



New Strategies for Smarter Specimen Logistics

Innovative Lean Approaches to Enhance End-to-End Specimen Logistics



Mark A. McSally, Esq.
Chief Operating Officer/General Counsel



Joined Dominion Diagnostics in 1999 as Outside General Counsel and moved internally in 2006 to assume the role of Corporate Counsel.

Responsible for all aspects of Dominion's legal and regulatory needs, including government relations and corporate compliance.

As Chief Operating Officer - involved in all aspects of the operational management of Dominion Diagnostics, providing oversight to the Payer Relations, Clinical Services, Laboratory, Research and Development and Client Services teams.



Shannon T. DeMar, MBA
Senior Manager, Healthcare Strategy



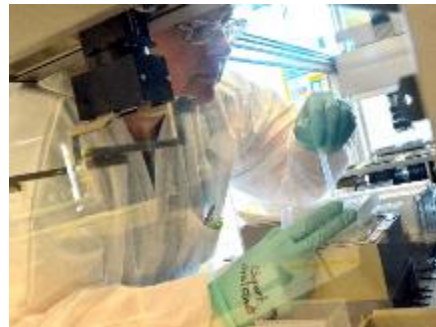
Responsible for executing UPS's Specimen Logistics market strategy by focusing on customer collaborations to create value added solutions to the specimen logistics supply chain.

These solutions support diagnostic, dental, vision and audiology labs, with a specific concentration on improving turn-around-time, specimen stability and viability, supply chain visibility and both the clinician and patient experience.



Advanced Drug Monitoring & Clinical Testing Solutions

- Headquartered in a 50,000 square foot state-of-the-art laboratory located in North Kingstown, RI
- Additional laboratories located in Greensboro, NC and Williston, VT
- Patient service centers and administrative offices around the country

