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Why Have an Outside Company Handle Hospital Waste? --- Infection Control Today

By Stephen Walsh

Waste Management no longer means just trash hauling. There is a new breed of professionals in healthcare helping hospitals manage their waste. Names for these companies include Environmental Service Providers, Red Bag Consultants, and Waste Management Professionals. The medical waste haulers' old pitch of, "we will give you a better price per pound on your medical waste" is falling on deaf ears as many hospitals recognize the need for lower cost, not just lower price. Department heads are demanding a raft of value-added services to help them control costs and maintain compliance.

The New York Presbyterian Hospital's (NYPH) Weill Cornell Campus outsourced its waste management program in August 1999. The outside contractor that came in provided everything they needed--system planning, the necessary in-servicing, and professional support materials like posters, pens, and Post-it notes. The give-away items are effective, and since a hospital's budget usually does not allow for such items, having an outside company supply them is useful. Over the first year, the NYPH reduced 65% of their medical waste, and in December 2000 earned the EPA's Environmental Performance Track Award as recognition for their work in reduction of mercury, ozone-depleting chemicals, regulated medical waste (RMW), and solid waste.

For many hospitals, going with an outside company is difficult because there may be the impression that perhaps they could be doing this work on their own. In the end, a hospital's and waste management company's ability to focus exclusively on their core activities gets results. As a part of the offering, some outside contractors will provide specialized technology to the hospitals. For instance, Walsh Integrated Environmental Systems, Inc. developed the Waste Tracker System™ that uses handheld computers to take a picture of the red bag waste in the department and then e-mail it to that department head. There is no arguing with a photo. However, the core of the solution is old fashioned training and in-servicing. Using an outside contractor means that in-servicing will be getting done on schedule.

In 1981, The Medical Waste Tracking Act was passed, effectively creating the red bag waste industry as we know it today. Since that time, the volume of medical waste has grown and legislation has changed. Of the \$1 billion spent annually on the disposal of medical waste, about 33% of that is actually necessary. "It is common knowledge in this industry that perhaps as much as 67% of all medical waste is actually general trash. We have put legislation in place to protect the environment and the general public, but many hospitals overreact," says Diane Buxbaum, Environmental Scientist, US EPA, Region 2. This overreaction is certainly unintentional, and given hospitals' desire to cut costs, it is something that is being corrected.

Given the growing complexity of legal, health, and operational issues, hospitals are increasingly relying on outside professionals to help them get and stay organized. "Since we introduced the Memorandum of Understanding with the American Hospital Association in July 1999, we have seen a significant increase in hospitals requesting assistance in developing and implementing integrated recycling and waste reduction plans," says Buxbaum. "Outside professionals are providing important services in helping hospitals meet their goals."

Hospitals with their own incinerators are also looking to outsource the management of their waste as they see increasing costs and compliance issues on the horizon. The old attitude of "throw it in the incinerator, it is easy and practically free" doesn't cut it today. With incinerator compliance upgrades in the \$100,000 to \$500,000 range and a Supreme Court decision to enforce the letter of the law, many hospitals are looking to reduce their red bag waste and eventually shut down their own incinerators.

As the field is increasingly complex, and the risk and cost of non-compliance increases, outsourced management contracts are becoming a more attractive option. Like many professions today, keeping abreast of the industry requires an understanding of regulations, costs, people issues, and the latest available technology. The values that Healthcare Waste Management Professionals can bring to the table are focus, expertise, and cutting-edge technology.

Focus

Many directors of Environmental Services (ES) or Housekeeping know more about hospital waste management than an outsider ever will. Unfortunately, staffing in virtually every hospital is being cut on an ongoing basis and these directors are expected to do more with less. Because the management of waste is essentially a people management issue, it is time consuming and repetitive. One's ability to succeed depends on the time and focus that can be put on the waste management issues and an outsider can provide that ability to focus.

Expertise

Optimal waste management is, at best, a moving target. A waste management partner will display a detailed knowledge of applicable regulations and guidelines, such as EPA, JCAHO, and OSHA. More than that, they must be up to date, and able to apply them in everyday use.

Usually Environmental Services (ES) or Housekeeping are responsible for spearheading the waste management initiatives. Managing waste requires the effective management of the people who produce the waste, not just those who handle it. Managing these people is centered around training and follow up. In some cases, the ES staff may not have the comfort level or expertise needed to train clinical staff, including nurses and doctors. Expertise, presentation skills, and an ability to communicate are what you would expect from an outside waste management supplier.

In-servicing must be regular and scheduled to be successful. An outsider should provide this service as a part of their program. Having a contractor deliver the in-service sessions also calms the potentially contentious relationship between the clinical staff and Environmental Services. For example, one issue that is often seen is the need for changes in the scheduling or frequency of waste pickups in certain departments. As a middle man, the outside contractor may negotiate between parties to reach a workable solution.

An agreement with an outside service should provide a hospital with guaranteed savings. An experienced company in this industry will have the ability to analyze waste costs and predict exact savings. These savings should include all additional costs and services, such as the cost of using a landfill for clean waste that will be diverted from the red bags, the costs of providing monthly in-servicing within the hospital, the cost of regular tracking of each departments performance, any reporting costs, etc.

Recycling

An outside contractor will hopefully have experience setting up and living with recycling programs as well. Recycling provides real opportunities, but must be dealt with carefully. For example, a paper recycling program may seem simple enough, but many people don't

realize that most recycled paper is sorted by a person wearing work gloves who removes trash and segregates paper into various grades as it passes by on a sorting line. These people pick up and handle much of the material that comes out of the hospital and are exposed to any medical waste or sharps that might be in the recycling stream. A single instance of bloody waste or a sharps in the recycling can shut down an entire program if the recycler refuses to accept any more material from that hospital. Determining which departments should participate and which should be excluded is a critical but politically sensitive component of a recycling plan. A system that recycles five tons a week of paper for five years is much better than one that tries to do 10 tons a week, but is shut down after six months.

VHA Southwest

In the summer of 2000, Marge Montgomery of VHA Southwest was evaluating opportunities for her member hospitals who needed help with their waste management. "Our hospitals expect a lot more from us than simply reduced product costs. We partner with companies who provide products and services to solve real problems when the answer may not be so obvious. In this case, we wanted to reduce overall waste management costs, ensure compliance, and improve the safety of the programs," says Montgomery. She determined that simply negotiating a better cost per pound for medical waste destruction was not going to be enough. "We spoke to hospitals about low price, and realized that it did not equate to low cost. In other words, we saw the need to reduce the pounds of medical waste, and consequently the overall cost but we wanted these savings sustained over the long term, not for just a few months."

VHA Southwest compiled a list of required features for any given solution; detailed planning, on site in-service training, professional support materials, ongoing departmental auditing, and ideally, an integrated tracking and reporting structure. "Healthcare tends to be a report-heavy environment and we felt that efficient reporting would be a critical success factor for our clients. In addition, any solution would have to be available to all our members (in Texas and New Mexico) and ranging in size from 30 to 1000 beds. We selected a waste tracker program that met our requirements: clinical, environmental, and reporting with flexible financing."

As the management of healthcare waste becomes more complicated, and the time and resources the traditional manager can devote to it are reduced, we will see more hospitals follow the trend toward contracted waste management services.

Where hospitals have been contracting for laundry, environmental services, engineering, or food services, they are beginning to sign waste management partnerships too. The reasons for contracted medical waste management are:

- Expertise
- Access to the proper tools and technology
- A fixed price for a specific service
- Guaranteed results
- Increased confidence that the work is being done correctly and on time
- Access to a lower net cost.