

# The Surgery Center of Fairbanks Case Study



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– Jamie Conant, BSN, RN, CPAN, CAPA Administrator, Surgery Center of Fairbanks

#### About The Surgery Center of Fairbanks

The Surgery Center of Fairbanks opened in 2010 and has since treated thousands of Interior Alaska residents with a wide range of health conditions. The center is the only free-standing fully dedicated outpatient surgical facility in the Northern Alaska / Fairbanks area, providing highly advanced surgical technology that permits residents to receive treatment without leaving the community. Owned and operated by Alaskans, the Surgery Center delivers care with an understanding of the issues that face all Alaskans when they need surgery. The team at Surgery Center of Fairbanks is proud to play a role in delivering care with the highest levels of efficiency and quality, and full dedication to their patients.

#### The Situation

The center had recently converted to a new Group Purchasing Organization (GPO) and wanted to improve their inventory management processes. "We were looking to get a better handle on inventory that we had on hand," said Jamie Conant, BSN, RN, CPAN, CAPA, Administrator, Surgery Center of Fairbanks. "The system we were using was very old and we made a decision to upgrade to Envi."

#### Goals

The team at the surgery center set aggressive goals to address areas for improvement, including:

- Overstocked inventory
- Inaccurate counts of on-hand supplies
- Par levels in need of adjustment
- Items without locations assigned
- Inaccurate prices in our system
- Large scale inaccuracies in unit of measure
- Locations in system to identify items on the shelves

Conant and the team started their process by reorganizing inventory areas and completing a physical count to establish an accurate baseline.

#### **Driving Process Improvements**

Implementing the Envi solution helped the team move toward more automated processes and greater accuracy. "We had great customer service from IOS," said Conant. "Our IOS implementation manager helped ensure an accurate conversion – she was here for our first inventory in the system. We worked together to organize our inventory locations, ensuring everything was in good order and labelled." To ensure ongoing accuracy, Conant leads a daily 5 minute huddle with supply chain to ensure everyone works together to minimize stock on hand, while running a highly efficient center. "I take a very active role in inventory, ordering, vendor and contract management, and with our GPO account representative," said Conant. "It's important to always know what's going on and identify supply-related issues proactively."

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### Results

Working in partnership with colleagues, Conant is confident the Center now has accurate locations for every item in inventory. "Now, it's easy to find an item, count and inventory it. In fact, our team reduced on hand inventory by almost a quarter of a million dollars in the first quarter of 2019."

The team has driven an additional \$80,000 in annual savings with GPO conversion. Price lists from primary vendors are now easily be uploaded into Envi to maintain accurate pricing in the system.

"We count on the great customer support from IOS, and as we look to upgrade our Electronic Medical Record (EMR) system, we're also looking at the Envi interface so we can exchange data across systems.

"My advice to others would be – don't be afraid of the system," Conant concluded. "Get in there, learn it, ask questions, participate in inventory and do it regularly to get a handle on it. Meet your vendors, get to know your GPO. These things all help the Surgery Center of Fairbanks stay streamlined, accurate and driving toward cost reductions. We're pleased that Envi has been a very active partner in achieving our goals this year."

## **Best Practice Areas**

- Hand's on management and reduction of on-hand inventory
- Price comparisons and negotiations with vendors on a continual basis
- Collaborative team approach to supply chain management processes
- Ongoing management of updated pricing
- Assignment of inventory locations for each item
- Conduct quarterly inventories to ensure system is "clean" with reliable data
- Maximizing use of GPO contracts for best available price



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