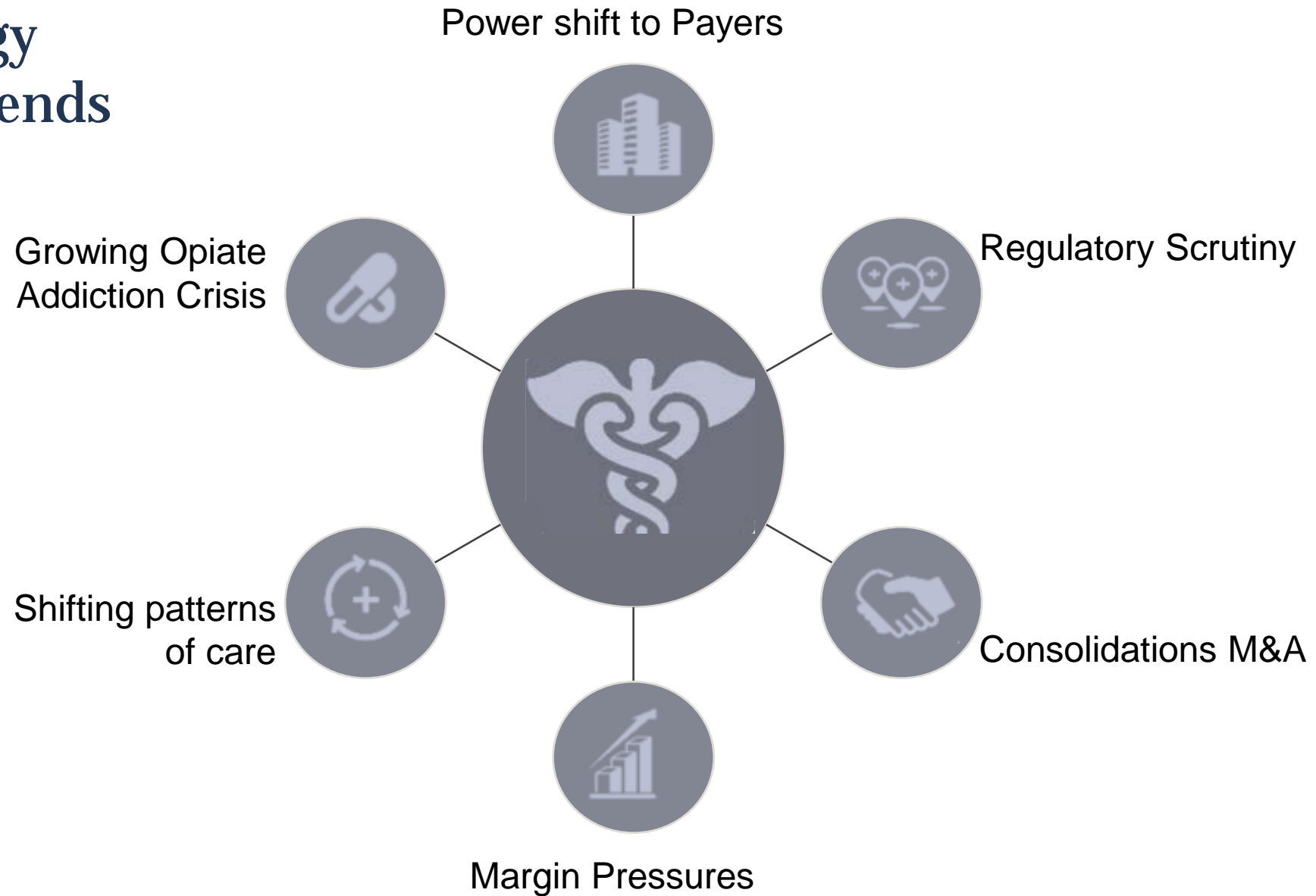




Brief History and Services Overview

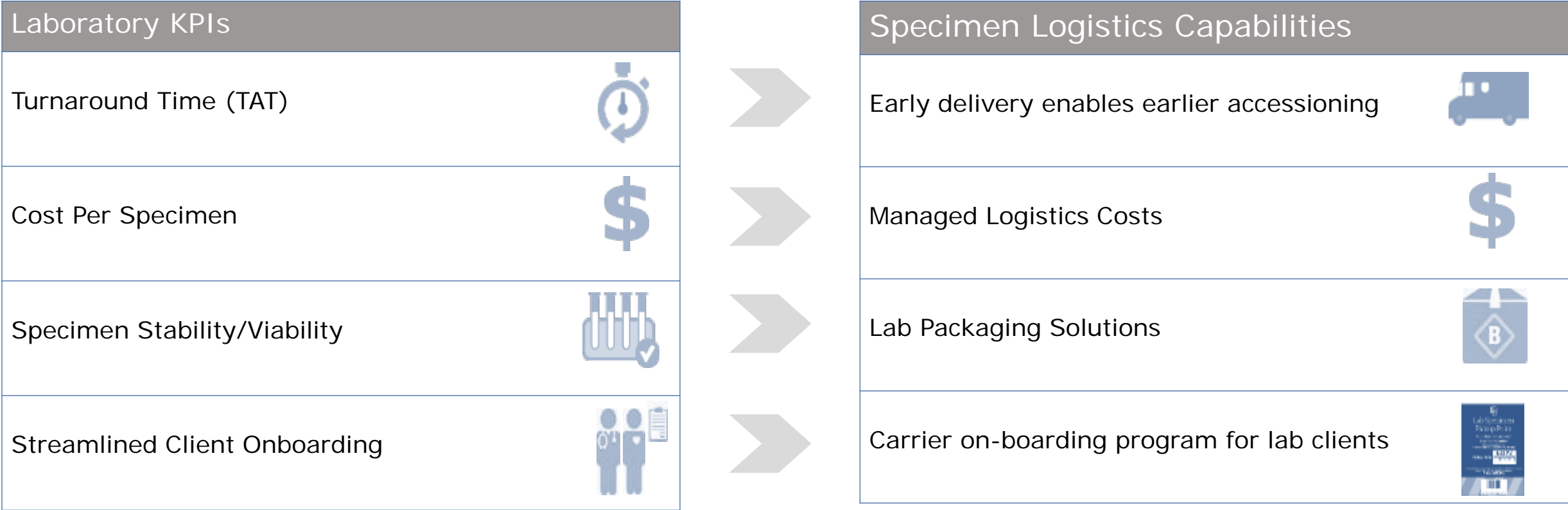
- Founded in 1997 and originating from a small warehouse garage, Dominion Diagnostics has been a trusted provider of clinical laboratory services for over two decades
- Dominion Diagnostics is a known Industry leader for its quality science, innovative clinical and information solutions and its ethical approach to responsible laboratory utilization
- Dominion Diagnostics has grown exponentially over the years to support a national network of customers in 40+ states
- Dominion Diagnostics offers a single source solution for clinical urine drug monitoring and routine blood testing services
- Dominion's services rely upon efficient, customized logistics support and continual improvements

