

Best Practice Award



Heather Braswell, HT, CMA
Clinical and Anesthetics Manager



CUSTOMER PROFILE:

- Rapidly expanding dermatology group serving Yakima Valley, WA
- Complete, comprehensive dermatologic care covering a wide range of patient services
- Set goals to improve inventory management and financial reporting

MODULES:

- Purchasing
- Receiving
- Adjustments
- Usage

IOS is committed to continually identifying and sharing best practices from our customers to help inform the healthcare community on supply chain automation. Each quarter, we recognize an organization demonstrating exceptional best practices in supply chain.

Congratulations to Valley Dermatology Associates for winning our Quarterly Best Practice Award. Valley Derm has demonstrated outstanding capabilities in using the Envi solution to manage physical inventory, streamline ordering and inventory processes, leverage reporting tools to build visibility to department costs and profitability, and engage employees directly in supply chain management.

The Valley Dermatology Associates Story

Valley Dermatology Associates provides care from initial diagnosis to the recommendation of effective treatments, working with patients to provide a personalized path to wellness. With expert healthcare providers providing an expanding variety of services, the team provides patients with the highest level of care and detection available.

Heather Braswell, HT, CMA, Clinical and Anesthetics Manager at Valley Derm noted the challenges of the practice's rapid growth. "While we experienced a surge in clinic growth and demand, we recognized the methods we used to keep track of our expenses weren't efficient, despite being in business for nearly 20 years. Our inventory costs were consistently high, we weren't ordering or restocking appropriately, and supplies weren't being rotated, so often they would expire, resulting in needless waste. This was especially impactful on our retail and cosmetic service lines. I was tasked with finding an inventory system that would let us consider each department and the unique way our clinic operates, then allow for customization to fit each area's demand for supplies."

Using Envi to Improve Current State, Achieve Goals

Customizing their Envi set-up specifically for their organization allowed the Valley Derm team to create three separate departments – surgical, clinical dermatology and cosmetics – and within the departments, individual service lines. They identified products used across all departments, which are managed and maintained by an individual who purchases supplies and manages inventory for the overall organization.

Next, the team identified supplies used uniquely within specific departments, and designated a staff member in each area to order and manage those supplies. Braswell added, "Specific products used within a department are assigned to that department or service line, and ordered by a team member responsible for purchasing and managing inventory for that department."

As the team developed their customized structure in Envi, they set goals to help achieve both short term targets and long term improvements. Areas of focus include:

- Creating and managing unique departments and services lines, then tracking expenses to specific service lines
- Managing data and reporting tools to create powerful financial statements, including accurate profit and loss statements for each department
- Increasing employee accountability by enabling departments to own their individual supply chain
- Right-sizing inventory levels, creating alignment using both demand data and par levels
- Streamlining ordering processes, replenishment, receiving and managing on-hand inventory

Improvements and Best Practices

Weekly, each department restocks from centrally located supply rooms. One designated department employee is responsible for making sure that those supply room items are tracked and restocked from two main storage areas. The designated department employee is also responsible for receiving orders, creating orders and stock usage. Only the designated department employee is allowed access to the main storage areas, which means that the supply available for restocking in the centrally located supply rooms is all that can be used for that week. "We've found this keeps supply hoarding in check and makes sure everything is accounted for appropriately," said Braswell.

Valley Derm has succeeded by taking both a system-wide and department-specific approach. In her advice to others, Braswell noted "Inventory isn't something one person can do alone, so recruit a team that works together from the beginning."

Summary of Best Practices

- Improve financial reporting by allocating expenses by department
- Reset par levels, create a more demand-driven approach
- Improve management of on-hand inventory, including improvements in utilization and rotation of stock
- Create employee buy-in and accountability
- Improve internal processes by designating employees from each department to manage stock
- Improve tracking and visibility of consumption with usage reports
- Leverage usage templates to make specialty items easy to reorder