



A VERTICAL SYSTEMS RESELLER WHITE PAPER



HEALTHCARE MARKET SECRETS: TIPS ON BREAKING INTO THIS EXPANDING VERTICAL

**SATO AMERICA, INC. PROVIDES A SIMPLE, USER-FRIENDLY
PATH AND PRODUCT BASE FOR VARs LOOKING TO ACCESS
THE BOOMING HEALTHCARE MARKET**

SATO
DCS & Labeling Worldwide



1. SATO's CG Series Printers – Compact Thermal Wristband and Label Printers.



2. DuraMark™ Wristbands – Safe Patient Identification for Adult, Pediatric and Infant Care.



3. Neonatal Secure ID™ Bands – Safe Patient Identification of Neonatal Patients and Newborns.

Recent studies have determined hospitals may spend the equivalent of six-and-a-half nurses' salaries each year to pay their nursing staff to locate medical equipment. And when a particular piece is not located, they may rent what is needed from neighboring services set up for that purpose—services that may, accidentally or not, be in possession of the very hospital property they're looking for. In some instances the piece may be off line, awaiting sterilization, or be strategically placed away so it's available for the next emergency or use demand.

Similar manual hospital processes hamper accurate tracking of patients, pharmaceuticals and other assets. AMR Research estimates 10 to 20 percent of all hospital mobile assets are lost or stolen.

Such mismanagement should dictate the proven benefits of automated data collection and RFID. But until recently, hospitals and other healthcare facilities haven't prioritized the expense for asset tracking solutions. The combination of technology resistant buyers, budgetary constraints and the insular past reputation of the healthcare industry has kept many AIDC solution providers away from this vertical.

But times have changed. Healthcare management professionals today are challenged to cut costs and improve quality and accuracy. As a result, healthcare organizations are in search of automated data collection and RFID solutions that can solve their problems and deliver a return on investment.

"The new healthcare direction has changed everyone's mindset," says Mike Beedles, Director Integration Services for SATO America, Inc. "Before, hospitals and other healthcare institutions would buy and pass the cost on. Now, the dollars available are diminished, along with threat of losing federal funds. Such pressures dictate serious decisions across purchasing and planning with a keen and watchful eye to daily operating costs against revenue."

AIDC and RFID solutions may also lay outside of the sweet spot of solutions for the nations largest healthcare information systems such as McKesson, Meditech or Cerner. Channel-friendly, healthcare-specific AIDC and RFID solutions are now available and provide seamless integration and data exchange to those and other users of major Healthcare Information Systems; systems, training, integration services and marketing assistance are also at the ready for solution providers.

Best of all, VARs selling AIDC and RFID into other verticals already have most of the knowledge and skill sets they need for building a life science solution. Locating an RFID-tagged pallet is virtually identical to finding a missing infusion pump. Setting up a card-based employee ID system is strikingly similar to generating patient wristband IDs. The sales and marketing may be different but to the customer, its end result is to have the right asset in place when it is needed, or to identify the correct patient while retaining compliance to HIPPA privacy guidelines.

The window of opportunity in healthcare for solution providers is open. Hospitals are racing to participate in the government's \$20 billion stimulus program for meaningful use of health IT systems starting in 2011, and they're lining up partners now. "If you're not in this within the next two years, you won't be ready for the tsunami of need," says Gary Krause, SATO's Director of Marketing. "There is a significant amount of cost savings to be implemented, and more suppliers are needed in the space."

Understanding the Need

SATO's field tested range of healthcare-ready products reflects the wide range of automated data collection and RFID applications in healthcare settings.

- **Wristband printing:** Accurate IDs are critical for proper care and tracking of services, whether on the patient, the specimen or the file. SATO's CG Series small-footprint 2-inch or 4-inch thermal printers feature an antimicrobial exterior supporting the reduction of potential contamina-

tion or suspended contaminants in clean environments.

- **Bedside specimen collection:** Labeling pathology and phlebotomy specimens at the point of collection help to dramatically reduce manual system identification errors, an application which is addressed by SATO's MB Series lightweight, portable barcode label printers.
- **Barcoded and color-coded wristbands:** Printed text and secure barcoded patient information (via the use of 2D and linear symbology's use) along with patient photos imaged on SATO wristbands help caregivers verify identity before procedures, helping to support the hospitals compliance to the "five rights" of medication administration. SATO's DuraMark™ Wristbands are virtually indestructible, unlike widely used laser labels. SATO's Failsafe Fasteners™ are color-coded to instantly alert caregivers to allergies and other patient alert conditions while maintaining patient privacy. First-of-their-kind, SATO's Neonatal Secure ID™ bands comfortably and safely identifies neonatal patients and newborns.
- **Asset tracking:** Barcode and/or RFID based technology tracking solutions may facilitate hospitals to quickly locate critical medical equipment. SATO's iTRAK is a cost-effective, passive RFID tagging solution designed to help this vertical of customers avoid costly equipment losses or unnecessary replacements. iTRAK features track and trace accountability of those valuable assets, all the while offering a fast return on technology investment.
- **Bedside data collection:** Motorola's family of data collection devices, when used with SATO's line of thermal portable printers, bring positive patient identification and barcoded patient services directly to a patient's bedside.
- **User-friendly software:** SATO's Label Gallery 3 HC™ for Patient ID is the industry's most sought-after, user friendly software solution, generating facility regulation or industry compliant barcoded wristbands and labels.

