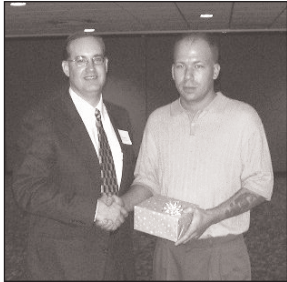




**ALSO  
RECOGNIZED  
AS LINEN  
COORDINATOR  
OF THE YEAR  
WAS RANDY  
HOLVEY OF  
THE GREATER  
HAZLETON  
HEALTH  
ALLIANCE.**

**HOLMES  
PRESENTS  
A GIFT OF  
RECOGNITION  
TO SCOTT  
REMALEY  
OF GOOD  
SHEPHERD  
REHABILITATION  
HOSPITAL.**



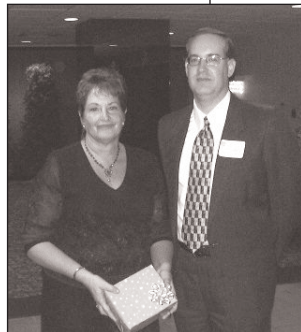
**COORDINATOR** continued from pg. 1

annual meeting. A contribution from HCSC is also made to each of the winner's facilities, in recognition of their ongoing efforts and cooperation with HCSC in maintaining a quality, cost-effective linen program.

Awardees for 2004 include:

- **Liz Veazey**, Clinical Product Coordinator/Contract Administrator, WellSpan Health System, York & Gettysburg, PA;
- **Mechelle Hopkins**, Manager of Patient Care Services/Finance, Community Medical Center, Toms River, NJ;
- **Scott Remaley**, Linen Coordinator, Good Shepherd Rehabilitation Hospital, Allentown, PA;
- **Randy Holvey**, Director of Environmental Services, Greater Hazleton Health Alliance, Hazleton, PA.

For more information on this program, contact Ted Halkias, Director, Account Retention & Auxiliary Programs, at 800-444-4272, ext. 2217, or thalkias@hsc.org.♦♦



**ACCEPTING THE AWARD FOR  
CMC TOMS RIVER (NJ) WAS  
MECHELLE HOPKINS.**

**BUDGET** continued from pg. 3

**any items gone from reusable to disposable or vice versa?**

- Again, keeping good records and notes throughout the year will definitely help to remember any new item, or item changes.

4. **Lastly, don't try to be a hero. It makes no sense to reduce your budget proposal just to show Administration that you are trying to cut cost. You are better off sending in an honest budget, and be a hero in the end when you actually do reduce cost, and show a negative variance on your monthly reconciliation.**

Now, if you have put your budget through, should you just sit there, and hope that the actual expense comes close to what you budgeted? If you answered yes, good luck. If you are a good manager, the time is now to start working on the cost containment. In most cases you are not the end user of the products that you are budgetarily

responsible for. A Linen Committee is the first thing that should be started. It will take a team to achieve linen cost reductions. Linen Awareness Days are another effective way to help reduce linen usage by educating staff on proper utilization.

Working on budgets is not just that one-time-a-year event that has to get done; it's something that must be worked on throughout the year to prepare yourself for the next year. Additionally, a goal should be added to your budget. This goal should include working with the budget throughout the year to ensure that you stay within your budgeted amount, and becoming that hero in the end.

For more information, contact your HCSC Account Representative. ♦♦

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## **HCSC Announces Closing of Scranton Laundry Plant**

In November 2004, HCSC officials announced plans to cease operations at the Laundry plant in Scranton, PA.

"HCSC purchased the Scranton facility in 1998," explains Joe Liparulo, Vice President, Operations/Engineering. "Unfortunately, financial implications of updating the plant and its equipment forced us evaluate the feasibility of keeping this plant in operation. Ultimately, it was decided that it was in the best interests of the organization to cease operations at the Scranton location."

The plant officially closed in mid-February 2005, and all accounts serviced out of the Scranton facility were transferred to other plants within the HCSC system. HCSC presently operates six (6) Laundry plants in Allentown, Kingston and Pittsburgh, PA; Camden and Asbury Park, NJ; and Baltimore, MD.

