

# Estimating ROI for UDI Integration

Greg Pappas, FDA  
Myoung Kim, Johnson & Johnson

# We now have UDI, but...

- UDI will help only if it's used in supply chain, care delivery & finance
- Integrating UDI has many challenges, as pointed out by CMS, AHA, Advamed...
- So, we ask ourselves “Wouldn't UDI help save money down the road?”

# Let's try to estimate savings...



1. Supply chain management
2. OR documentation
3. Follow up clinical care
4. Device evaluation for safety & effectiveness

# IDEA 1: Supply chain management

- Areas of savings from UDI:
  - Inventory management
  - Product expiry management
  - Increased recall efficiency
- Relatively easier to quantify ROI
- Down sides:
  - Current software systems not fully capable of accepting UDI
  - Seen one hospital system, you have seen one hospital system

# IDEA 2. Specific area(s) of clinical care

- Case study of a specific area of clinical care where UDI would lead to cost savings
  - Example: Orthopedics
    - Wilson et al. 2015 looked at national projection for time spent identifying failed implants prior to revision surgery
  - Additional areas to explore:
    - CV: ER visits for ICD malfunction

Wilson, N., et al., *National projections of time, cost and failure in implantable device identification: Consideration of unique device identification use*. Healthcare.

# IDEA 3. Case study of a hospital, end to end

- Walk through UDI usage for entire system to document potential savings



# **We will share findings and methods from the project**

- MDEpiNet
- Newspaper articles
- Journal articles (e.g., Health Affairs)

# First Meeting at FDA on Nov 9

- Review key issues; discuss three proposed ideas
- Form subteams, identify subteam leads to execute selected ideas
- Participants are from: FDA, JnJ, GHX, Mercy, Geisinger, Kaiser, Intermountain, Wharton, Duke, Vanderbilt...
- You are invited!
  - If interested, contact Myoung at [mkim31@its.jnj.com](mailto:mkim31@its.jnj.com)