

Novation: Supporting Safer Products in Health Care



Novation is committed to helping hospitals create an environment free from hazards posed by chemicals that are harmful to humans, animals, and the environment. Chemicals management is a considerable undertaking for the health care industry, largely because of the volume of hazardous and potentially harmful chemicals used daily as part of standard hospital procedures. These include cleaners, disinfectants, and latex and phthalates in medical devices, among many others. Novation's approach to effecting positive environmental change within health care is multifaceted:

- Educate member organizations on environmentally preferable purchasing (EPP) and promote EPP decisions,

- Encourage more environmentally preferable practices by suppliers,
- Require suppliers to report on the environmental impacts and benefits of their products,
- Partner with leading advocates for environmental and sustainability changes within health care,
- Continue to implement internal environmental and sustainability practices, and
- Support public policy initiatives to advance safer chemicals.

Novation has adopted a chemicals policy statement to identify and address hazardous chemicals contained in contracted products and to support the market

for safer alternatives. The chemicals policy statement incorporates the Principles for Safer Chemicals developed by the BizNGO Working Group:

- **Know and disclose product chemistry.** Manufacturers will identify substances associated with and used in a product across its lifecycle and will increase

Novation Highlights

Novation is the leading health care supply contracting company for the more than 65,000 members of VHA Inc. and UHC, two national health care alliances, and Provista, LLC. Novation provides alliance members sourcing services, as well as information and data services.

- More than \$40 billion in annual purchases in 2011
- Develops and manages competitive contracts with more than 600 suppliers
- 40 percent of the staffed beds in the United States
- 45 percent of the nation's admissions
- 47 percent of the nation's total surgeries
- Based in Irving, Texas
- Ethics Inside® Certification from the Ethisphere Institute
- Listed among World's Most Ethical Companies 2012
- Practice Greenhealth Champion for Change, 2004–2011
- Green Supply Chain Award, *Supply and Demand Chain Executive* magazine, 2010, 2011
- Founded in 1998

as appropriate the transparency of the chemical constituents in their products, including the public disclosure of chemicals of high concern.

- **Assess and avoid hazards.** Manufacturers will determine the hazard characteristics of chemical constituents and formulations in their products, use chemicals with inherently low hazard potential, prioritize chemicals of high concern for elimination, minimize exposure when hazards cannot be prevented, and redesign products and processes to avoid the use and/or generation of hazardous chemicals. Buyers will work with their suppliers to achieve this principle.
- **Commitment to continuous improvement.** Manufacturers shall establish corporate governance structures, policies, and practices that create a framework for the regular review of product and process chemistry. Buyers shall promote the use of chemicals, processes, and products with inherently lower hazard potential.
- **Support public policies and industry standards.** Manufacturers and buyers shall support public policies and industry standards that advance the implementation of the above three principles, assure that comprehensive hazard data are available for chemicals on the market, take action to eliminate or reduce known hazards, and promote a greener economy, including support for green chemistry research and education.

Environmentally Preferable Purchasing (EPP) and Member Education

Novation incorporates an environmentally preferable purchasing program throughout the fabric of its contracting process, using a rigorous Request for Proposal (RFP) inquiry that attempts to bring to light chemical content, manufacturing processes, and packaging efficiencies.



Novation encourages its awarded suppliers to adopt practices and policies that meet third-party and industry standards on environmental stewardship. As a Business Member of Practice Greenhealth, Novation, along with four other Group Purchasing Organizations—Amerinet, HealthTrust Purchasing Group, MedAssets, and Premier—endorsed its Greening the Supply Chain™ Initiative and Standardized Environmental Questions for Medical Products (<http://practicegreenhealth.org/initiatives/greening-supply-chain/standardized-environmental-questions-medical-products>). The Standardized Environmental Questions for Medical Products are a set of supplier questions that cover key areas of concern in packaging, manufacturing, use, and the end-of-life of medical products based on environmental priorities in health care. Among other goals, they aim to reduce the RFP burden on suppliers through a consistent platform and to improve the availability of cost-effective and environmentally preferable products.

In 2008, Novation launched its Environmental Preferred Purchasing Catalog that includes nearly 300 products. This catalog helps members achieve green purchasing objectives in specific func-

tional areas, identifying products that, among other green attributes, are PVC-free, DEHP-free, mercury-free, and latex-free.

In 2009, Novation established an Environmental Advocacy Group (EAG) of 12 leading health care organizations, including Abington Memorial Hospital, Boulder Community Hospital, Providence Health and Services, and Spectrum Health Care, to define and direct its environmental program. In 2010, in a letter signed by Novation's senior vice president for sourcing operations and the EAG co-chairs, Novation invited more than 500 suppliers to incorporate sustainability into their company practices. Suppliers were asked to examine their manufacturing and distribution processes to see where they could implement eight specific sustainable practices (https://www.novationco.com/pressroom/releases/news_100403.asp).

Novation actively educates its members on EPP by developing materials on EPP topics. In December 2011, Novation released its Guidelines for Implementing an Environmentally Preferable Purchasing Policy. Created in collaboration with health care professionals from VHA and UHC hospitals, the Guidelines include sample policy language, a list of materials of concern, environmental impact considerations, environmental RFI/RFP processes, sample certification programs and resources, and common terms and



definitions (<https://www.novationco.com/pressroom/environmental/default.asp>). Novation also has developed “Growing Green,” a web-based instructional resource to help medical facilities start and maintain a sustainability program (https://www.novationco.com/pressroom/apps/growing_green).

Chemicals Policy Reform

Hospitals and health care systems take very seriously their responsibility to patients, staff, and the environment. Novation strives to make available to its members contracts for environmentally preferable products and services with safer chemicals and supports efforts for stringent chemicals management policies above and beyond established laws. A more comprehensive approach is needed, however—one that is beyond the efforts of Group Purchasing Organizations and their members. Stronger federal law is necessary to protect humans, animals, and the environment from exposure to harmful chemicals, reflecting the following principles:

- **All chemicals in commerce need a minimum data set within 5 years.** Chemical manufacturers should be required to provide full information on the health and environmental hazards associated with their chemicals, how they are used, and the ways that the public or workers could be exposed. The U.S. Environmental Protection Agency (EPA) should be required to make such data easily accessible to the public.
- **New chemicals should only come to market after a full safety determination.** To avoid the replacement of known toxic chemicals with unknown, yet potentially equally toxic alternatives, chemical manufacturers



need to provide a full safety data set when bringing new chemicals into commerce.

- **PBTs should be phased out except for critical uses.** Persistent, bioaccumulative, and toxic chemicals (PBTs) are too hazardous to continue using because of the harm they pose to human health and the environment. EPA should be given the authority to immediately phase out the use of the worst chemicals to which people can be exposed and should act upon that authority expeditiously.
- **Expedited action is needed for other chemicals of high concern.** EPA should have the authority to act immediately to reduce our exposure to other toxic chemicals that may cause serious health problems, such as di(2-ethylhexyl) phthalate (DEHP), polybrominated diphenyl ethers (PBDEs), and bisphenol A (BPA).

- **Promote safer alternatives.**

There should be national support for research into green chemistry and engineering, and policies should favor safer chemicals and products over those with known health hazards.

Novation supports chemicals policy reform. Its members spend billions of dollars annually to provide high quality health care. The products they purchase should support the health of their patients and the ecological systems on which we depend.