For more information, contact Liparulo at 800-444-4272, ext. 2278, or liparulo@hsc.org. ♦♦

January 2005

Dear HCSC:

Thank you very much for Hospital Central Services' gift of \$250 to Good Shepherd in honor of Scott Remaley who was recently recognized as "Linen Coordinator of the Year." A gift such as this not only does good work, but is also a wonderful way to acknowledge Scott's outstanding achievements.

Good Shepherd serves people with disabilities who look to us for help and hope and healing. Often times there are no reimbursement or funding to pay for their needs, your gift helps fill that gap. For all you have done and this gift will do, please accept our sincere appreciation.

Our mission continues to focus on serving people with disabilities, and with the help of gracious friends such as you, Good Shepherd will remain strong and successfully meet the challenges of the future.

Sincerely,

Sally Gammon, President & CEO  
Good Shepherd Rehabilitation Hospital,  
Allentown, PA

**EXPENSES** continued from pg. 1

broken snap, and you throw it back into the soiled linen hamper. This item should be rejected and returned for a credit. Even if this happens once a day, this would equal over \$150 a year.

Maybe an employee is wearing a gown, patient robe or worse yet a barrier gown to keep warm. If they do this every day, it would cost the facility from \$100 to \$300 a year.

Every time a bed sheet is used as a draw sheet costs the facility

approximately \$0.15. Even this adds up to \$55 a year if it is done once a day, and we know it happens much more than that.

We all know how often underpads are used for ambulatory patients. If just 10 underpads were used like this per day, it would cost the facility, over \$1600.

If a patient uses a second thermal blanket rather than a bath blanket when they require extra warmth, this increases the budget

by \$150 a year if this happens just once a day.

These small, seemingly insignificant misuses of linen total over \$2,000 annually. However, we know that these problems, and countless others, occur many more times than once a day. Your actual savings would be much higher.

Therefore, there is no reason to wait' start today with your own small steps toward linen cost containment! ♦♦

## HCSC LAUNDRY BULLETIN

is a publication of Hospital Central Services Cooperative, Inc. • J. Michael Lee, President-CEO

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HCSC LAUNDRY



# HCSC LAUNDRY BULLETIN

## Linen Management Cost Savings Goes Beyond Patient Care

Linen is a commodity used in millions of healthcare facilities around the world. It is pivotal to patient care in virtually every area of a healthcare facility or procedure someone may be having done, whether it is a trip to the emergency room, an organ transplant, or just a simple outpatient procedure. That said, patients - and even the caregivers themselves - do not necessarily know where their linen comes from, let alone how it is processed and made available to them. Linen is often taken for granted, with a lot of people thinking that there is an endless supply and that the cost involved is negligible.

Certainly, those that manage and work with the linen supply chain in

healthcare facilities know differently. In today's economic climate, linen cost is scrutinized like any other commodity being supplied and utilized by healthcare agencies. That is why administrators, managers, and even individual caregivers are always looking for ways to either improve or maintain a high level of patient care while possibly reducing the amount of linen used in the process.

HCSC has been very proactive over the years in working with accounts to increase linen awareness with staff, while also providing excellent tools that can be used on the cost management end. Linen Awareness Days are a big part of it, along with monthly LURs (Linen Usage Reports) to

See **SAVINGS** pg. 2

## Installation Held At Deborah Heart & Lung Center (NJ)



HCSC-LAUNDRY RECENTLY HELD AN INSTALLATION AT DEBORAH HEART & LUNG CENTER, BROWNS MILLS, NJ. PICTURED (LEFT TO RIGHT) ARE CLIFF ADAMS, DAVE LAMBERTSON, JASON MUELLER, HCSC'S BOB REIFSNYDER, AND JAMES E. BROWN.

## Taking Small Steps in Linen Cost Containment

Every linen manager has heard it before, "We need to cut down on the linen budget!" Then the panic sets in. You think, "We're already doing everything we can. We do weekly inventories, we have a linen committee, and we cut down on our underpad usage. What else can we do?" The following is a sample of how the small things add up...

