academic Partner**
Given its primary role as knowledge producer, higher education can serve as a powerful means to help create a more sustainable future. The academic partner level is open to any university, college, or graduate school, most likely nursing schools, medical schools, and schools of public health. When an institution invests in Practice Greenhealth, we are nurturing the leaders of tomorrow

For more information, please email join@practicegreenhealth.org
Questions and Answers

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