

Supplier Partner News

▶ January 2025



NL Health
Services

Year in Review: 2024

Global supply chains saw another busy and unpredictable year in 2024, and our own Provincial Health Supply Chain team at NL Health Services felt the impacts. It was also a year filled with achievements, growth, continuous improvement opportunities, successes and shared challenges. We celebrated several accomplishments such as the opening of a new hospital, several clinics, two new distribution centres, developing a supply chain resiliency program, advancing environmental sustainability, and so much more.

The below table highlights metrics from some of our work in 2024:

Metric	Qty
# of Purchase Orders (PO) issued	126,909
# of PO Line Items	412,532
# of contracts executed	471
# of contracts initiated by Health Org.	984
# of HealthPRO commitments	1,246
# of inventory turns	9.5
# of product and supplier complaints	321
# of items in main inventories	18,694
# of Open Calls issued	155
# of product recalls processed	3,460
# of Disruptions Monitored	63
# of HealthPRO commitments made in year	346

We are sincerely grateful to our Provincial Health Supply Chain team as well as our suppliers for another successful year and for your efforts toward enabling Provincial Health Supply Chain to continue to be the “backbone of the health system”! There’s much to look forward to in 2025!



Supply Chain Resiliency

Patients depend on healthcare supplies for lifesaving care. Yet natural disasters, pandemics, recalls, site fires, etc. wreak havoc on healthcare suppliers, placing patients' lives and well-being at risk. Here at NL Health Services Supply Chain, we began a supplier mapping project in October 2023 which led us to the Healthcare Industry Resilience Collaborative (HIRC), a non-profit trade association in the USA focused on building a more transparent and resilient supply chain in healthcare. HIRC's shared vision is to lead healthcare to a more transparent and resilient supply chain. Our shared purpose is to increase supply chain resiliency through alignment to standards and best practice, and foster a culture of collaboration to increase partnership, communication and transparency.

As a valued supplier of NL Health Services, here's how you can get involved in creating a more transparent and resilient healthcare supply chain:

Did you know?

NL HEALTH SERVICES is the first non-American healthcare provider to be a HIRC member, and we have committed to fully adopting HIRC

1. Visit hircstrong.com to learn more about HIRC's mission and standards adoption
2. Share your location and business continuity data with Supply Risk Solutions (SRS), a HIRC partner. Visit supplyrisk.com/healthcare
3. Earn the HIRC Transparency and Resiliency Badges
4. Remain committed to a resilient supply chain and patient care
5. Meet with NL Health Services SRM team to review your business continuity information, understand strengths and opportunities, and identify action plan for areas needing improvement

As noted above in point 2, we have partnered with SRS, the only supply resilience solution specialized for healthcare. Hundreds of healthcare providers and suppliers work together on risks using the industry standard established by HIRC and SRS and we encourage your organization to check out their resources and learn more about how you can improve supply chain transparency and resilience in healthcare! **Benefits to suppliers include: recognition for your commitment to transparency; increase in proactive communication with customers; collaboration with customers; staying in control of your information; and a focus on critical products and services.**

“Sharing of resiliency information has only led to better outcomes for the provider, for us as the supplier, and ultimately and most importantly, our patients.”

—Alan Mavis, National Accounts, Sr. Director, Baxter Healthcare

Product Backorders

Product availability is a concern amongst most North American healthcare providers and hospital systems. From medications and personal protective equipment (PPE) to medical devices, healthcare facilities are struggling to obtain essential products needed to properly treat patients. Products are essential to patient care and well-being and without them we face difficult decisions to postpone procedures impacting patients lives. Here at NL Health Services, our number of product backorders, allocations and recalls increased by five times in 2024.

What have we done to mitigate risk?

Provincial Health Supply Chain has introduced various updates to its internal processes to help manage backorder concerns, including but not limited to: daily backorder reporting; enhanced substitution process; committee participation with other national partners and multi-stakeholder groups; implementation of a supplier mapping and risk management program; and coordination of regular meetings with suppliers who have significant number of backorders.

What are we working towards?

Our team is working on advancements to our demand forecasting so that we can more proactively share forecasts directly with suppliers. We are also working on incorporating backorder metrics into our performance management monitoring, with overall supplier scoring being utilized in sourcing decision-making.

What we ask of our suppliers?

First and foremost, we ask that our supplier community communicate any product disruption or potential disruption to our Buyers, Inventory Managers and Leadership teams. Information regarding delivery dates, potential product substitution options and confirmation of purchase orders are extremely helpful to our team in managing stock. Up-front and clear communication is a key factor in helping us mitigate stock-outs and the risk of delay or cancellation to patient care. Similarly, when a product disruption has ended and availability has normalized we ask that our suppliers let us know so we can return to ordering the original product and cease using substitutions.

NL Health Services Environmental Sustainability

NL Health Services has taken further action to help reduce its environmental impact under its environmental sustainability strategy. Newfoundland and Labrador is the first province in Canada to discontinue the purchase of desflurane, an anesthetic agent

Did you know?

NL Health Services is developing an environmental sustainability strategy. The strategy development is in alignment with Health Accord NL's call to address the climate emergency, and is an objective in the [2024-26 NL Health Services Strategic Plan](#) to develop an organizational environmental sustainability strategy to protect the environment and mitigate potential organizational risk. Stay tuned for more details this spring!

that has been used in operating rooms internationally for decades.

“This decision reflects NL Health Services’ commitment to making wise environmental choices in health care that can benefit both patients and the environment,” said Dr. Greg Manning, anesthesiologist and senior medical director at NL Health Services. “The environmental harm caused by desflurane outweighs any benefit to continuing the use of this agent, and the clinically similar alternatives continue to be safe and effective.”

The commitment to discontinue the use of this anesthetic agent is in line with the **Canadian Anesthesiologists’ Society** (CAS)’s recent recommendation not to use desflurane when alternative anesthetic drugs and techniques are equally effective and less harmful to the environment.

While desflurane has been used as an anesthetic internationally for decades, in recent years, it has been shown to leave a much greater carbon footprint than alternative agents that are just as clinically effective. The discontinuation of desflurane was made following consultations with **Choosing Wisely Canada, Choosing Wisely NL, the provincial committee for the Canadian Association of Physicians for the Environment (CAPE-NL)** and Clinical Chiefs of Anesthesiology within NL Health Services.

In alignment with the Health Accord recommendations on climate change, NL Health Services is building an Environmental Sustainability Strategy to reduce the environmental footprint of the health-care system and become a leader in Canadian health-care organization in climate culture and environmental stewardship. Developing an Environmental Sustainability Strategy is also an indicator in NL Health Services 2024-26 Strategic Plan.

New Acute Mental Health and Addictions Facility

NL Health Services is excited to announce that the Waterford Hospital will be relocating to its new state-of-the-art facility, the New Acute Mental Health and Addictions Facility, located on Prince Phillip Drive (connected to the Health Sciences Centre). This move will take place in early Spring 2025. NL Health Services and its partners have created this new facility that provides a holistic and welcoming environment towards recovery and provides the highest quality of care to our patients. As one of our valued partners, we want to keep you informed and assure you that we are working diligently to ensure a smooth transition. Updates on receiving and deliveries will be communicated as we get closer to the opening date. We appreciate your patience and cooperation as we make this exciting move to our new hospital!



Photo credit: Darrell Roberts/CBC