You have a TIV gown, which has a

See **EXPENSES** pg. 6



LEHIGH VALLEY HOSPITAL'S CHRIS HOLMES, CHAIRMAN OF THE LINEN COORDINATORS & STANDARDIZATION COMMITTEE, CONGRATULATES AWARDEE LIZ VEAZEY, CLINICAL PRODUCTS COORDINATOR, WELLSPAN HEALTH SYSTEM (PA).

## Linen Coordinators of the Year Named for 2004

At December's annual meeting, HCSC recently announced the Linen Coordinators of the Year for 2004.

This award program was developed by HCSC to recognize hospital representatives who help encourage and promote continuing linen cost management efforts on the part of our member hospitals. Each year's recipients are presented with a certificate of recognition and a prize at the

See **COORDINATOR** pg. 5



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management, etc. These are designed to make the care-giving staff aware of the aspects of their linen program and how they can impact it. LURs give the linen manager a capsule of their total linen usage and item usage per patient day, obviously, the goals there being to still provide excellent patient care while reducing the usage per patient day on any/all linen items possible.

Those are great goals that everyone should be striving for, but there are other aspects to a linen program that are often overlooked. Once linen usage policies are in place and adhered to by the caregivers, there is a point where there may be no new cost savings to be derived. That is why it is paramount to monitor how linen may be used in a facility outside the theatre of patient care. There are times when linen is used for things that have nothing to do with patient care. This is linen abuse.

It is good to monitor environmental services, dietary, and facilities management to insure that they are not

improperly taking and using patient linen for their daily activities. Linen costs are inflated and inaccurately measured when linen is misused. Oftentimes, the linen used by such departments can cause an artificial shortage in the facility and the total circulating inventory, let alone ruin the linen. This greatly increases the amount of replacements to be injected and subsequently, the cost.

towels are misused and abused like bath towels and washcloths. Bed sheets are sometimes used as drop cloths and to cover equipment. Bath blankets are misused when stripping floors as drop cloths, and used to absorb spills or small floods. Underpads can be found on environmental carts under buckets. They also are put under leaking pieces of machinery, or even an office's coffee pot.

This information does not capture all

*The following is a list of departments and what linen items they frequently abuse:*

	<b>Environmental</b>	<b>Dietary</b>	<b>Facilities</b>
Scrubs	X		X
Bath Towels	X	X	X
Wash Cloths	X	X	X
Surgical Towels	X	X	X
Bed Sheets			X
Bath Blankets	X		X
Underpads	X	X	X

Employees sometimes wear scrubs as uniforms without authorization. When this occurs, the scrubs are often lost as well. Bath towels and washcloths are utilized instead of rags or disposable wipes. Similarly, surgical

of the ways linen is abused or misused by facilities and their employees, but they are good places to start checking. If a facility is going through some type of construction or renovation, it is even more important to tour that area and insure patient linen is not being misused and abused.

Certainly, not every facility has departments abusing linen, but even if one employee in each department misuses or abuses a few pieces of linen a day, it can increase the cost to the linen program by thousands of dollars in a year's time. So, while it is great to work with the staff ordering and handling linen for a facility and work with utilization policies and procedures with the caregivers, managing a linen program does not end there. It is important to manage and curtail people using patient linen that should not be. ♦♦

## ***HCSC Featured in National Publications***

HCSC-Laundry was featured recently in two national publications, as part of articles related to the outsourcing of healthcare linen services. To view either of these articles, visit the Laundry & Linen Services link at HCSC's web site, [www.hcsc.org](http://www.hcsc.org)!

### **Customized Laundry Solutions**

Healthcare Purchasing News December 2004

Article includes statements from Bill Moyer (HCSC), Christopher Holmes (Lehigh Valley Hospital and Health Network) and Liz Veazey (WellSpan Health System)

### **Blanket Statement**

Materials Management in Healthcare September 2004

Article includes statements from Ted Halkias (HCSC) and Christopher Holmes (Lehigh Valley Hospital and Health Network)

## *Installation Held At Kennedy Health System (NJ)*

Last fall, HCSC completed the installation of the Kennedy Health System, a 614-bed system which consists of three hospitals located in Stratford, Cherry Hill, and Washington Township, NJ.

