

# SETTING DONATION STANDARDS FOR SURPLUS

“**M**edical surplus recovery can either be extraordinarily helpful and encouraging ... or it can be, as some people have labeled it, ‘junk for Jesus.’” CHA President and Chief Executive Officer, Sr. Carol Keehan, DC, offered that comment in “Medical Surplus Donation: First Do No Harm,” a 2012 CHA video on the topic of surplus donations to developing countries.



**BRUCE  
COMPTON**

Since then, awareness has increased and spread among Catholic health care leaders that the donations need to be appropriate for the recipient. The result is positive change. Of greatest import is a grassroots effort by the medical surplus recovery organization industry to create standards of practice for their own operations.

CHA is a very interested partner in advancing practices that best bring help and assistance to our brothers and sisters across the Earth. I hope you will stay abreast of developments not only in medical surplus donations, but also in disaster response, medical mission trips and more. Visit CHA’s International Outreach site at [www.chausa.org/international](http://www.chausa.org/international) to access our many resources.

## FIRST, SOME BACKGROUND

Medical surplus recovery organizations are the companies that collect surplus medical equipment from hospitals and health systems and coordinate the logistics for delivering those supplies to health care providers in the developing world. The practice began as a well-intentioned conduit for in-kind philanthropy, and CHA has led an effort to increase its sophistication, reach and impact by combining individual hospitals’ mission donations to add efficiency of scale.

The most effective donors are motivated by improving the health of patients rather than by wanting to dispose of items that have outlived their useful life in a U.S. facility. As best-in-class donors, they have collection protocols that assign

specific staff members to identify items for donation. They also have quality control processes to assure no donated perishable item is expired, and no donated equipment is beyond repair or beyond the recipient’s ability to maintain in the field.

When health organizations wish to give large quantities of equipment and supplies, CHA-commissioned research has demonstrated that using a medical surplus organization as an intermediary is more effective than sending shipments of surplus goods directly to mission hospitals and clinics. The surplus organizations have built up experience in matching donations with recipients who can put them to use.

However, as an industry, medical surplus recovery is young. A CHA report published in 2010 concluded that no industry-wide standards exist, and participants don’t operate with uniform efficiency. Since then, CHA has developed a resource to help health care organizations assess the operational and mission effectiveness of potential medical surplus recovery organization partners. CHA also offers an outline, based on research that uncovered current best practices, that hospitals can follow to tighten their own donation protocols and procedures.

## AN ALLIANCE FORMS

During a mid-July 2012 meeting, about 70 leaders of medical surplus recovery organizations took early steps toward creating a formal network aimed at increasing the efficiency, professionalism and supply chain systems expertise of the sector. They met in Atlanta at a conference sponsored by the Partnership for Quality Medical Donations and funded by a Gerard Health Foundation grant to CHA.

The meeting's goals were to:

- Understand the current status and impact of medical surplus recovery in the United States, globally and in developing countries
- Understand the issues and drivers affecting medical surplus recovery
- Understand the opportunities and strategies to improve outcomes for recipients
- Discuss options for collaboration and partnerships
- Determine readiness to lead or participate
- Identify next steps

Meeting participants formed a steering committee and created the MedSurplus Network, developing guidelines, best practices and an assessment tool for medical surplus recovery organizations. The network also has put together an operating model for ongoing collaboration among medical surplus recovery organizations and health care stakeholders, and it launched a website and social network tools to support ongoing projects and communication.

VisionLink in Boulder, Colo., helps nonprofit organizations meet their mission goals by providing consulting and technology services. The company is providing executive leadership and administrative support to the MedSurplus Alliance, the umbrella group of organizations — including the MedSurplus Network — and individuals working together to improve the quality and increase the quantity of medical product donations to underserved communities.

Lori Warrens is VisionLink's senior director of community solutions. She also is former executive director at the Partnership for Quality Medical Donations, which initially volunteered to work with the medical surplus recovery organizations.



Warrens

Warrens is a driving force for the MedSurplus Alliance's advancement, and she participated in a Q and A to bring us up to date.

#### **Health Progress: How is this work organized?**

**Lori Warrens:** There are three main groups or components of this project:

■ **The MedSurplus Alliance**, whose current participants are the MedSurplus Network and VisionLink, which is providing leadership and

administrative support.

■ **MedSurplus Stakeholder Group**, which will be the driving force behind the work. Currently under development, the stakeholder group will be made up of high-level individuals from the nonprofit, private and public sectors and international organizations. The group will provide thought leadership and influence that drive medical surplus recovery organization performance and accountability to a higher level. The stakeholder group also will oversee an accreditation program.

Proposed members include: the World Health Organization/Pan American Health Organization, CHA and other hospital associations, InterAction, medical product manufacturers, academic and research institutions, logistics and technology companies.

■ **MedSurplus Network**, a formal, incorporated association of medical surplus recovery organizations that is governed by a board of directors and association bylaws. Its goal is to develop and support a learning and practice network dedicated to improving medical surplus recovery standards and outcomes. Current resources and activities include: a website, code of conduct, toolkit, networking and annual conference. Members include: medical surplus recovery organizations, mission trip organizations and other stakeholders.

#### **HP: What are the current projects?**

**Warrens:** The network is exploring and piloting new business models designed to improve donation outcomes and explore opportunities for medical surplus recovery organizations to work on joint projects. Two pilot projects were launched in 2013:

■ **Zambia** — A joint project with Catholic Relief Services and Churches Health Association of Zambia. The project is exploring strategic supply of commonly used consumable products to eliminate stock outages of those products and supplement supply budgets.

■ **Mozambique** — A project with an in-country team of business, nonprofit, academic and health leaders. The goal is to support the development of an occupational health and safety clinic to meet the needs of workers in the extractive, or mining, industries. The clinic will provide fee-based and free services.

