

How a University Health System's Procedural Care Supply Chain Is Saving Over a Million Dollars per Year

CUSTOMER STORY





Executive Summary

A North Carolina-based integrated university health system, operating on a not-for-profit basis, serves as a cornerstone of community wellness in its home city. This expansive health network comprises of a flagship hospital, numerous outpatient services, a comprehensive medical education program, and eleven affiliate hospitals and hospital systems across the state.

As part of a complete supply chain transformation project of the new facility located on the main campus, the health system was looking to improve its supply chain and inventory management on all nursing floors, diagnostic and treatment procedure spaces, including:

6

*catheterization, vascular
and interventional
radiology labs*

2

electrophysiology labs

2

hybrid procedure rooms

10

*post-acute care unit
(PACU) beds*

48

*procedure prep and
recovery beds*

Challenges

Business Intelligence and Analytics Capabilities

- Lack of visibility on product utilization and consumption
- Inaccurate forecasting of supply demand
- Unreliable information for case costing analytics



Inventory Management and Traceability

- Manual replenishment based on tribal knowledge
- Excess inventory and stock wastage (expired product)
- Imbalances in inventory and consignment liability

Patient Safety

- Lack of product traceability to patient for unique device identifiers (UDIs)
- Lack of safeguard to prevent expired or recalled items being used



Clinician Productivity

- Time-consuming, manual data entry
- Disruptive stockouts with urgent order
- Staff running after missing supplies



Solution

The health system needed an automated solution that could integrate with clinical, supply chain and financial systems and workflows to provide cross-functional stakeholders with the data they need to make evidence-based decisions and optimize patient care delivery. The result was the implementation of a clinically integrated supply chain system using various RFID devices and business intelligence tools from Tecsys' Elite™ Healthcare solutions.

Performance Management and Case Costing

Achieved accurate case costing for comparative effectiveness.

With data and insights into product utilization, fact-driven recommendations can be made for reducing variations, standardizing physician preference items and managing ongoing preference cards.

Procedural Management and UDI Tracking

Simplified case usage documentation for patient billing and reimbursement.

The health system implemented a single sign-on user interface integration with EMR/EHR and single scan to populate multiple applications with pertinent information. UDI are effortlessly captured for intraoperative supply usage and any double-entry processes are eliminated to reduce the risk of erroneous input while providing real-time patient safety alerts. This enables visibility and custody of supply assets and critical high-cost items.

Inventory Management and Data Capture Technologies

Gained better control of inventory levels and improved demand assessments by deploying just-in-time inventory management.

This safeguard prevents expired products from being used in treatment. By automating movement, utilization and replenishment of supplies, it reduced excessive inventory and stock wastage. Additionally, clinical staff are no longer burdened with time-consuming, error-prone manual counting and data entry.



“Before Tecsys, we had limited visibility into inventory management and product traceability, and we were relying too heavily on clinical staff to perform supply chain tasks. Tecsys automates previously manual data entry and demand capture, and gives us a central data-driven view into our consolidated service network. It’s a major transformation that gives us the tools to anticipate rather than react, and continuously improve on our key metrics.”

**Director of Information Technology,
ERP Systems**

The Results

↓ **\$339,500** Reduction in inventory optimization and carrying cost

↓ **\$761,000** Reduction in expiration and waste

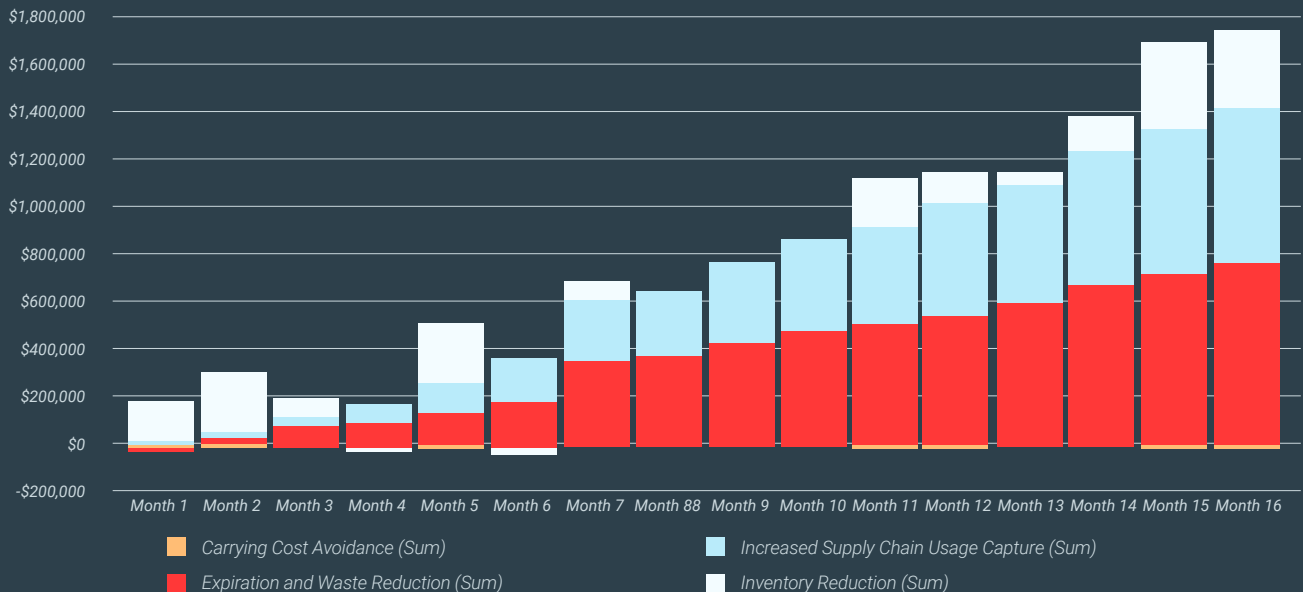
↑ **\$652,000** Increase in supply usage capture

\$1,752,500

Total value achieved in 16 months

Over 5 years the total gains will exceed **\$5.8M**

Gains



About **Tecsys**

Since our founding in 1983, so much has changed in supply chain technology. But one thing has remained consistent across industries, geographies and decades – by transforming their supply chains, good organizations can become great.

Our solutions and services create clarity from operational complexity with end-to-end supply chain visibility. Our customers reduce operating costs, improve customer service and uncover optimization opportunities.

We believe that visionary organizations should have the opportunity to thrive. And they should not have to sacrifice their core values and principles as they grow. Our approach to supply chain transformation enables growing organizations to realize their aspirations.

Speak to a Healthcare Supply Chain expert



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