



# Two-Bin Kanban



# Point of Use Management

Designed specifically for the healthcare industry, useIT is the only point of use material management portfolio on the market to reconcile every type of material and every supply environment found in a hospital. useIT has been designed to accommodate different material flows adapted to the various service areas in a hospital setting based on item value, traceability needs and status in a case-managed environment. This differentiated approach facilitates customization of the supply chain while significantly improving productivity and lowering process cost per item number, without appropriating clinical time better spent on patient care.



## useIT Two-Bin Kanban

Part of our useIT point of use material management portfolio, TECSYS Two-bin Kanban offering aims to optimize batch-based replenishment processes while minimizing both clinical and back office staff involvement. These solutions incorporate automation technology into a proven inventory concept inspired by the Japanese lean/Kanban system.

Batch-based inventory management methodologies are well-established as the healthcare industry's best practice for high-volume supply par locations, where a single action – or trigger – is activated per batch of supplies.

Two-bin Kanban controls inventory levels and turnover, and helps prevent the use of expired products. It ensures that your organization maintains reliable stock levels and accurate demand assessments while eliminating manual counting, simultaneously greatly reducing clinical and support staff interactions with the system.

## Benefits

### Improves clinical staff satisfaction

- Enables clinical staff to spend less time searching for supplies
- Relieves clinical staff of time spent dealing with stockout issues

### Assures stock rotation through improved workflow

- Lowers costs incurred by expired products and improves patient safety

### Eliminates counting and data entry

- Reduces the risk of overstocking and stockouts
- Reduces back office workload
- Eliminates errors caused by visual evaluation and manual count

### Provides real-time information flow

- Offers a demand response based on actual consumption
- Enables a quick response to supply issues and exception management