## **However, real change in practice and reputation requires implementing a process to document that medical surplus recovery organizations are adhering to a higher standard.**

**HP: Why is this important to Catholic health care organizations? What's in it for them?**

**Warrens:** Health care organizations turn to professional associations and accrediting bodies to provide leadership and guidance that shape their operations and practices. Now, for the first time, there is an association committed to helping health care organizations to be effective stewards of their excess products and product donation programs.

The MedSurplus Alliance programs will help health care organizations develop quality medical product donation programs, identify partners that are committed to meeting shared standards and stay abreast of product donation best practices.

The MedSurplus Alliance also can help to communicate good news about health care organizations' commitment to improving the health of people around the world and minimizing waste.

**You are investigating certification for medical surplus recovery organizations. Why? What could it mean for the issue of broken, unneeded or inappropriate donations?**

**Warrens:** Medical surplus recovery organizations have well-documented histories of poor quality donations, sloppy practices and negative outcomes for recipient nongovernment organizations. The steering committee recognized early in the process of developing the Medical Surplus Recovery Code of Conduct that it needed to take additional steps to professionalize practices and improve outcomes. Creating an association, providing a learning and practice network and hosting education events were recognized as important first steps. However, real change in practice and reputation requires implementing a process to document that medical surplus recovery organizations are adhering to a higher standard.

The impact on broken, unneeded and inappropriate donations is threefold. Building awareness of the problem can sensitize donors, medical surplus recovery organizations and recipients to the harm that inappropriate donations cause and mobilize them to take action to improve practices. Creating voluntary standards is the most common way for an industry to regulate itself and raise the level of practice. It provides a method for identifying professional and high quality organizations. These standards also can provide a framework for regulations that provide additional safeguards to prevent inappropriate donations. Donors benefit by working with nongovernmental organization partners that are committed to quality practices.

**What are some of the pros and cons of certification, for both medical surplus recovery organizations and for health care organizations?**

**Warrens:** My thoughts include these pros:

- Certification provides a clear indication that an organization is committed to quality by undergoing a voluntary evaluation.
- By undergoing regular reviews by an impartial and respected body, certification encourages donor and recipient confidence in medical surplus recovery organizations.
- Certification enhances donor satisfaction with medical surplus recovery organizations and their clients.
- Regular assessment of system effectiveness, efficiency and competence promotes continual improvement for the medical surplus recovery organizations and their clients.
- Certification provides a competitive advantage to medical surplus recovery organizations and creates added value for donors that want to be sure their donations are used appropriately.

Among the cons:

- There are additional operating costs associated with accreditation. They include application fees and site visit expenses. There also may be expenses associated with building capacity to meet the code of conduct expectations.
- The code of conduct and certification create awareness of poor practices — initially, that may have a negative impact on some medical surplus recovery organizations.

**What is the ultimate goal of the network and alliance, and how will it bring help and hope to low-income countries?**

**Warrens:** The MedSurplus Network is a nationwide consortium of medical supply recovery organizations dedicated to increasing quality and impact in recovery, access and utilization of medical supplies and equipment donated to hospitals, clinics, programs and organizations providing health services domestically and internationally.

Health, education and economic development are the building blocks of a strong community. By ensuring that every health facility has the tools it needs to prevent illness and heal the sick, medical surplus recovery organizations and their hospital partners will bring hope and opportunity to low-income communities around the world.

**From your perspective, is the tide turning on current destructive practices?**

**Warrens:** We can learn from the experience of pharmaceutical donations. It took international nongovernmental organizations and the World Health Organization working together to raise awareness of inappropriate pharmaceutical donations, set standards and work to advance quality practices. Today, thanks to that work and the efforts of the Partnership for Quality Medical Donations, strides have been made in eliminating expired and poor quality product donations.

Now, for the first time, there is an organization that is taking ownership in the fight to eliminate inappropriate medical consumable, equipment and device product donations. We are building on the work that improved pharma donations, and we are expanding our strategies to build awareness of the problem and offer practical tools and solutions.

The volume of donations and the range of donors are immense. It will take years to create real change. What we need to do now is determine how to measure impact and set goals to guide our work.

**BRUCE COMPTON** is senior director, international outreach, Catholic Health Association, St. Louis.

# SIGNS OF THE TIMES SIGNS OF HOPE

## A SPECIAL THANK YOU TO THE FRIENDS OF THE ASSEMBLY

The 2014 Catholic Health Assembly was made possible in part by generous support from...

### PLATINUM FRIEND



### GOLD FRIENDS



### SILVER FRIENDS

AMN Healthcare  
athenahealth, Inc.  
Cain Brothers  
Emmi Solutions, LLC  
FaithSearch Partners, Inc.  
Hall, Render, Killian, Heath & Lyman  
Health Dimensions Group  
HealthTrust

Huron Healthcare  
iVantage Health Analytics  
Lincoln Financial Group  
Nova Compliance Group  
PatientPoint  
PracticeMatch Services, LLC  
Ziegler

JUNE 22-24  
CHICAGO

2014 CATHOLIC  
HEALTH ASSEMBLY  
WWW.CHAUSA.ORG/ASSEMBLY

Contact **Paula Bommarito**  
at [CHAFriends@chausa.org](mailto:CHAFriends@chausa.org)  
for information about  
underwriting.

JOURNAL OF THE CATHOLIC HEALTH ASSOCIATION OF THE UNITED STATES

[www.chausa.org](http://www.chausa.org)

# HEALTH PROGRESS®

---

Reprinted from *Health Progress*, July-August 2014  
Copyright © 2014 by The Catholic Health Association of the United States

---