

NATIONAL SURGICAL CARE CASE STUDY



National Surgical Care managed a network of 21 surgery centers across the United States. They needed an enterprise system to develop a corporate formulary, reduce supply cost, enhance inventory process, and to improve supply chain functions. IOS has been the web based inventory supply chain solution that has enabled the achievement of these objectives.



IOS is a web-based supply chain management application for the healthcare market.

DOCUMENTED SUCCESS

Cliff Parker, National Surgical Corporate Director of Logistics needed a technology solution to support his personal and organization objectives. IOS was able to deliver the solution that has allowed him to actually exceed these goals. The major accomplishments include:

- **Increased orders submitted electronically (EDI / Autofax / Email)** to vendors from 0% to 85%, which reduced time spent ordering by 1 hour per center per day.
- **Reduced item master size by 26% and maintenance time** from 10 hours a week to 2 hours per week through the minimized key strokes for new item adds, ability to import changes from an Excel spreadsheet rather than manual updates one product at a time, and the price update feature from the vendor EDI confirmation directly to the item master.
- **Reduced on-hand inventory by 37%** per center.
- **Contract shareback from GPO contracts increased by 21%** based on ability to generate independent reports for sharing with GPO and manufacturer.
- **Instituted reprocessing program** that generated \$196,695 of savings in the second year and represented a 29% increase, which was enabled by the IOS product management capability and report generation.
- **Published monthly supply chain dashboard** report to executives and Administrators that included, monthly spend trend, category spend, contract compliance, and inventory turns.
- **Contract compliance has reached 80%** through management of the corporate formulary and monthly reports provide continued focus on this critical metric.
- **Increased buyers efficiency** by automating procurement process.
- **Enterprise reporting** enabled system wide visibility and analytics that wasn't previously available.

National Surgical Care's Objectives:

- Control spend at each center
- Increase contract compliance and ensure price parity across group
- Provide single portal for all vendor orders
- Decrease inventory levels
- Increase inventory visibility at each center and corporate
- Improve product formulary adherence
- Provide a more efficient 3-way match and invoice payment process
- Stop killing so many trees

Account Summary:

- 21 surgery center group
- Dedicated clinician in each facility responsible for product ordering and management
- \$1.7M annual med-surg spend per facility

CLIENT QUOTES

National Surgical had the following to say about the IOS solution:

“Compared to other supply chain systems, IOS is the best, robust, and user friendly enterprise system to help police our total supply spend.”

“Without IOS our inventory control would still be out of control. IOS helped us reduce our on hand inventory by standardizing our basic commodities and we are now able to perform supply cost analysis.”

Cliff Parker, Corporate Director of Logistics