Getting into Healthcare

Solution providers targeting healthcare can short-cut market entry via SATO. "It's difficult to begin servicing this market unless you're teamed with a company that has a solution that's already proven successful," says Krause. "Hospitals will check your references, and if you have them either directly or through a teamed manufacturer, this gives the VAR immediate credibility." SATO can help solution providers gain entry via the following tools listed below, which are designed to help them succeed in the healthcare and life sciences space.

- **Reputation.** Reputation is everything in healthcare, with most contracts awarded due to a solution's success at other institutions. With eight years of experience in the field and over 1.5 million wrist-banded patients every year in the U.S. alone, SATO offers a stellar reputation and solid reference accounts that solution providers can leverage to start selling healthcare solutions quickly.
- **Integration assistance.** SATO offers as much (or as little) assistance as a solution provider requires. "We offer a la carte or complete and comprehensive solutions to our partners. They may purchase our printers and wristbands, and bring their own intellectual property, or SATO can be their subject matter experts and team through the entire process with them," says Jamie Stallings, SATO America's Healthcare Product Manager.
- **Patience and commitment.** Solution sales for the healthcare and life science market may in some instances require a longer close cycle. The staff of a facility in which a solutions provider may work are meticulous in their solutions quest; they are after all, charged with an enormous responsibility — our health and wellness. Be patient, ask many questions and you will build the right solution.

Those VARs who make the commitment to this vertical and its needs will be those which are most likely to succeed over the long term. "Once a VAR begins to provide these types of services their credibility as a technology expert rises rapidly within the organization. Leveraging this credibility places you as an intricate member of their technology team and a future resource for other AIDC applications." says Stallings.



Gary Krause
Director of Marketing
SATO America, Inc.

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About SATO America, Inc.

SATO is a pioneer and leading global provider of integrated Automatic Identification and Data Collection solutions that leverage barcode and RFID technologies. SATO manufactures innovative, reliable auto-identification systems and offers complete solutions to businesses by integrating hardware, software, media supplies and maintenance services. Customers rely on SATO for accuracy, labor and resource savings helping to preserve the environment.

SATO's Prestige Partner Program provides a framework of business for growth and profit with SATO America products, services, and solutions. The program is a tiered solution for the complexities of business today, yet will afford a wider range of product and solution availability than most other industry programs.

SATO is a customer-centric company, focused on continuous improvement of products, services, and solutions that add value to customer relationships.

SATO America values highly its technology partners and encourages open communication between partners. Whereas one partner may specialize in mobile computing applications, another may excel in RFID technologies, and by working together they offer an impressive solution that exceeds the customer's expectations.

- **A healthcare knowledge base.** Partnership with SATO offers full access to a partner-specific database chock full of statistics, reports and insights about the healthcare market and the latest knowledge on mandates, regulatory changes and success stories. SATO Healthcare experts are available to offer individual assistance throughout the process of solution building, through installation.
- **Thorough vertical market and product training.** A full healthcare training curriculum and specialized partner healthcare portal are complemented by on-the-job training alongside SATO healthcare experts. SATO may also fund regional and national trade shows, marketing and other business-building efforts through market development dollars for its Premier level Prestige Partners supporting this vertical's growth.
- **Technical skills.** Fortunately, AIDC and RFID solution providers already know almost all they need. "Hospitals are really a microcosm of applications—a warehouse in the back, printing in the front door," says Stallings. "VARs just need to reapply and refocus what they're already doing and SATO can help."
- **Software tools.** Healthcare Information Systems (HIS) providers are purposely difficult to penetrate. Easy Integrator tools allow SATO's Label Gallery 3 HC™ software to interface with most major HIS systems; allowing for the secure, compliant use of data for patient identification and service delivery accountability and safety.
- **Financing.** SATO financing programs are potentially available to help solution providers facilitate their client's purchases.

The Healthcare Opportunity is Now

More than three-quarters (76 percent) of small and mid-size U.S. hospital IT executives plan to increase IT spending this year, according to a HIMSS (Healthcare Information and Management Systems Society) survey. Revealing a new attitude toward technology, respondents said IT could have the most impact (37 percent) on improving clinical and quality outcomes, with another quarter (28 percent) saying the biggest impact would be in reducing medical errors and improving patient safety. Hospitals are open to technology solutions as never before. Solution providers that align with an experienced and knowledgeable vendor partner have everything they need to start building business in healthcare right now.

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