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National Report of Healthcare Logistics in Finland

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1. Introduction

2. A brief overview of the healthcare system of Finland

2.1 Health policy and legislative framework

There are two kind of healthcare organization in Finland, public and private. Municipality and consortiums are organizing the public healthcare. They may organize the services themselves or with in cooperation with another municipality. They may also pay for the services from private sector, from companies or registered organizations.

All public services are financed with taxes and through client payments.

Healthcare is guided by legislation, contributions of national system (valtionosuusjärjestelmä), guidelines, instructions and supervision. The Ministry of Social Affairs and Health with all its departments is taking care of the guiding. The departments include the National Institute of Health and Welfare (www.thl.fi), Finnish Medicines Agency Fimea, Radiation and Nuclear Safety Authority (www.stuk), Finnish Institute of Occupational Health (www.ttl.fi) and National Supervisory Authority for Welfare and Health (www.valvira.fi).

Hospital districts organize specialized medical care. Some specialized medical care services are organized on the basis of special responsibility areas of university hospitals.

2.2 Organisational structure and delivery of services

2.2.1 Governmental healthcare system

Ministry of Social Affairs and Health prepares legislation and guides and their implementation, directs the development of social welfare and health care services, and social welfare and health care policy. It also defines social welfare and health care policy, prepares key reforms and guides their implementation and coordination and is responsible for links with political decision-making

2.2.2 Regional healthcare system

National Institute for Health and Welfare, Finnish Medicines Agency Fimea, STUK - Radiation and Nuclear Safety Authority and Finnish Institute of Occupational Health oversee development and research.

Regional State Administrative Agencies are guiding and monitoring municipal and private social and welfare. The ability and quality of basic services within Health care services are continually evaluated. National Supervisory Authority for Welfare and Health Valvira guiding, the monitoring and managing of admiration licenses for social and welfare and health sector. It's also dealing with alcohol administration and environmental health and protection.

2.2.3 Municipal healthcare system

Municipalities are responsible for organizing social welfare and health care. They can provide basic social welfare and health care services alone or form joint municipal authorities with other municipalities. Municipalities may also purchase social welfare and health care services from other municipalities, organizations or private service providers.

2.2.4 Private healthcare system

Private healthcare is working alongside public healthcare. All legislation is the same. Client may choose the way he/she wants to be taken care of. Municipal healthcare may buy some services from private health care organizations.

2.1.5 Occupational healthcare system

Finnish Institute of Occupational Health (FIOH) helps companies to succeed by developing work, work communities and the work environment. Their extensive work life expertise is based on their personnel's high level of education, decades of experience, multidisciplinary research and continuous communication with workplaces. They also bring their best practices without delay to clients in both trainings and service activities. The most important focal areas are work ability and working career, digitalization, small and medium-sized enterprises and growth and transforming occupational health services. FIOH is also supporting in the prevention of work-related illnesses, management of risks in the physical work environment, recognizing of new risks in the work environment, effective solutions for occupational safety and healthy work spaces.

2.3 Future of healthcare system

At the moment the municipalities are responsible for organizing health and social services. This responsibility will be transferred to 18 new counties in connection with the health and social services reform. The objective is that everyone will have equal opportunities to get the adequate health and social services required by law. The county will safeguard that services are equally available to all people.

- Legislative proposals under consideration in Parliament will be amended in accordance with the statement issued by the Constitutional Law Committee on 29 June 2017. The Government will issue a new government proposal in March 2018.

- The intention is that the reform will take force on 1 January 2020. The health and social services will be reformed gradually – not everything changes at once.
- Health and social services will be integrated into well-functioning packages. Waiting times will be shorter than before because services and care pathways are smoother. People will have faster access to doctors and other services.
- Their client information will be transferred efficiently between services.
- People will still get local services where they live.

In future clients will have a wider range of health and social services from which to choose. The intention is that publicly funded health and social services will be provided by public, private and third-sector operators.

In practice clients could sign up with the health and social services center and dental clinic of their choice. The treatment facility for specialized medical care can be chosen in the same way as at present. In addition, the client can choose an unincorporated county enterprise and its unit.

Some clients need more health and social services than others. In those cases, a unit of the unincorporated county enterprise (for example social services clinic, hospital or unit offering services for persons with disabilities) will assess the client's need for services. The client can get the services directly from a unit of the unincorporated county enterprise. Alternatively, the client can be granted a health and social services voucher or a personal budget for getting the services they need. A legislative proposal on this will be completed in the beginning of 2018.

