

OPHTHALMIC GROWING PAINS

A CASE FOR CHANGE IN NON-ACUTE MATERIALS MANAGEMENT

American SurgiSite is a leader in ophthalmic ambulatory surgery center consulting, accreditation, value-added services and management. Located in New Jersey, American SurgiSite supports 8 ophthalmic Ambulatory Surgery Centers nationwide.

Katie Negron, Purchasing Department Manager, oversees American SurgiSite's purchasing department. Her team is responsible for supply chain management across all health centers within their organization. Among the 5 locations that Negron's team purchases for, they manage 95 vendors, 130 physicians, and 150 nursing and staff members.

Katie and her staff recognized a need for change in their procurement process. Before Hybrent, each week clinical staff at each location would add supplies they needed to be ordered to an Excel spreadsheet before submitting the spreadsheet to the central purchasing department. This process was time consuming and often included supplies that were outside of the item formulary.

Negron's team would then review each spreadsheet and do their best to search and compare items from a multitude of vendors to find cost-effective, quality supplies. This inefficient process was laboring and difficult to maintain as the organization grew. They needed a solution to streamline their accounting process and consolidate ordering since current efforts made it difficult to keep track of and manage order requests.

5
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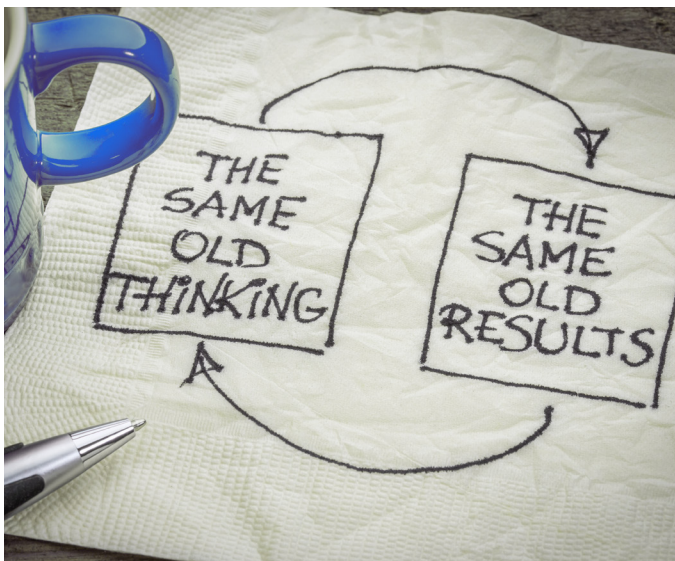
“Each center is unique because of the different doctors and their specific supply wants and needs, based on the surgeries being performed,” said Negron. “The Purchasing Department does its best to work with each facility’s supervisors, nurses, and staff.”

With their manual procurement process, the team struggled to reach their goal of a streamlined ordering process and buying supplies in bulk to capture savings. The Purchasing Department needed an easier way to shop and purchase supplies for all the facilities being managed under American SurgiSite. The system being used before wasn’t able to handle the magnitude of orders being submitted from each facility and didn’t have the inventory management capabilities that were needed.

American SurgiSite’s Central Purchasing Department was attempting to control the item file for all centers, approving orders, and knew there had to be a more efficient way to insure all centers were ordering quality, cost-effective supplies. American SurgiSite uses Sage for accounting, so a solution needed to integrate with this system for a well-rounded supply chain solution.

American SurgiSite’s process was full of manual and duplicate data entry from purchase orders and invoices which was time consuming and inefficient. Ultimately, American SurgiSite jumped at using Hybrent because it would significantly improve their purchasing process and was able to integrate with their accounting platform.

The Hybrent application instantly searches all distributors and manufacturers for the optimal price and product availability. It allows users to place one order for all medical, surgical, pharmaceutical, and office supplies at the same time. Additionally, the application is mobile, so you can order and check the status of your supplies whenever you need to from wherever you are, and without having to be at a desktop computer. Hybrent also provides valuable operational data – delivering metrics and reports to help users evolve supply chain efficiency and visibility.



Hybrent took their broken process and turned it into an efficient and functional workflow. The immediate benefits seen from using Hybrent were the time savings in their procurement process. Hybrent streamlined this process by allowing users at each health center to find items and create POs for the purchasing team to review and approve, allowing them to manage the purchasing workflow more directly.

Instead of sending a large list of supplies that need to be ordered to Central Purchasing weekly, users at each center are able to order supplies through Hybrent, as needed. Providing each center the ability to place purchase orders has significantly reduced the amount of over-ordering and helped each center keep an ideal amount of supplies in stock while educating staff about the importance of not over-ordering.

Bernadette Santana, the Administrator at Somerset Eye Institute, used to handle all the ordering or supply requests prior to using Hybrent. Santana has since transferred all medical procurement responsibilities to Jay due to the ease and accessibility of creating POs.

“We used to write down the supplies we needed and send it over to Katie’s team at CPD. Now, I can scan items and Hybrent generates a purchase order immediately. I use the Hybrent app to generate POs and review inventory levels. I can be building a PO or reviewing inventory levels while on the move by using Hybrent’s app” says Jay. “I can also see the inventory levels change immediately when I scan out to use an item or when I receive my order shipments.”

