

Diversify Your Customer Portfolio with Medical MicroBulk

By Mark Kenney and Bob Knight

In today's economy, which has been challenging in most market sectors, business professionals need ways to retain the business they currently enjoy while finding creative ways to profitably grow their business. Chart's MicroBulk system (www.chart-ind.com) enables industrial gas distributors to provide improved service to existing clients as well as service the fast growing healthcare sector, yielding both customer retention and business expansion.

Significant changes are underway in the healthcare sector, driven in large part by cost containment and mandates imposed by federal legislation. (See "Compliance Matters: Regulatory Momentum in the Gases Industry," *CryoGas*, November 2011, p. 38.) The myriad changes that impact how care is distributed creates a ripe environment for MicroBulk applications. As recently reported by *CryoGas*' Maura Garvey ("Worldwide Industrial Healthcare Market," *CryoGas*, November 2011, p. 34), the US market value in healthcare for industrial gas companies is estimated to be \$2.8 billion in 2010, an increase of three percent from 2009. This statistic combined with the fact that the healthcare sector continues to expand toward a more decentralized system are key indicators that healthcare will likely grow faster than GDP for years to come. This type of growth in a sluggish economy, aligned with diversity in effectively supplying med gases, makes the medical sector worth further evaluation.

The Chart medical MicroBulk platform supports the changing paradigm in which the majority of healthcare services are provided by large hospitals that employ bulk oxygen systems. In the past, local community hospitals were one-stop-shops for all medical procedures. This premise, however, has undergone some radical surgery. Today's healthcare marketplace is exploding with stand-alone outpatient surgery centers, nursing homes, hospice facilities, wound and burn centers, hyperbaric treatment centers, and other medically-focused treatment facilities, all of which are prime MicroBulk applications.

The Chart MicroBulk system consists of an Orca delivery truck that is used to fill Perma-

Cyl liquid storage vessels installed at the customer site. The Orca delivery trucks range in size, starting as small as 1,000 gallons. The Perma-Cyl storage vessels can range in size from 230 to 3,000 liters. In addition, Chart worked with Tri-Tech Medical Inc., a well-respected manufacturer of medical gas pipeline equipment, to co-develop a delivery manifold that works specifically with its Perma-Cyl tanks. While there are many manifolds available designed to work with liquid cylinders, none included the features that were needed to accommodate a true MicroBulk application. Chart also adds the ability to power the Cyl-Tel liquid level gauge from the Genesys manifold panel so that liquid level information is integrated into the operating parameters. All of these features, combined with telemetry, provide any gas distributor a relatively low cost, turnkey system for entry into small bulk medical applications.

There are three key areas for growth utilizing the MicroBulk technology. Mode change represents one of the largest applications of MicroBulk. Indeed, medical customers that use oxygen or other medical gases in high-pressure or liquid cylinders as their primary supply mode can benefit substantially by switching to MicroBulk.

Centralized supply is another key area for growth. For example, nursing homes or hospice centers in which centralized distribution of oxygen to patient rooms does not currently exist could benefit from a MicroBulk installation, either through piping the facility for oxygen or by filling liquid oxygen portables on-site.

A third area for expansion relates to NFPA (National Fire Protection Association) compliance. The medical gas system at older healthcare facilities may still be employed under the false pretense that the system is "grandfathered" in relation to current NFPA codes. This is not necessarily the case, and may prove to be a great opportunity for introducing MicroBulk as a cost effective means to bring that facility up to current codes while simultaneously reducing costs for your customer.

It is important to note that there are requirements for any gas distributor intending



A typical Chart Perma-Cyl Medical Oxygen System

to market and sell medical bulk gases. These include (but are not necessarily limited to): developing formal Standard Operating Procedures (SOP) that comply with the FDA's (US Food and Drug Administration) Good Manufacturing Processes to repackage medical gases; formally registering with the FDA and obtaining applicable licensure with state pharmacy boards; maintaining a high degree of familiarity with NFPA mandates for medical installations; and employing personnel that are both qualified and—per the 2012 edition of NFPA 99—certified to work on medical gas installations. There are cost effective compliance services available, like B&R Compliance Associates (www.brcompliance.com), which can help in developing and managing a formal medical gas compliance program for your business.

Bottom line, a medical MicroBulk solution can benefit many small medical liquid- and gas-phase consumers. It provides the convenience of a larger bulk system while lowering operating costs, insuring NFPA compliance, and increasing worker and site safety. Your customers and prospects need to be aware of the benefits of medical MicroBulk. Likewise, this is the right time to add or expand medical MicroBulk as a strategic component of your product offering. To that end, we invite you to contact Chart for a more thorough analysis as to how medical MicroBulk can propel your business forward in 2012 and beyond. ■

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