

Purchasing Formula

PSSST...IT'S NOT AS BAD AS YOU THINK!



- NO CONFLICT OF INTEREST TO DISCLOSE
- NO COMMERCIAL INTEREST TO DISCLOSE
- NO FINANCIAL RELATIONSHIPS TO DISCLOSE

THIS ACTIVITY IS JOINTLY PROVIDED BY HANNIBAL REGIONAL HEALTHCARE SYSTEM – DEPARTMENT OF ORGANIZATIONAL LEARNING, MISSOURI DEPARTMENT OF HEALTH AND SENIOR SERVICES AND THE MISSOURI BREAST FEEDING COALITION.

Team Work

Team players involved in this process:

- Administration
- Central Supply
- Purchasing
- NICU



Helpful first steps...

- Evaluate your current annual usage
- Move formula to pyxis (individually)
- Generate monthly reports (formula and pacifiers usage)
- Consider “Maternal Consent for Formula”
- Develop relationship with Purchasing Department and Central Supply personnel



Formula in Pyxis – well baby



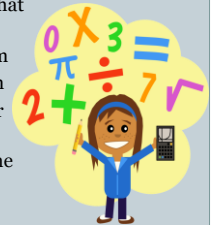
NICU formula – very minimal



Calculation of Formula/Nipples/Bottles

Each facility must determine their own fair market prices

- Identify 5 commonly used OB items that can be purchased at a retail store
- Research the facility cost for each item
- Research the retail price for each item
- Calculate average % of retail that your facility pays for these items
- You will apply that same average to the retail price of formula, nipples, etc.
- These steps were completed by our Purchasing Department



Research formula products and prices in your community



- Costco - Sam's Club - Walmart
- Consider a different formula than you are currently using
- Must compare "apples to apples" (ready-to-serve bottles)
- Determine cost/bottle based on your facilities % of retail that you pay
- Select the product your facility will use

Working with Formula Vendor

- Schedule meeting with formula rep (include director of purchasing, well-baby and NICU personnel)
- Our vendor had worked with another Baby-Friendly hospital so familiar with requirements
- Determine products required for well-baby and NICU
- Determined price for products based on your facilities % of retail that you pay (including NICU)
- Begin paying for products

Ongoing Monitoring

- Request monthly usage reports from pyxis usage (formula and pacifiers)
- Monitor charges (ensure cost/item is correct)
- Monitor staff distributing items
- Analyze monthly deliveries, exclusive breastfeeding rates and formula being used
- Utilize data for planning annual budget expenses



Survey Readiness

- Purchasing department representative will have a scheduled time to meet with surveyors
- Proof of purchase and payment of 3 months of formula, pacifiers and nipples
- Narrative of how "fair market price" was calculated