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– Bridget Weaver, MHA
Mercy River Hills Surgery Center

About Mercy River Hills Surgery Center

As a distinctively-designed ambulatory center, Mercy River Hills Surgery Center is equipped with high-definition, digital arthroscopic equipment. Thanks to advancements in medical technology and techniques, over 4,000 orthopedic procedures and pain management treatments are skillfully provided each year in convenient outpatient settings.

Mercy River Hills is jointly owned by Iowa Ortho and Mercy Hospital and has the Joint Commission on the Accreditation of Healthcare Organizations Gold Seal of Approval. This accreditation provides patients with the ongoing assurance that Mercy River Hills care has met the most rigorous national standards for quality and safety.

The Situation

Prior to implementing the Envi® Solution from IOS, many of the challenges for Mercy River Hills Surgery Center came from using paper-based processes, which in turn also increased manpower requirements. As the internal team worked with handwritten purchase orders (POs), they lacked a system to capture what was being ordered or received. "There was a huge amount of paper shuffling, as we would manually match paper invoices to POs and packing slips or receipts," said Bridget Weaver, MHA, Director of Surgery at Mercy River Hills Surgery Center. "With manual, paper-based processes, I often felt concerned we weren't accurately reflecting our inventory. Manual processes mean there's more chance for human error. In addition, these processes meant we couldn't be confident in the prices we were being charged, or the prices that were in our system. Healthcare product prices change frequently. It was a huge undertaking to update all our pricing manually, so we limited to doing it once or twice a year."

A team of decision-makers including Weaver as the representative of the surgical team, along staff members from finance, inventory and a nurse manager, worked together to identify a solution to their business challenges. "We knew we wanted to find a system that would help us eliminate our old manual processes and we found Envi from IOS," said Weaver. "When we made the decision, we worked with the IOS team to get conversion of our processesunderway. They were instrumental in helping us – as we got started, they had everything mapped out and ready to go. Our implementation manager did everything from getting our data uploaded to helping set up our inventory areas more efficiently."

Goals

The organization set goals to improve their processes, not just automate them. "We wanted to not only replace burdensome manual processes, and but we also sought ways to build streamline and create more visibility," said Weaver. "Specifically, we wanted to increase accuracy around our inventory, so we could manage items better and ultimately ensure we were paying correct prices. Additionally, we made it a priority to be able to do case costing for surgical cases."

Using Envi

During their implementation process, Mercy River Hills converted from their previous item master to Envi's item master capabilities. Weaver noted, "We manage everything more easily in Envi. When we issue a purchase order, it comes back with a confirmation on the price, or an alert if the price doesn't match. We can identify pricing issues at the time of PO confirmation or when we receive the invoice, and Envi asks if I want to update price in my item master. We can keep updating prices throughout the year, which is very helpful with the constant changes in healthcare items and prices."

The surgery center has shifted to managing perpetual inventory now. "We still do a full physical count annually, with quarterly spot check counts to verify totals," said Weaver. "We're receiving in inventory and working to ensure we deplete items as we use them, making our ongoing inventory numbers much more accurate. We're still working to make sure we do a good job of communicating usage and consumption, and reflecting depletion of inventory. There are ongoing efforts here because it's so important. Our inventory coordinator uses the Envi mobile app to make inventory management and replenishment easier."

"In addition to improving the way we handle receiving and inventory, we've also improved processes around purchasing approvals. Previously, I manually approved paper POs, but now, we manage approvals through Envi. We've reduced time and one-offs."

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Benefits and Results

Weaver is pleased with the results the organization has achieved using Envi. "We've definitely reduced the time needed to manage our purchasing and inventory processes. We've increased price transparency and accuracy. We've created a more accurate inventory system, with more accurate reporting of inventory dollars; what we report to finance and what shows on the balance sheet is far more accurate. We also use Envi to create an end of month

accrual log – I can extract a report from Envi and submit to finance without having to do a separate excel file."

Today, the organization benefits from improving the receipt of incoming products. Weaver noted, "Everything has to be received to pay an invoice. Previously, we didn't have good tracking of back-ordered items or items not yet received. You could get an invoice for a product you hadn't received and there was a chance the invoice could get paid. It was labor intensive to verify receipt of items – that's all greatly improved with Envi."

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Weaver intends to continue expanding use of Envi's reporting features, looking to advance efforts around physician and case costing.

Best Practice Areas

- Perpetual inventory management with spot checks and annual physical count
- Improved price accuracy
- Improved receiving processes
- Accurate contract pricing and alignment
- Case costing for specific cases
- Automatic invoice matching for accurate payment processes
- Usage reports help with trending, planning and forecasting
- Improve invoice approval process automation
- Depletion of inventory items as consumed