

The Quick-Guide to Healthcare Expiration Date Management

**BEST PRACTICES FOR TRAINING
MATERIALS HANDLING STAFF**



Introduction

Healthcare providers rely on the efficiency of their supply chain management processes to standardize care delivery and manage costs. But despite this reliance on efficiency, supply chain problems continue to pose huge costs. A December 2015 Cardinal Health and SERMO Intelligence [survey](#) found that supply chain management was the second largest expense of healthcare providers with an estimated \$5 billion of annual waste in high-value medical devices alone.

In 2012, the National Academy of Medicine [found](#) wasted medical supplies in perfect, usable condition add up to an estimated \$765 billion a year.

While challenges arise throughout every link in the supply chain, one area in particular lends itself to potentially serious and invisible safety and compliance risks as well as wasteful expenses: material handling.

The challenges of tracking how items are acquired and managed before and after purchase often stems from placing high-responsibility tasks on comparatively low-wage frontline personnel.

This imbalance, while easy for most supply chain leaders to recognize, can be frustratingly difficult to contend with as most organizations continue to rely on manual processes for managing the variety of items throughout their facility—many of which require diligent expiration date management.



The task of managing product expiration, in particular, can be a challenging component of material handling. When not properly addressed, [headline](#) after [headline](#) after [headline](#) has offered stark examples of how this problem can metastasize into serious public safety concerns that can have an enormous impact on an organization and its patients.

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While hazards to safety represent a serious threat, they aren't the only risks of inadequate material handling for limited-lifespan products. The Joint Commission's standards for expiration management (especially for sterilization chemicals and pharmaceuticals) are among the most challenging healthcare organizations are held to. When problems are uncovered during routine inspections, noncompliance can threaten an organization's accreditation status, creating a potential disaster for CMS and insurers.



Current approaches leave room for risk

While some of the largest healthcare systems keep a tight grip on expiration date management through sophisticated proprietary systems designed specifically for that task, the vast majority of provider organizations rely on one of two other approaches:

- **“Point-of-use” tracking**

Digital point-of-use tracking systems automate critical supply functions such as supply requisitioning, patient charging, inventory management, and information capture (which typically includes expiration dates). Products are scanned when they’re put on shelves, and again at the point-of-use. Many of these systems also capture expiration dates, making it possible for supply chain personnel to recall that data for the items still on the shelf in order to monitor and manage product rotation.

But while these systems are great at what they’re designed to do (capture charges at the point-of-use), they present problems when relied on for peripheral tasks (such as managing expiration dates). Since items are only scanned when they’re being charged to a patient, those that are simply being moved from one area to another can be unknowingly whisked under the radar of the automated system, creating a major safety and compliance risk if used or discovered past its date.

- **Manual expiration date management**

Other healthcare systems rely on monitoring and rotating items by hand, much like in a grocery or retail environment. Material handling staff may be asked to look at expiration dates during routine storage sterilization and rotate or discard items as needed.

Here, the risks are apparent and further underscored by their reliance on careful diligence by material handling staff who may not realize the importance of the task at hand. Such lax systems almost invite problems when an activity as critical as expiration management is simply treated as a side item.

This begs the question: How can supply chain leaders inspire responsible, diligent action and adherence to expiration date management processes given the inherent imbalance between the quality of labor required and the motivations of those tasked to complete them?

Training is the single biggest solution to expiration date management.

No matter how much you invest in the processes and technology to help you manage your supply chain, it's only as effective as the people powering it. A smart, effective training program that properly aligns motivations and incentives for your frontline staff is the most important (and in many cases only) factor in preventing the human errors that can cascade into serious problems.

In the high-stakes environment of healthcare, localized decisions have a globalized impact. In order for staff to make good decisions, it's on supply chain leaders to ensure their staff is inspired to follow through with each task.

In this guide, we've collected best practices from healthcare supply chain leaders while applying practical training tips from outside the industry to give a new perspective for training material handling staff specifically around expiration date management.

Use these best practices as a template from which to develop or improve upon your existing expiration tracking program.

1. Reveal the problem of expired waste by developing and training on a simple way to measure it

Before you can improve your control over expired supplies, you first need a way to measure and track the extent of the problem within your organization. Of course, this is easier said than done if you don't have such a system already in place. Many organizations struggling with the high cost of expired products can't even quantify these losses, making it considerably harder to motivate staff to prevent them.

Typically, expired goods are simply discarded when they're discovered by material handling or clinical staff. To an inventory manager, this can look like normal usage. What's more, staff may not readily admit to letting a product go unused past its expiration date.

Both of these challenges can be addressed through a training program designed to align motivations and instill a sense of importance in these activities.

Here are some some training tips to support your expired product measurement process:

- **Each time expired products are removed, make sure its put in writing.** Note the date, time, name of a witness and manner of removal. Follow your facility's policy to remove these items. In case of doubt, make sure frontline staff contact their supervisors.
- **Ensure close-dated items are placed in the front of shelves so they are selected first when used.** Regular item rotation is a simple, yet critical step in expiration date management.
- **Quantify losses associated with not tracking expired goods.** This includes financial loss to the organization and how it contributes to the waste in the industry as a whole.
- **Demonstrate how the individual supply chain employee can have a positive or negative impact on loss.** This should illustrate the impact on both the organization and the entire industry.