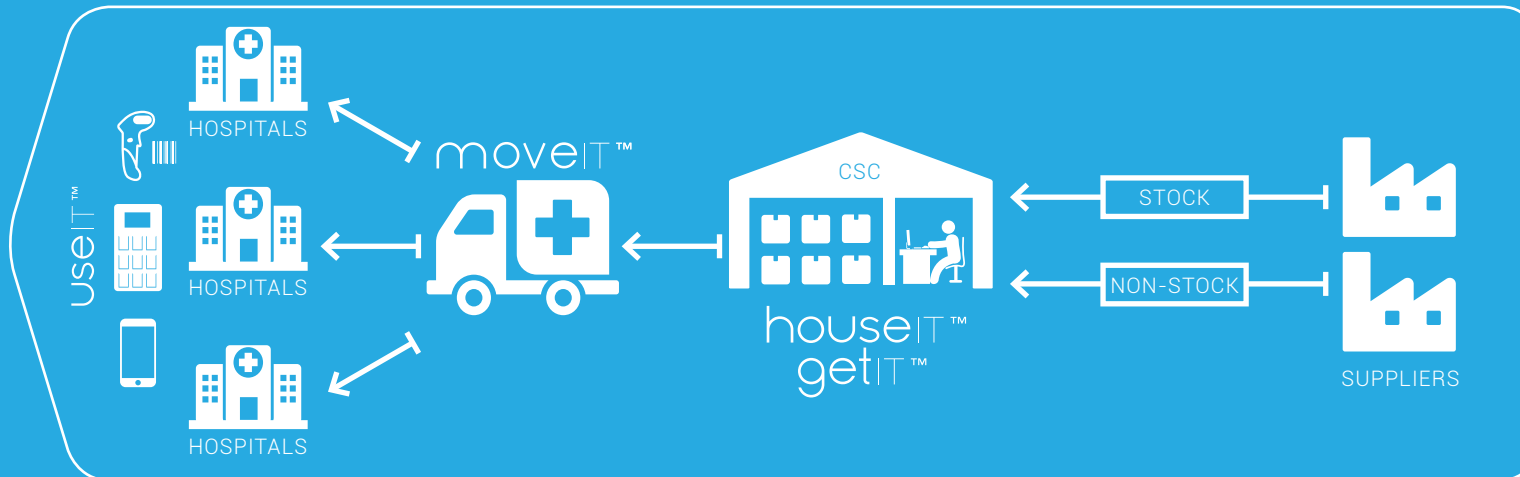
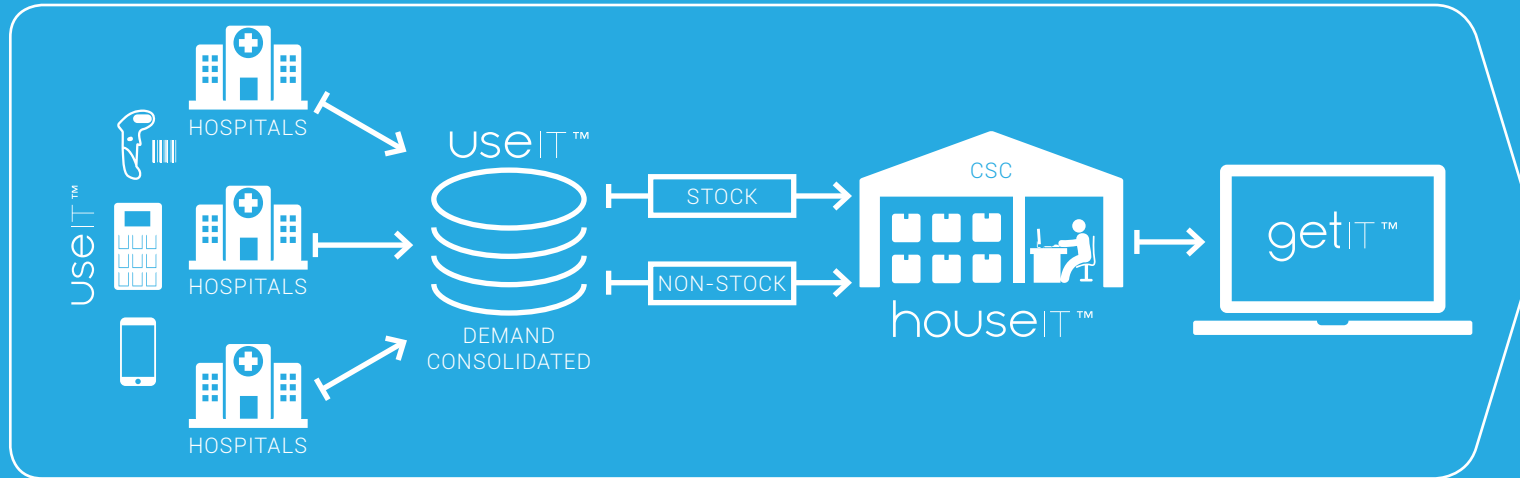
### Automates manual processes

- Reduces dependency on staff
- Increases productivity and reduces supply-related errors

# End2End Supply Chain

useIT solution is integrated into a complete healthcare supply chain platform for optimal distribution and replenishment

## DEMAND



## FULFILLMENT

# Powering useIT Two-Bin Kanban with the TECSYS Platform

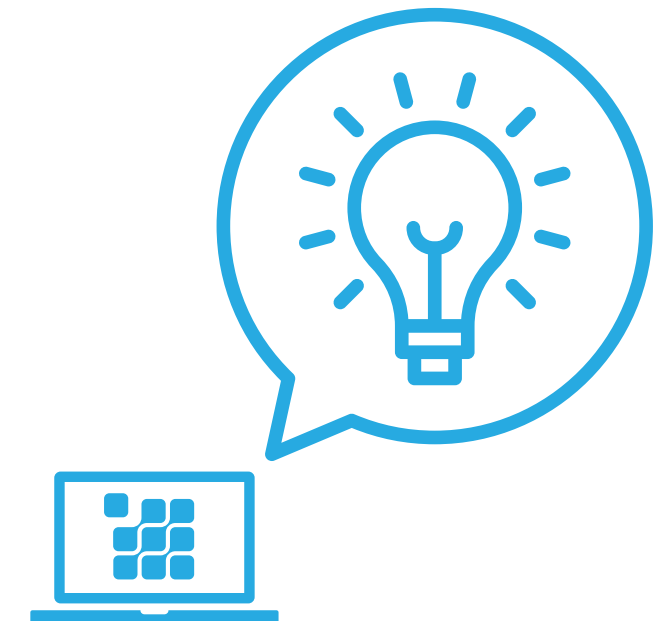
Most MMIS and ERP systems used in hospitals offer limited point of use distribution automation features. They focus primarily on demand capture using electronic requisitioning and basic PAR-level barcode technology.

