

REGENT SURGICAL HEALTH CASE STUDY



Regent Surgical Health is an experienced surgery center developer, surgery center manager and developer of physician-owned hospitals across the country. Regent's leadership team helps physician partners and hospitals develop new surgery centers. A critical part of Regent's success is driven by standardizing on technologies that enable best practice processes across their facilities. IOS has become the supply chain technology provider that has generated significant savings and efficiency.

DOCUMENTED SUCCESS

Amy Gagliandi, Corporate Purchasing Director, had aggressive corporate objectives to increase supply chain visibility and use that to reduce costs. She needed a new technology to achieve these goals and IOS has been the perfect solution for Regent. The major accomplishments include:

- **Price leveling / Contract utilization.** Regent generated \$1,000,000 in cost savings in the first year through price leveling and contract utilization across all 11 ASCs.
- **Formulary adherence.** The success of the contract utilization effort has been in the user compliance. Corporate purchasing has worked with the facilities to define the formularies and enable compliance through the IOS tools.
- **Electronic order efficiency.** The time needed to process purchase orders has been reduced by 60%. Electronic purchase orders have gone from 0% to 82% and continue to grow. A push of a button has replaced the old process of print the PO, stand by the fax machine for 10 minutes, call-in orders, key into vendor's website and file the paper copy.
- **Contract price compliance.** Many facilities have reached very high contract compliance and this has saved over \$10,000 per month.
- **Inventory level reductions.** Improved inventory controls have greatly decreased the average inventory value across all facilities.
- **Invoice payment efficiency.** Regent suffered through a manual paper-based matching process that was prone to errors and generated high PO to Invoice discrepancy rates for years, but not anymore. Their discrepancy rate has decreased significantly by leveraging the IOS 3-way match (PO-Receiver-Invoice) engine. In addition, the time needed to process invoices has decreased due to the electronic approval to pay process in IOS and interface of approved invoices to MAS 90 with all GL coding.
- **Supply cost visibility.** Administrators are turning to supply costs as a primary opportunity for cost reductions. IOS gives administrators and their managers the tools to get real-time report detail on supply costs so they don't have to wait until weeks after a month close to know how they managed against budget.

CLIENT QUOTES

Regent had the following to say about the IOS solution:

"We were able to achieve over \$1 million in savings within the first year of the IOS system deployment (11 ASCs). The savings were achieved by having greater visibility into the prices paid for each product across all of our ASCs through IOS's 3-way match process. Also, IOS's enterprise system made it possible for us to track and enforce our local and GPO contracts across all of our ASCs."

Amy Gagliandi, Corporate Purchasing Director



Inventory Optimization Solutions, IOS, is a web-based supply chain management application for the healthcare market.

Regent's Objectives:

- Supply cost reduction
- Contract price compliance
- Provide corporate visibility into their network of facilities
- Improve inventory control
- Reduce paper waste

Account Summary:

- Chicago, IL surgery center management group
- 11 facilities
- Multi-specialty facilities
- MAS90 used for financial system