Toxicology Industry Trends



Lab KPIs & Logistics Capabilities

Smarter Specimen Logistics: Speed, Reliability, Ease of Use





Logistics support for Dominion's business requires precise execution

- Special Early Delivery requirements
- As precaution: Kit required secondary internal packaging for leaks
- Margin Pressure: High cost of couriers
- Clients are demanding: Clinics want later pickup times
- TAT: Lab Needed Earliest Possible Delivery
- Challenges: Specimen Handoff and Pickup Execution



TAT Improvement—Collaborate—keep pushing what is possible

Logistics support for Dominion's TAT needs

- Dominion's TAT objectives required accessioning as early as possible
- Dominion worked collaboratively with parcel carrier to outline specs
- UPS developed an Early Delivery special operating plan (SOP) to enhance TAT
- Saturday delivery Special Operating Plan negotiated and activated
- Develop Peak Season Operating Plan

Laboratory Kits & Packaging

Got Leakers?





Specimen Logistics - Kitting 101

Kit Tip #1 –Make it easy on sites—make it easier on yourself

- Simplify clinical decisions and actions
- Where possible pre-label boxes and complete the documents as much as possible.
- Use default weights
- Example: If the Lab Operates on Saturday, use Saturday service for all kits (keeps simple for clinicians), parcel carrier can create special solutions for this.



All labels leverage
Saturday Service
De-Skills clinical
knowledge units



Specimen Logistics - Kitting 101

Kit Tip #2 –Design kits by beginning with the end in mind

- Use indicators that prioritize kits to the Lab's Need: East Coast vs West, Stat Requests, Priority Clients
- If your lab receives UN 3373 Category B Infectious Substances
 - Leverage Pre-marked transportation provider packaging with diamond labels eliminating steps for clinician





Specimen Logistics - Kitting 101

Kit Tip #4 –Continually Improve the Process

- Dominion is leveraging new carrier packaging to:
 - Reduce loss and contamination due to leaking specimens
 - Eliminate the need for additional packaging in the Lab Pack which results in cost savings
 - Clinicians benefit with greater ease of use: Time savings with elimination of inner sleeve packing step and inventory control
- UPS Pak has built-in absorbent (350 ml)