2. Mitigate expired product waste by creating an easy way for staff to “return” expired items and demonstrating the importance of doing so

Training and education should demonstrate the benefits of tracking expired goods while giving staff an easy way to return expired items they discover.

Here are some key actions to take to mitigate expired items:

- **Encourage vendors to become partners in reducing loss from expired items.** Negotiate which items can be returned for credit or exchanged and when they should be pulled based on how close they are to expiration.
- **Establish clear guidelines so staff can determine which items can be returned to vendors for credit or exchange.**
- **Create a log for staff to record which items are pulled for vendor return.** This log should include details about the item, the date it’s pulled, and the expiration date.
- **Measure the impact on your organization from return-to-vendor efforts.** This way, you can give staff a tangible idea of the impact their actions have.

3. Prevent future expired waste and liability by focusing on the three basic parts of an expiration management system

While the first step in managing expired products is creating a way to pull and record expired or about-to-expire items so they are not inadvertently used on a patient, more is needed to minimize losses due to expiration in the future.

Once you've developed a system for managing expired products and have trained frontline staff to use it, expand upon your system to accomplish three key prevention goals:

1. Ensure products nearing expiration are rotated for first-use

At every check interval, make sure the closed-dated items are in the front position so they are pulled first when used. In baskets and loose bins, bring closed dated items to the top and consider using a separator sheet between close dated and the remaining inventory if products easily shift.

2. Ensure items nearing expiration are labeled as such

Expiration dates can be printed too small, illegibly, or only on master cartons making proper expiration date management very difficult. Adding a vibrant, "Use First" sticker to these items will add additional visibility, and increase the likelihood of use prior to expiration.

3. Ensure items nearing expiration are moved to where they're most likely be used

For high-value and frequently expired items, evaluate usage by location. If a low usage item is nearing expiration, consider transferring it to a different location within the facility that has higher usage levels.

To accomplish these goals without excessively burdening staff, start by implementing a quarterly expiration monitoring program to ensure all supply storage locations are becke for outdates and soon-to-expire items regularly.

We've summarized the four key parts of a basic monitoring program below. Use this as a template to inform your training program:

1. Implement quarterly storage checks to rotate items and document accordingly

Each quarter, assign material handling staff to check and rearrange items in storage so the oldest products (those set to expire first) are clearly positioned in front. During this check, staff should remove any expired items they find and document their actions in detail.

2. Use color-coded markers to easily identify close-dated items

Apply color coded stickers to items in storage associated with each month of the year so material handlers can arrange items accordingly. Reserve one color to denote items that will expire within the quarter (before the next check). This simple system makes training a matter of memorizing colors while also making it easy for supply staff to both notice and use items set to expire soon.

3. Consider which items are used more frequently in certain departments and move them accordingly

If certain items are used more frequently in some departments rather than others, move short-dated items to those areas of higher-use.

4. Pull items with that month's sticker and document it at the end of each month

Conduct a quick storage check at the end of each month to pull all items marked with that month's sticker off the shelf, documenting those discarded items in detail. This task can be handled by supply techs in each department, or by a single individual.

How a dedicated expiration date management system puts training to use

The “ROI” of expiration date management training is maximized when applied to a system that can automate the tasks that traditionally eat away at operating budgets.

Using the frame of the best practices described above, we’ve summarized how an automated expiration date management system can improve them and further enhance efficiency.

- 1. Reveal.** Expiration date management systems measure the quantity and value of items that expire so the organization can see what their loss is and where it is coming from. With continued use, supply chain leaders can begin to see trends in improvement and identify if and when problem areas arise again in the future.
- 2. Mitigate.** When an item is close dated, expiration date management systems can inform the supply chain staff of a predetermined optimized action to take for each individual item. Supply Chain managers can determine which items are returned for credit or exchange and how early a return needs to be made to ensure vendor compliance. This eliminates the need for supply chain staff to have to remember the best action for each item. It also allows the manager to modify the best action within the system’s app without needing to retrain staff on best actions to take.
- 3. Prevent.** By automatically prompting the check of only the items that are approaching close-dated status, an effective expiration date management system ensures that items are checked and actions are taken to optimize well before the expiration date.



Date Check Pro for Healthcare

Stop hospital supply waste with easy expiration date management.

Date Check Pro for Healthcare is an expiration date management solution that's fast, easy, and automated. Here's how it works:

One-time setup

Simply upload your inventory data into the Date Check Pro app.



1. Highlight items in need of attention.

Items requiring action before the next expiration check date are automatically highlighted in the Date Check Pro app.



2. Get prompted of required actions.

If a highlighted item is found on the shelf, Date Check Pro prompts required action.



3. Update to next closest date.

Once needed actions are taken, simply enter the next closest date into the Date Check Pro app for ongoing management.

Need it even easier? Utilize our full-service option for turn-key, outsourced expiration date management and leave those steps to us. We do the work, you collect the savings and piece of mind.

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