There will be occupational healthcare services paid for by employers even in future. Most people of working age use these services. Similarly, clients could still get private health and social services at their own expense, for example, using a private health insurance. Costs for health services outside the scope of freedom of choice will not be eligible for National health insurance reimbursement after a transition period.

The right to seek emergency treatment will remain as it is, regardless of the person's home municipality or place of residence. In emergencies people can call 112 or go to the nearest emergency services. The division of responsibilities between hospitals will be reformed. In future, highly specialized treatment will be given in hospitals with extensive emergency care services. This will safeguard a high level of skills and quality in the services.

(Ministry of Social Affairs and Health 2017)

3. Healthcare logistics

3.1 Inbound healthcare logistics

Purchase department will get proposition to order needed goods, when warehouse inventory goes below predefined amount. The Purchaser will make a decision whether he/she should place an order and what is the purchasing cycle. The Purchasing cycle is based on consumption forecast and consumption for past 12 months. Delivery times variate from few days to several weeks. Supplier's warehouses are located all over the world. When suppliers ship their orders, warehouse waits it to arrive. After shipment arrives physically to warehouse, it will be inspected and checked before adding to warehouse inventory. When it is on warehouse inventory and shelved, the item is ready for use.

3.2 In-house healthcare logistics

Transport workers deliver shipments from central warehouse to internal clients. In addition, automated guided vehicles are used, and with some internal clients, is an agreement about shelving with central warehouse. Enterprise Resource Planning (ERP system) that supports in-house logistics is very important. In-house logistics and precision are very important, to guarantee that transports happen on schedule. Patient transfers are not part of the in-house logistics.

3.3 External healthcare logistics

External clients do orders via online shop. If external clients have onsite shelving service, they rarely have to do the orders by themselves.

Central warehouse uses transport companies they can rely on, when delivering to external clients. Transport contracts are done with few companies, and collection and delivery are ordered, when needed. As a return from external clients will come pharmaceutical waste and empty trolleys for example. If clients receive shipments with incorrect goods, they are usually sent back to central warehouse, when it is next normal delivery date. If urgent shipments, they are handled separately, and with its own schedule.

3.4 Example on healthcare logistics in a public sector organisation

As an example of public sector, is used Päijät-Hämeen hyvinvointikuntayhtymä (later as PHHYKY). PHHYKY is owned by 12 municipalities and serves more than 200 000 people. Since PHHYKY is taking care of public sector healthcare logistics, it also handles the returns from external clients.

When shipments arrive to central warehouse, warehouse staff will check the shipments and if everything is as ordered shipment will be added to warehouse inventory. PHHYKY has both internal and external clients. Internal clients are different wards in hospital, for example food and medicines transports. In both cases, schedule is very important and absolute trust is vital. Transport department or warehouse staff handle internal shipments. External clients are clients who are part of PHHYKY, but physically outside of the hospital. External clients place an order via online shop, after it will be collected from the central warehouse for delivery. Returns from external clients are normally empty trolleys and pharmaceutical waste, such as used needles.

PHHYKY has its own purchase department, who will place orders for products with low quantity in warehouse. They also have their own transport department for internal transports. Few transport companies handle transport for external clients. Though the central warehouse inside the hospital is old, and not originally meant as a warehouse, it is well organized, and they have managed to make their work more efficient.

3.5 Example of healthcare logistics in a private sector organisation

Attendo is one of the private healthcare organizations for elderly clients. Clients hire the apartment and pay for nursing and other services. Equipment for basic needs is free of charge, except incontinence pads and some equipment of diseases they have (DM). All other equipment needed for nursing they need to buy. For incontinence pads and DM equipment delivery clients' needs doctors or nurses' certificate. Physical equipment they may get free from Lahti HC system, but it's recommended to buy those themselves. Nurses knowledge of diseases and symptoms that may need special equipment and the criteria of social benefits. Nurses needs to know the factories where to buy all things and be aware of the contracts of working organization. Nurses and doctors must have knowledge of responsibility areas of certificates.

The manager of nursing home and elderly care health Centre is ordering a.a to nursing home (all managers of nursing homes make their own orders)

Producers of different HC equipment delivers the goods to nursing home once a week or as need. Practical nurses take care of the storage.

Incontinence pads and equipment for DM comes free of charge from free distribution of Lahti healthcare system, practical nurse is shelving to different places the delivery. Conclusion; there is a need for one employer to do the whole circle of HC logistics.

3.6 Future of Healthcare logistics

All equipment will be ordered from the same on-line-shop. The warehouse is updated after every order. There might be need for robots, which informs the need to delivery, shelter in warehouses and fills the automats of nursing equipments.

The need of main warehouse is still. Social and healthcare units needs humans to make the operation sets and sent those to orders.



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