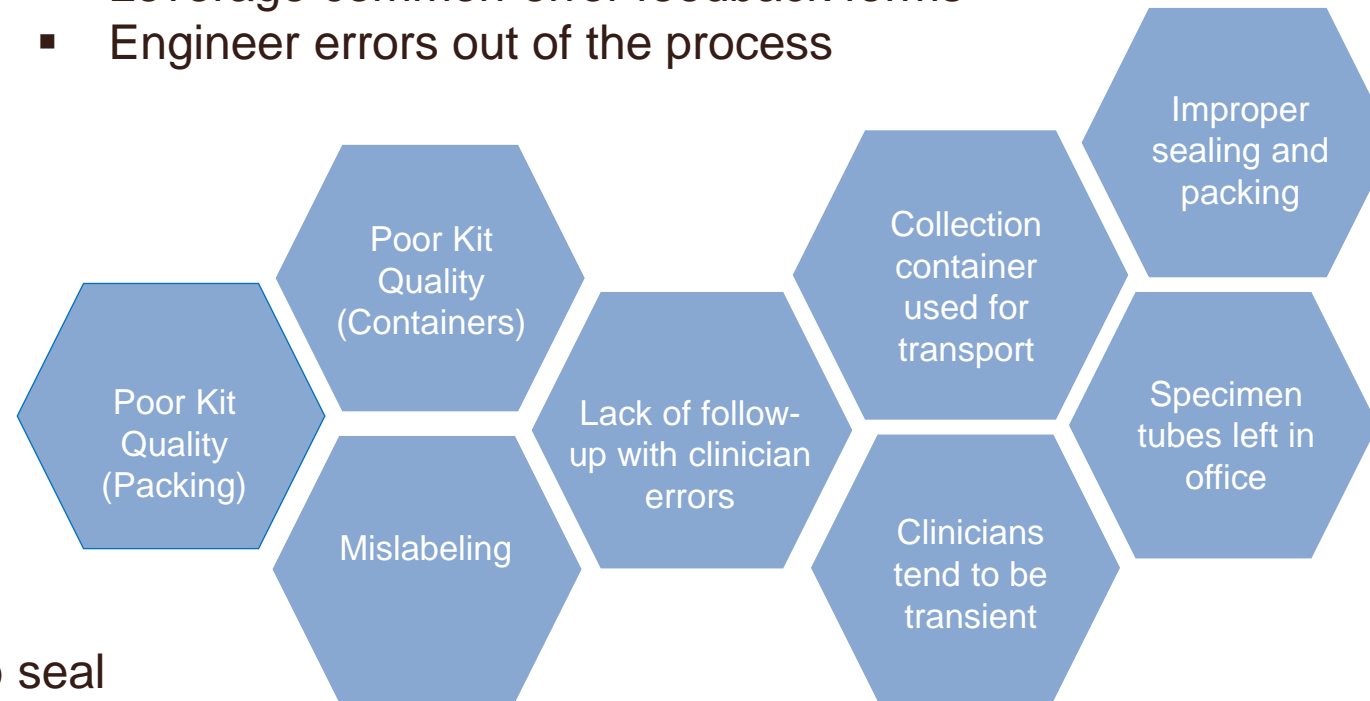
Inner sleeve
no longer needed

Specimen Collection Issues

Risk Mitigation and Q/A Processes reduce patient redraws



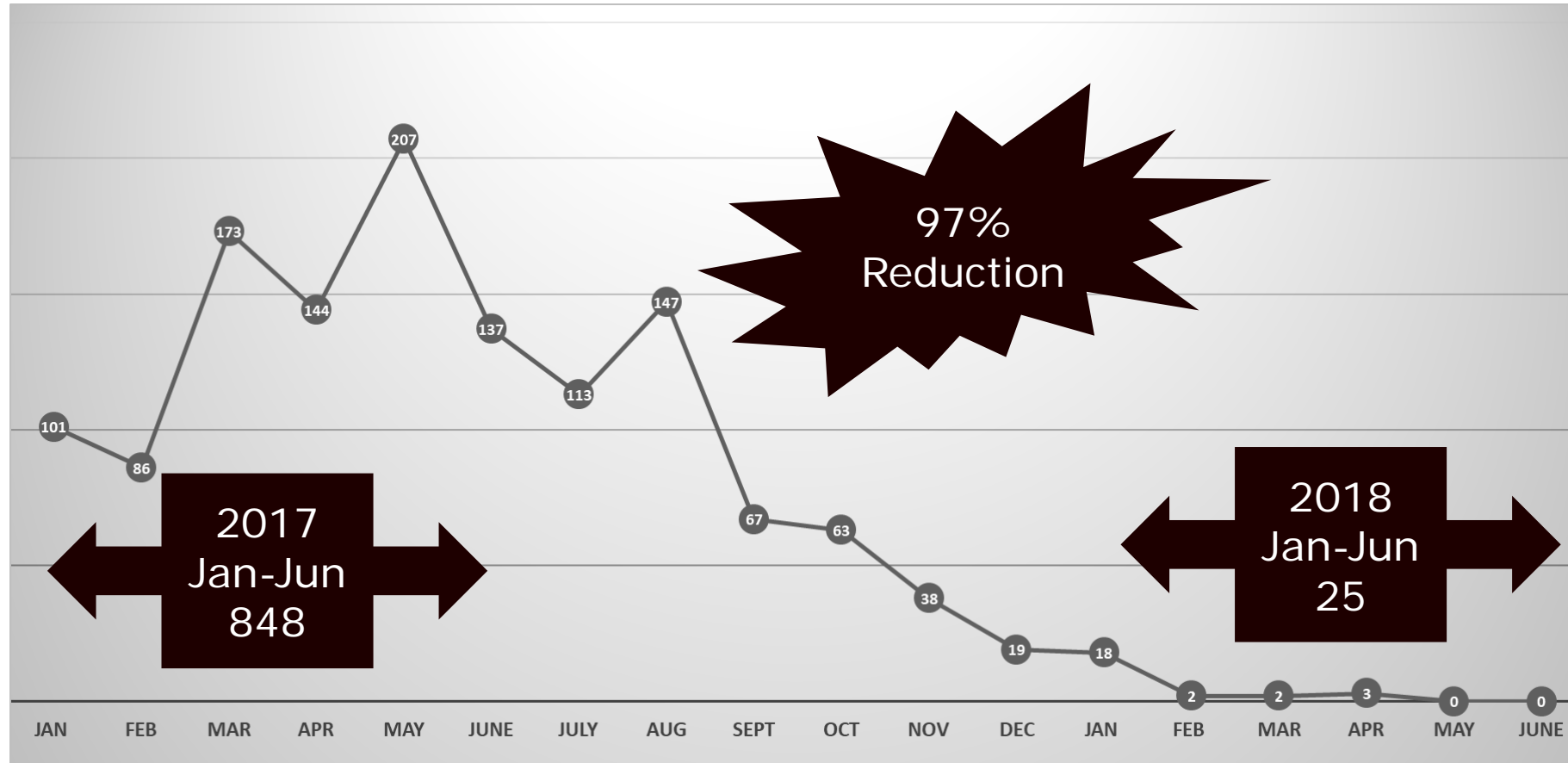
- Develop feedback system for kit quality
- Develop Closed-Loop follow-up for clinician errors
- Leverage common-error feedback forms
- Engineer errors out of the process



- Deskill processes
- Use graphical how-to seal
- Tertiary zip-lock and absorbents
- Leverage high-quality collection media, audible click seals
- Leverage transportation carrier outer over-packaging

UPS Louisville Revised Damage Materials Procedures

Enhanced over packs and improved feedback on repeat offenders reduces processing costs and patient redraws



Site Selection Strategies

Inbound Specimen SOPs for Earlier Delivery



Benefits for Labs

- Early delivery to Lab (4 to 7 hours earlier)
- Improved Turn Around Time (TAT)
- Specimen Stability
- Eliminate risk of 2nd air transport delays
- Market competitiveness - Speed to market
- Improved lab efficiencies