The TECSYS platform can easily connect to any ERP system, optimizing interaction with the front line of service and answering the essential supply chain question: "who needs what, where, when, and how much?" It provides this answer in real-time, harnessing an automated information flow as demand occurs. The application features fully customizable automation and business rule settings to manage response decisions and keep human reliance to a minimum, which allows back office resources to focus on more value-added activities.

useIT has been built to facilitate the deployment of two-bin/Kanban in a healthcare environment. The software is tailored to support departmental and service area logistics needs, helping to accelerate adoption of Lean practices across widely varied workflows.

## Maintenance and Optimization

To maintain peak performance levels across your two-bin environment, the TECSYS platform provides maintenance recommendations and exception management functionality, allowing users to take corrective steps proactively. Additionally, the system intelligence identifies opportunities for automated mobile user workflow improvements and maintenance activities that will simplify and optimize replenishment activities.



# The Exact Two-Bin Kanban Option That Works for You



2Tags



2Totes



# Two-Bin Kanban Flow

## Consumption

- Based on consumption, delivery frequency and other criteria, the total optimal quota is established for each supply item and then divided between two compartments (or bins). When the primary compartment is empty, consumption continues from the secondary compartment.

## Demand capture

- Once a primary compartment is empty, clinical or support staff remove the corresponding bin or label holder and place it on a replenishment board or zone to signal a need for replenishment.
- Replenishment needs are captured using RFID or barcode data capture technology.

## Order preparation

- To support the complete automation of the internal supply chain, TECSYS also offers optional integration to houseIT, our internationally-recognized WMS, to automate and optimize physical and information flows into and out of the hospital central store, warehouse and distribution center. Without houseIT, the replenishment orders are transferred via an interface to the hospital's MMIS or ERP system, which then generates a picklist for stock items or requisitions for direct purchase products.

## Replenishment

- During the put away process, the use of two compartments or bins ensures stock rotation, thus reducing the risk of products expiring and going to waste or inadvertently being used on patients.
- During their delivery rounds of supply orders, material management personnel remove the label holder from the board or the replenished bin from the replenishment zone and place them back to their designed location in the storage unit to complete the cycle.

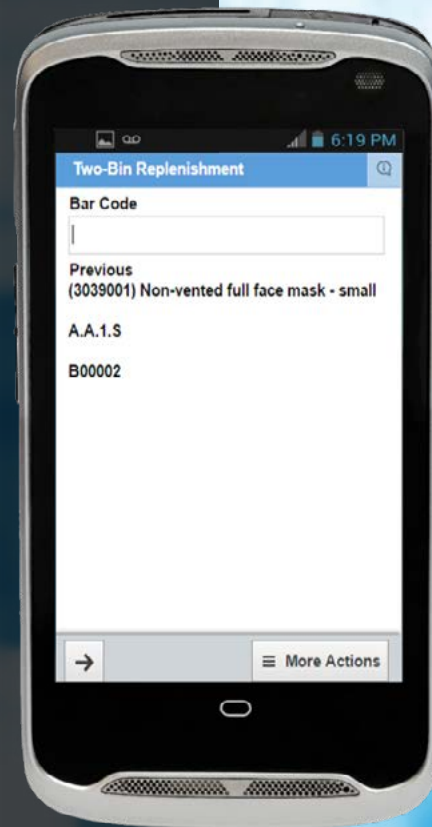
# Mobile Application

## Two-bin replenishment workflow built for healthcare

At the core of TECSYS' Supply Chain Platform is the company's patented visual content available through intuitive applications used on standard mobile devices. The user interface is designed to boost efficiency and accuracy across daily system operations and significantly simplify needs assessment activities within the various supply rooms.

