

# REGENT | SURGICAL HEALTH

STRATEGY. DEVELOPMENT. MANAGEMENT.

## **IOS Procurement System Helps Boost Efficiency Across and Within Regent's ASCs**

Working with joint venture surgery centers across the country gives Regent Surgical Health a broad perspective on protocols and solutions that truly add value, and the ability to share experiences, information and tools across centers to boost efficiency for all. A case in point is the procurement efficiencies made possible by Regent's business relationship with Inventory Optimization Solutions (IOS).

Regent needed a combined system to manage the purchasing process across all of its [surgery centers](#), from POs and physical inventory tracking, to purchase analytics and invoice approvals. In the IOS ENVI solution, Regent found a complete materials management information system that brings improvements to every step of the procurement process while adding value by interfacing with existing systems.

"In the past, we've had as many as 20 different facilities all using different processes and systems," says [Pat Wilsey](#), Supply Chain Director at Regent. "IOS allows us to have one system across the entire procurement process. It's very user friendly as well: that's important when you have people at the centers with varying skill sets when it comes to technology."

### **Solution**

By collaborating with IOS, surgery centers across the Regent family use the ENVI system to give center personnel all purchase contract information in one system, including critical data such as expiration dates and inventory codes. Another big bonus of the ENVI system is the ability to interface with many other information systems in use in the centers, pulling together information across financial management, patient billing, scheduling, preference cards and supplies used.

"In the past, purchase orders were hard copy- and phone call-based, and a lack of information was a big obstacle," Wilsey explains. "The IOS system solves that problem and also saves a significant amount of time, while promoting accuracy, and providing critical analytics we can use for planning. We're able to track all of the key elements of the supply chain. In addition, we can integrate the information. Take

preference cards, for example, we can now better manage costs throughout the center as well as throughout the entire Regent organization. And we have a record of everything, so we can not only manage in real-time, but we can review records and better predict the future.”

Wilsey says the system enables every center to be better organized, utilizing such information as inventory history and item catalogs, as well as sharing the processes across centers so they can learn from each other. “And for a new center, IOS provides a great start,” he explains, “from lists of vendors, manufacturers and items available, you have a whole inventory at your disposal without starting from scratch. The tool allows you to build your inventory very easily, in as much detail as you want.”

The IOS-Regent collaboration provides benefits to both Regent overall and to each individual center. “A big benefit is the transparency into what everyone is paying. Regent’s management team can see pricing across all of its centers,” says [Temitope Oluwayomi](#), Regent’s Supply Chain Manager. “And at each center, that visibility gives you the information you need to get a better price yourself.”

Oluwayomi also commented on the teamwork between Regent and IOS. “They offer great support, and the relationship we have with them is quite responsive. We can call anytime, for any center that’s having an issue,” she said. “They’re always working to improve. They offer new resources and enhancements and we get together to discuss. It’s a really good relationship.”

## Results

The collaboration with IOS creates savings across all of Regent’s [surgery centers](#), and each center is able to customize the system to optimize advantages locally. For example, because state laws in Nevada differ from other states, the Regent [center in Reno](#) has created a custom coding system for surgical implant products. And in New Brunswick, New Jersey, the Regent-managed [Ambulatory Surgical Pavilion](#) at Robert Wood Johnson University Hospital uses the purchase order reporting features of IOS to better inform the way they order inventory.

“In Nevada, we don’t have to pay taxes on anything that’s classified as an implant, which in our state includes anything that leaves with the patient – right down to things like sutures and ear tubes,” says Ariane Carithers, Materials Manager at Surgery Center of Reno.

“It’s a really key point that different states have different laws, both for reimbursements and for taxes,” she says. “So for us, it’s important to be able to list some things as “implants” that people in other states wouldn’t. Even though insurance may not reimburse those things as implants, we want to code them that way so we don’t pay tax on them. With IOS, we can code them that way. IOS allows us to hone in on lots of different savings like that, by customizing the way we code things in the system.”

Carithers sees several other benefits of using the IOS system, from the ease of collaborative use across departments and geographies, to the customizable reporting function.

“I also use the tool to look and compare data from other centers, so we’re all connected. I can see what they purchase, how often and what they pay – which really helps with standardizing and optimizing our operation, and also with the negotiations with vendors,” Carithers continues. “And one more: with ENVI

I can send orders directly to my vendors and the system sends me back a confirmation right away so I can see if an item is backordered, or if price has changed. This is much better than waiting for the shipment to come to find out that some items aren't there, or waiting for the invoice to come before I see that the price is different. With IOS, I can deal with it right when I'm placing the order, instead of waiting for the mail."

Christy Egan, Materials Manager, Ambulatory Surgical Pavilion at Robert Wood Johnson University Hospital, uses the purchase order reporting features of the ENVI solution to inform ordering and manage inventory.

"It helps us analyze what we're spending our money on," Egan says. "When we're running these reports monthly, we can see where we're spending our money – which items, which vendors we're spending more with, and what type of items we're ordering from them. That helps us budget, and it also helps us track where our spend is already within the month – and we can compare that to last month or to this month last year, or within a certain date range or year to date."

As a result, Egan says her center saves money by being able to analyze what's really needed, and avoid shipping and handling by not ordering individual items anymore. "For example, we now know we should order five of a certain item for the month, because we have better information on how many we'll need. It also helps with improved accuracy – if I mis-key something, the report gives me a chance to go back and get it right, so that spend doesn't show up elsewhere where it didn't belong."

Egan says the way her center was using the ENVI system before she started there required a lot of manual entry, but she worked closely with Regent's Oluwayomi to learn to use it appropriately. "The IOS system has made my life so much easier. It saves a lot of time. I would literally spend hours to figure it all out before, looking at each purchase order. Now I've saved all of that information and don't have to go through that every time."

The successes these two individual centers attribute to IOS are amplified as Regent looks for management advantages across all centers.

"ENVI allows us to aggregate information from all of our centers in one system so we have the structure to build a master analysis every year that looks at savings realized on things like capital equipment, product categories and how much is spent per category," says Wilsey. "It points out what items are contracted versus non-contracted, identifying possible opportunities to move more items to contracts. We also get a facility-by-facility breakdown that lets us compare from one to the next, how much is spent at each, which category, which vendor and manufacturer. If we see two centers with similar case mix and similar volume but one is spending more? IOS helps us lower their spending. The real benefit is efficiency across all centers."

[Christopher Stine](#), Regent's Corporate Compliance Officer, underscores the importance of the IOS relationship to Regent. "IOS provides an essential aspect of our operation," he says. "We're better together because we share a mindset of continual improvement. IOS wants to improve the platform, but the collaboration also goes beyond the technology. They provide amazing service, and it's a give-and-take, truly responsive relationship."