Leverage buying power of your vendors

Collaboration leads to cost savings and best practices



Any Medical Diagnostics Lab

Laboratory Pak

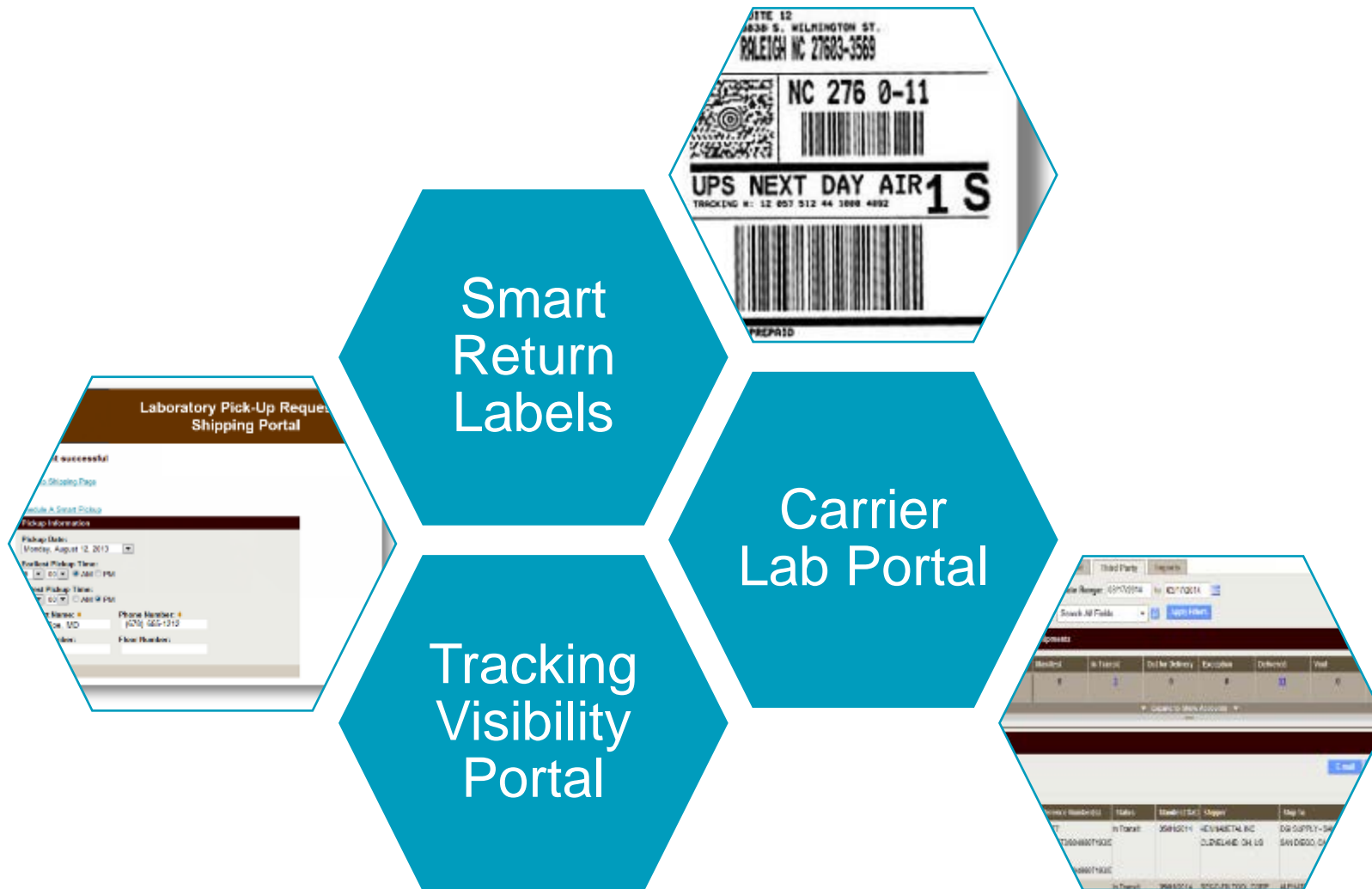
BIOLOGICAL SUBSTANCE, CATEGORY B



OVERPACK

Strategies for Enhanced Visibility

Integrated solutions and tools improve customer service and internal efficiencies