“I can see the price difference among vendors from drugs, to shoe covers, to instrument cleaners. If I typically purchase an item from one vendor, but see the same item from a different vendor is \$3 cheaper, I’ll experiment and purchase the lower cost item. Then, I take the staff feedback and evaluate the quality and cost to determine which vendor I order from in the future.”

“The ability to clearly see the total of my PO and the breakdown of costs helps me spread out our budget. I can remove some items that we don’t need at that moment and avoid a high expense” says Jay. Using Hybrent has reduced overstock at Somerset because of the ability to order as needed rather than a weekly bulk batch.

Santana has more time to focus on other key areas to reduce costs at Somerset Eye Institute. She is able to look up pricing for the physicians instead of disrupting the purchasing department when they inquire about the cost of an item. “It’s great to have an example to show our doctors and help them switch over to cost-effective supplies. I used to purchase an item that was almost \$90 and because of Hybrent, I was able to find a cheaper alternative while maintaining quality.”



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Laurie is the Materials Manager at Albany Surgery Center, another facility under American SurgiSite. She also uses Hybrent to order, receive, and scan-out items at her center. “Ordering was done on paper, but Hybrent has made ordering and receiving much quicker.”

Negron and her team at Central Purchasing are now able to approve orders and spend more time improving processes using Hybrent reports, instead of spending time processing each center’s purchase orders.

The immediate benefits seen from Hybrent were the time savings. “Hybrent took processing our purchase orders to vendors from an 8 hour daily ordering process down to 4 hours or less,” said Negron. “We use so many vendors that it’s 10 times easier than the old system.”

After improving their procurement workflow, Negron turned the focus to inventory management. The team focused on ordering through Hybrent, electronically receiving in Hybrent, and relieving inventory through the system which enabled American SurgiSite to manage inventory perpetually.

Before Hybrent, American SurgiSite’s centers would conduct semi-annual manual inventory counts and review purchase orders to identify inventory levels which was not only time-consuming, but also full of errors.

Since using Hybrent, their last cycle count was the most financially accurate count the group has ever had! They were able to identify gaps and inventory they forgot about, while reducing human error.

"I'm able to catch counts that are off and let Katie know. The old system wouldn't know what the stock levels were, but Hybrent doesn't allow you to sign out if the stock is negative which makes it easy to catch any errors in stock levels before it becomes a major issue" says Jay.

The team is working on trimming down supplies even more to maintain lean inventory. "I can review the amount of cases coming up and identify if we need to purchase items. Looking at our inventory in Hybrent is more convenient and easier rather than going over to our shelves and manually counting" says Jay. "This also helps keep speciality items in stock because I'm able to order those items on their own rather than wait to add in a large order."

Jay used to place 2-3 large orders a month, but now is able to place small orders keeping what they need in stock rather than buying items just to make sure they wouldn't be put in a position of not having critical items on hand when needed. "If a special case is coming up, I can use Hybrent to send a PO out immediately."

With Hybrent, Negron and her team have access to live inventory counts that makes it easy to keep their inventory status detailed down to the day and even hour. "Each month, we have worked closely with our Hybrent Specialist, Jeff Fink, and now the variance is almost nothing, under \$50 a month!"

The ability to integrate Hybrent with their accounting system streamlined their 3-way match and invoicing process. "Locating any discrepancies is so much easier and with Hybrent, we can fix any potential accounting problems before they're really there," says Negron. The

Accounting department now has a better understanding and visibility of what is being used and what is being billed to the patients.

A challenge Negron had was convincing the physicians the worth of Hybrent and how much of a difference it's made to their supply chain process, but the reporting functions and price visibility make it easy to highlight the worth of the system.

"From the reports in Hybrent, we can see a huge change in our inventory and spend over the past few months in the right direction. Hybrent gave us some clarity into things that we didn't have before, and it has helped tremendously," she said.

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"Using Hybrent has changed the way we purchase. We are more efficient and knowledgeable in getting what our centers need, at the best cost, expeditiously. Hybrent's implementation staff is exceptional, we always get the results we need. They continue to be a major part of the excellence that Hybrent brings to our purchasing and accounting departments. Hybrent's customer and technical services are also a pleasure to work with, they are top-notch!" - Katie Negron

The visibility Hybrent provides when it comes to the cost of supplies brings the importance of reducing this expense to the forefront for clinical staff at the various centers. "Before, they couldn't clearly see the cost of the supplies they were using," notes Negron. "Now, they have clarity and insights to help them identify areas to reduce supply waste and make smarter purchasing decisions. This ability has sparked conversations between Scrub Techs and Doctors regarding the cost of supplies being used in cases and how those differ among each doctor."

Results

American SurgiSite has increased efficiencies and communication using Hybrent while streamlining their supply chain process. Clinical staff at all 8 facilities are utilizing their ability to create and submit purchase orders for approval, while keeping their focus on providing responsive care for their patients. Inventory variance has significantly decreased across all locations and reports are consistently reviewed helping American SurgiSite uncover more insights into their supply spend-to-use that drive continuous improvements.

The Purchasing Team is able to review and approve orders faster and with more confidence that each PO contains cost-effective, quality supplies that are within their item formulary. Providers, clinical staff, and administration are all aligned with the goal to reduce waste and increase efficiencies with new processes that focus on supply efficiency.