On-site management of the linen program is being provided by Sodexo, and the formation of a Linen Committee with representatives from all three hospitals is already in process.

HCSC and Sodexo look forward to working together to attain the goal set by the hospital administration, to provide their patients and staff with a high-quality, cost-effective linen program!



**PICTURED (LEFT TO RIGHT) ARE FRED WEISS, GENERAL MANAGER, FOOD & NUTRITION SERVICES AND LINEN SERVICES, SODEXO; DAVID BURCH, LINEN SERVICES MANAGER, SODEXO; JOHN BINGENHEIMER, ASSISTANT VICE PRESIDENT, HOSPITAL SERVICES, KENNEDY HEALTH SYSTEM; AND STEVE YURASITS, DISTRICT MANAGER, SODEXO.**

## **Outpatient Centers: A Vexing Issue**

Generally speaking, outpatient centers (OPCs) either receive linen from an affiliate's linen room, or they receive linen services directly from the laundry. Either way, servicing such facilities presents challenges. Beside truck limitations and access, these sites often present other obstacles, such as narrow hallways and regular passage doorways that make maneuvering a linen cart very difficult. Combine this with the added cost of vehicles, fuel consumption, driver wages, separate delivery carts, and separate billing procedures, and you start to realize the concern over an OPC soliciting linen service.

The reality is... this is healthcare as we know it today. OPC's are here to stay, and have actually been on a steady increase. Very often, healthcare institutions are expanding their services outside their immediate geographic boundaries to entice patients into their systems, whether to retain or expand their market share as a health-care provider.

Physician practices within hospitals are also on the rise, and in-house hospital ancillary activity has increased dramatically over the past few years. Prior to this trend, linen consumption in ancillary areas used to be approximately 30% of the hospital's complete linen order. With today's expanded ancillary activity and an increase in same-day surgeries, ancillary linen use now accounts for approximately 60% of the total linen consumed (Monday through Friday) at many facilities.

While much emphasis should remain focused on how linen is utilized at inpatient areas of the hospital, we must also shift some of that attention onto how linen is consumed in the ancillary and/or outpatient areas as well.

Over the past three years, the HCSC Service Teams have performed what has come to be known as "Inventory Blitz's" of

## *Tips For Planning Your Linen Budget*

We're sure that many of you are either getting ready, or have just completed working on your linen budget. Working on budgets is probably one of the most stressful tasks in being a manager, but it doesn't have to be if you keep good records throughout the current fiscal year.

Basing your new budget solely on the total dollars spent over the previous six months, or even past twelve months may be setting yourself up for a variance that needs to be explained every month for the entire next budget year. The "Contracted Services" or "Linen Services" line item obviously carries the highest expense on your linen budget.

Here are a couple of tips to keep in mind as you're working on this line item:

### **1. Locate your HCSC Linen contract.**

- Is there a pricing change that will occur during the next fiscal year?
- If an increase is due, budget for the maximum; pro-rate the price change dependent on when it is to occur during the new fiscal year.

*For example, if the increase is to occur after the 6th month of the fiscal year, you need to adjust the increase to 50% of potential maximum.*

$$\begin{aligned} 6/12\text{th of a year} &= 50\% \\ \text{Proposed increase } \% \times .50 &= \\ \text{Adjusted increase} \end{aligned}$$

### **2. Have any new departments opened in the past fiscal year that now receive linen? Are there any new departments planned to open in the next fiscal year that will receive linen? Did the hospital's activity levels change, whether inpatient or outpatient?**

- It is very important that the linen department keep accurate usage records for all linen users in the hospital, especially new areas. If you are not sure about any new areas that have opened in the past year, do yourself a favor and ask the linen staff. They do know what's going on.

### **3. Have any new reusable linen items been introduced? Have**

OPC's. These exercises have been very beneficial in locating some of our biggest challenges with regards to the customer's responsibility to manage rental linen products properly. What every customer needs to understand is that any rental item must return to the provider in a timely manner. Whether it is the rental of a movie or a sheet, your rental company cannot stay in business if its rental items are not returned **in an acceptable time frame.**

Many outpatient centers are simply overstocked with linen - in some cases, they have a supply in excess of six months on hand. *This is linen taken out of our circulating inventory. When this happens, that 40-cent rental sheet ends up costing the laundry more than ten times the rental price because this item is no longer in the circulating inventory, and the laundry must purchase a new sheet to replace the sheet that is not cycling back to the plant.*

Multiply this scenario by the thousands of linen items that simply do not circulate properly in ancillary areas and outpatient centers, and you can imagine the total cost implications.