Designed to manage the replenishment of par locations using a Kanban replenishment methodology, the mobile replenishment workflow takes into consideration varied healthcare two-bin environments and systems across myriad healthcare processes and replenishment flows.

TECSYS' mobile interface for useIT captures accurate demand assessments while improving replenishment activities. Barcode technology and advanced workflows come together to guide and simplify user interactions at the point of use, creating intuitive and undemanding supply chain activities.



# smartpanel: RFID Technology that Puts Supply Management on Full Display



The RFID smartpanel represents an important innovation in general supply management; by enhancing the platform with an array of interactive visual-based tools, TECSYS offers the only RFID-enabled two-bin system to integrate a fully dynamic visual system inspired by lean best practices. Featuring instant feedback on inventory levels and replenishment status, users eliminate the unknowns that often hinder performance and disrupt service levels by clinical and logistics staff alike:

- Provides immediate feedback for replenishment status via a visual system of LED indicators, maximizing compliance and system accuracy
- Eases the put away process and automates maintenance through RFID technology and LED notifications
- Provides accurate supply information and real-time lookup functions, directly in the supply room, tethering point-of-use demand to the global supply chain infrastructure

**"Finally, supply chain data is available to clinical workers at nothing more than a glance"**

# Kanban Analytics

## ITopia

- TECSYS' ITopia offers meaningful consumption data, a superior overview, and a decision platform for continuous optimization. The management team gains access to reports that are either not generally available or not easily accessible via typical MMIS and ERP systems.

## Central Intelligence Hub

- This central hub enables powerful network-wide analytics which empower healthcare organizations to leverage optimization opportunities and strategic sourcing insight. Analytics tools fed with real-time data makes it easier to monitor key metrics and improve supply chain performance on an ongoing basis. The system provides an accurate evidence-based decision platform for accelerated demand response, precise LUM program management, and increased productivity.

## Advanced BI

- Advanced BI provides superior overview and easy monitoring to ensure consistent performance and identification of further optimization opportunities across the healthcare network:
  - *Optimizes inventory levels through consumption-based replenishment*
  - *Deepens strategic analysis of replenishment and consumption data*
  - *Identifies opportunities for PAR optimization*
  - *Provides inventory performance and movement dashboards*



# Impact on Distribution in an RFID-enabled Two-bin Kanban Environment

- Reduces the number of lines picked in central stores or at the distribution center
- Reduces the number of replenishments
- Provides better control over quantities ordered
- Reduces the number of stat requisitions
- Provides real-time information on replenishment needs
- Substantially reduces needs evaluation time
- Allows for needs evaluation in areas where material management staff has limited access (OR, Psychiatry, Labs, etc.)

lines generated	▼	41%
replenishment	▼	57%
annual orders	▼	69%
urgent orders	▼	75%
demand capture	▼	100%

## About **TECSYS**

TECSYS is the leader of supply chain management solutions for health systems. TECSYS' robust software and industry expertise enable health systems to transform their Consolidated Service Center, Point of Use and Operating Room into efficient supply chains; saving millions of dollars, gaining total inventory visibility and freeing up clinicians to focus on quality patient care.

As a result, TECSYS has been recognized by Gartner that, "It [TECSYS] has dominant market share, it is highly regarded and is involved in most of the conversations for CSCs (Consolidated Service Centers) forming today."<sup>1</sup>

For over thirty years, TECSYS has been providing supply chain management solutions. The Company employs a seasoned team of experts who have extensive experience in supply chain management and in deploying TECSYS' technology in high-volume distribution environments, enabling customers to significantly streamline logistics operations, reduce costs and improve customer satisfaction.

Every day, TECSYS' employees help a supply chain across North America improve performance and deliver better service to customers. TECSYS' foundation is a strong core of employees with expertise and experience who differentiate the company on the competitive landscape.

TECSYS' dominance in health systems is not just about robust software technology; it is more about extensive expertise, experience and industry know-how that enable health systems to be totally informed before, during and after their supply chain transformational initiative.

<sup>1</sup> Gartner: To CSC or Not to CSC...that is the Question for Healthcare Providers report by: Eric O'Daffer, Hussain Mooraj.





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