Solutions for clinics

Better pickup coverage = later pickup times = more samples picked-up

ABC Logistics



XYZ Logistics



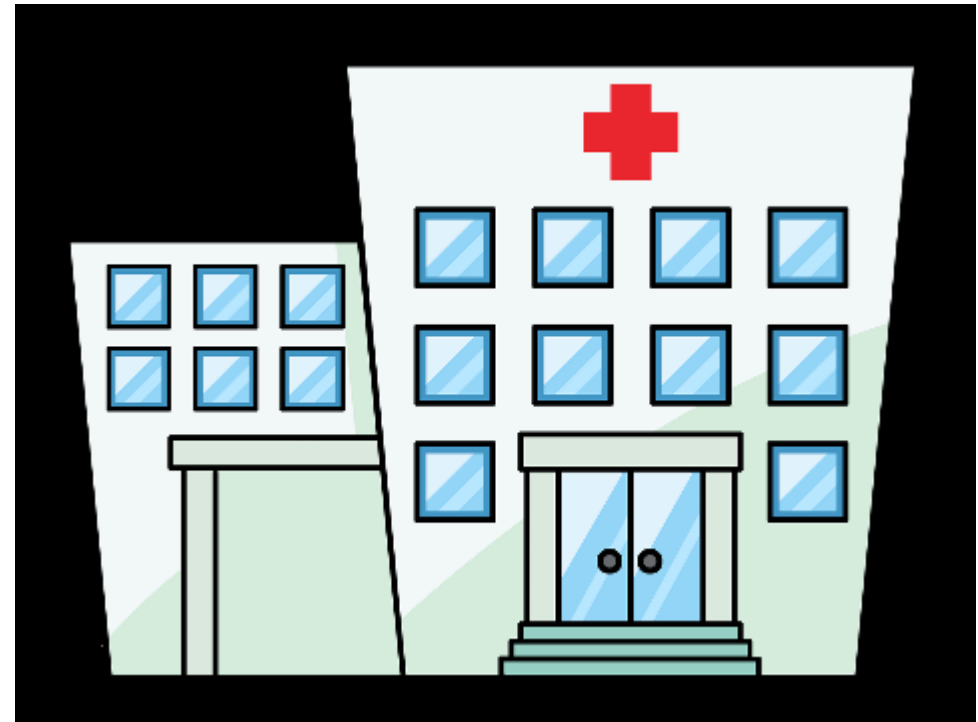
Solutions for clinics

Better pickup flexibility = later pickup times = more samples picked-up

Inside Pickup needed by 4PM



Outside Pickup available until 8PM





The UPS Lab Specimen Pickup Point

- Process Control: Placard and Pickup Scan
- Consistent Pinpoint Pick-up location and time
- Inbound visibility: Pickup Scan vs Origin Scan
- Improved pick-up performance—99.3% effective vs. 98%
- Mobile Friendly Interfaces
- Easy pickup requests
- Collaborative onboarding process

Digital Pickup Request: Enhancing Clinician Ease of Use

- Mobile or desktop
 - Web interface – www.ups.com/upp
- Provides pickup window reminders
- Virtually One Click & Ship
- Increases pickup request accuracy
- Helps increase efficiency
- Helps to save clinician time
- Improves clinician satisfaction
- Provides confirmation number



Implementation Team and Approach

Dedicated and experienced team in place to support your sales force and supply chain teams throughout implementation



Benefits

Dominion Diagnostics leverages the Lab Specimen Pickup Point to:

- Reduce High Cost Couriers
- Improve Pickup Performance
- Provide more accountability and visibility into the specimen pickup process
- Provide consistency in service levels throughout the country



UPS Pickup Point Deployment Process

- UPS Lab Implementation Services collaborates with:
 - Lab logistics and operations
 - Client services
 - Lab sales teams
 - Clinical sites
- Customize Optimal Plan and timelines
- Initiate Clinical Communications
- Gather & Validate client data
- Deploy Pickup Point Welcome Kits



UPS Lab Pickup Point Launch Process

- Currently, the best fit is for defined schedule pickups (M-F or MWF etc.) after the Enterprise Release - there will be an On Demand Pickup Point
- Communicate with Lab Sales Team, then clinical sites—review onboarding video
- Complete Pickup Point Template Excel file— Validate address, pickup and close times
- UPS sends file to Placard Vendor—Placard welcome kit ships to clinics
- Confirm Placards are hung
- Go live

Setup Key: Solid Communication
& Accurate Client Site Data



Smarter Specimen Logistics

TAT: Specimen delivery time

- Compare Carriers and Couriers for earliest delivery time possible
- Ask about Special Operating Plans for earliest possible delivery

Specimen Stability/Viability

- Engage carrier for packaging consultation and temperature monitoring capabilities

Client Satisfaction and Expense Reduction

- Engage carrier and/or courier for solutions that will driver marked improvement in Client Feedback

Discussion / Q & A



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Thank You