At this year's annual Linen Coordinators Meeting, held in the Poconos, hospital coordinators saw photos of an OPC that received linen from a hospital linen room. The photos showed an average of 80-100 pediatric gowns in each of the 21 exam rooms. Meanwhile, office visits at this facility averaged only five (5) patients per exam room, per day.

HCSC recently discontinued service to an OPC that received four (4) carts of linen weekly. This facility actually redistributed HCSC linen products to eight (8) additional sites within a 25-mile radius. During the de-installation process, HCSC staff recovered 31 full bulk carts of linen from all of these sites. To realize that this one site, receiving only four (4) carts of linen per week, ended up with a full tractor-trailer load of inventory is alarming.

One may think that such instances are more the exception than the norm. HCSC, however, has learned that in reality it is the OPCs and ancillary areas practicing good inventory control measures that are the exception.

Just as our member hospitals are responsible for maintaining proper inventory control practices, these OPCs and ancillary areas must be responsible to do the same. This problem will not be solved overnight, but with the help and cooperation from affiliates and HCSC, this business relationship can certainly improve.

One proven way to combat some of these inventory control concerns is by limiting the linen menu to these areas. For example:

Acceptable	Not Acceptable
● Laundry Bags (disp)	● Reusable Washcloths
● Bath Blankets	● PJ Pants
● Pillowcases	● Adult Robes
● Bed Sheets	● Thermal Blankets
● Draw Sheets	● Bassinet Blankets
● Bath Towels	● Pediatric Items
● Patient Gowns	
● Disp Washcloths	

After linen items have been selected, it is imperative that par levels are established. Once par levels have been determined, someone in each area or facility must be held responsible for maintaining proper inventory control measures. An example of what HCSC believes is an adequate supply of linen for these types of areas is illustrated below. Depending on visits per treatment room, levels may naturally vary.

- Set up specific treatment room par levels based on **actual usage** (not just filling a drawer or shelf with linen to the "max")
- OPC treatment room inventory levels should never contain more than a **3-5 day supply** of linen items (will change based on delivery frequency)
- Without exception, **someone at the OPC must be responsible** for controlling linen inventories

The most important thing to understand is that **these rented linen items must circulate at least every seven to ten**

**Common acceptable room quantities are as follows:**

- Patient Gowns (5-8)
- Bath Towels (3-5)
- Pillowcases (5)
- Sheets or Draws (3-5)

**(7-10) days** for this business relationship to work.

Over the next year, HCSC anticipates a trial with one of our Laundry plants, to work with a few customers on a delayed even-exchange program for OPCs. This process will be explained further in future issues of the *Laundry Bulletin*.

HCSC realizes that ancillary services and outpatient centers are here to stay. The continued growth of these services will certainly be challenging, but with understanding and cooperation, we can work together with our customers to meet the demands of this healthcare evolution. ♦♦

## Business News

### NEW ACCOUNTS

Somerset Medical Center  
*Somerville, NJ*

Deborah Heart & Lung Center  
*Browns Mills, NJ*

HealthSouth-Special Hospital of Union  
*Union, NJ*

HealthSouth-Specialty Hospital of Kimball  
*Lakewood, NJ*

### RENEWALS

Newton Memorial Hospital  
*Newton, NJ*

Inglis House  
*Philadelphia, PA*

Heritage Towers Health Center  
Heritage Towers Apartments  
*Doylestown, PA*

### Bon Secours Health System:

Good Samaritan Hospital  
*Suffern, NY*

Bon Secours Community Hospital  
*Port Jervis, NY*

St. Anthony Community Hospital  
*Warwick, NY*

Mt. Alverno  
*Warwick, NY*

Schevier Pavillion  
*Warwick, NY*