



NEWS RELEASE

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Mission Next to Impossible

Supplying the troops and saving money

HEIDELBERG, Germany –The U.S. Army Medical Materiel Center-Europe (USAMMC-E), Pirmasens, Germany, spends millions of dollars supplying medical materiel for troops in the European theater and for operations outside that theater, and although its customers span several continents, its goal is to save money and time while providing good customer service.

As the single integrated medical logistics manager for the military health care system, USAMMC-E support focuses on acquisition, storage, and distribution of medical materiel, optical fabrication, and medical maintenance.

“USAMMC-E, in partnership with the Defense Logistics Agency, (DLA), continually seeks ways to improve customer satisfaction and save the government money,” said Col. Kelvin Owens, USAMMC-E commander.

Owens said USAMMC-E recently collaborated with DLA to incorporate the eZ-SAVE program, a cost avoidance tool that helps identify vendors that supply the same products. eZ-SAVE queries the Theater Army Medical Management Information System (TAMMIS) data base to ensure USAMMC-E is getting the best government price. Additionally, it displays product lines that move from local purchase to Electronic-Commerce, utilizing a more efficient procurement method, and helps in streamlining the supply chain.

“Using this tool, USAMMC-E decreased the cost of medical materiel by \$668,676.74 and migrated 22 lines from credit card purchases to an electronic ordering process for a savings of \$52,810,” said MAJ Judy Buchanan, chief of the Materiel Management Division. In addition to USAMMC-E, many Medical Command treatment facilities use the eZ-SAVE program.

Another area ripe for saving money is through contracts. Together, the Clinical Advisory Division staff and the Medical Materiel Division dramatically increase the use of DLA contracts for purchasing medical materiel.

Using DLA’s contracts with pharmaceutical companies under the National Pharmacy Contract program dramatically effected cost reductions. In August 2006, USAMMC-E reviewed 700

stocked items affected by mandatory contracts jointly awarded to DOD and DVA. Pharmacy staff identified over 30 pharmaceuticals available under the contract program and corrected purchasing patterns for those agents.

“This initial step saved over \$600,000 annually,” said Navy HM1 Summer M. Webb, NCO of the Clinical Advisory Division. She said compliance with the ever-changing contracts needed monitoring, and CAD staff contacted Defense Supply Center Philadelphia (DSCP) to request a monthly off-contract purchase report.

“This invaluable report quickly identifies and corrects purchases for pharmaceuticals under mandatory contracts. To date, cost avoidance from this new business process exceeds \$180,000,” said Webb.

Owens said USAMMC-E is the top DOD purchaser of pharmaceuticals, with purchase volume averaging greater than 20,000 products monthly.

“Since the inception of this business process, USAMMC-E has gone from 13.8% non-compliant to 0.4% non-compliant, a 97% improvement. As a result, USAMMC-E, DOD’s largest ordering activity serving 1200 customers in EUCCOM, CENTCOM, and Department of State, moved up from 120th position to the 11th position out of 320, placing it in the top 5% of compliance throughout DOD,” said Owens.

Moving thousands of crates of medical materiel is usually a mundane task except when small problems cause a bump in the road.

“Unforeseen sick leave and training issues at USAMMC-E caused a temporary backlog in packaging and shipping of hazardous materiel to all customers,” said Russell E. Nail, Jr., an Air Force major and transportation liaison that is chief of storage operations “Fortunately, the 226th Medical Logistics Battalion provided Soldiers to assist with overcoming the overwhelming backlog.

Nail said USAMMC-E’s Distribution and Transportation Division exercised a new option from the Air Mobility Command to procure a commercial carrier from the U.S. to package and ship hazardous materiel at no additional cost to the government. “Use of the commercial carrier allowed USAMMC-E hazmat packers to focus on ground customers, thus eliminating the backlog,” added Nail.

“Through the State Department’s Humanitarian Assistance Program, (HAP) USAMMC-E is helping improve health care in Kyrgyzstan,” said Lt. Col. Sean Morgan, Deputy Commander for Operations.

USAMMC-E completed the equipment preparation phase for the Operation Provide Hope, Bishkek, Kyrgyzstan mission by inspecting and repairing 2,250 individual pieces of equipment. Non-repairable items were disposed of through DRMO.

“HAP personnel packed and shipped 1,802 pieces, valued at \$6.6 million to Bishkek, Kyrgyzstan, and a humanitarian assistance team will deploy May 30 through Aug. 15, 2007 to install each piece of equipment in the medical facilities designated to receive the equipment,”

said Mr. Lou Deandrade, Chief of HAP. USAMMC-E will coordinate with Air Force personnel at Manas Air Base, Kyrgyzstan to train local medical staff on use of the equipment once installed. The installation of equipment is the final phase of the humanitarian mission to Bishkek.

In October 2006, HAP delivered a materiel and furniture package valued at \$10.5 million to the same facilities. Total value of the OPH mission to Kyrgyzstan is \$17.1 million. “Because of military commitments to the Global War on Terrorism, this mission was completed without relying on military support,” said Deandrade.