"We needed to own the data. It became clear that until we had our own data, we couldn't make decisions about standardization and cost reduction. We chose IOS technology for our supply chain needs because we were able to control the data and fully automate all vendors with a single sign on."

– John Gaida, Texas Health Resources

About Texas Health Supply Chain Services

Texas Health Supply Chain Services (THSCS) was formed in December 2015 to help deliver the supply chain program built for Texas Health Resources' non-acute sites to a wider market place. Today, THSCS supports 250 physician offices, 12 ambulatory surgical centers, 30 imaging centers and 5 acute care facilities, and works together with 330 suppliers and 1,100 manufacturers, with over 2,100 current contracts. The goal is to expand the supply chain support model and contract portfolio to all sites of care, acute and non-acute, to like-minded providers who need help making their supply chain more efficient and reliable.

THSCS offers supply chain solutions that lower supply costs, increase operating efficiencies and drive revenues for providers in the continuum of care, without compromising quality. THSCS selected the Envi® solutions from Inventory Optimization Solutions (IOS) to help provide process automation, visibility and product standardization beyond their acute care facilities, into clinics, ambulatory surgery centers, imaging centers and even physician offices services by Texas Health.

The Situation

John Gaida[1], senior vice president of supply chain management, needed a single technology Texas Health could wrap around 250 physician practices. Gaida had launched a physician program a few years prior and wanted to not only provide a valuable service to the practices, but also to tie them closer to the IDN. Creating visibility across the entire enterprise was key to creating value.

Texas Health had a large number of practices and suppliers involved, and it was difficult to make decisions without accurate data. "We needed to own the data," said Gaida. It became clear that until we had our own data, we couldn't make decisions about standardization and cost reduction."

The Solution

The Texas Health team selected the modular Envi supply chain solution from IOS. "We chose IOS technology for our supply chain needs because we were able to control the data and fully automate all vendors with a single sign on," said Gaida. "We could also give each physician's office control to track cost, order equipment and supplies, and manage their inventory." In 11 weeks, 250 offices had successfully implemented the Envi cloud-based supply chain solution from IOS.

Stormy Thomas, clinical services supply manager, added, "For me, the greatest success is the Envi Product Usage module. I love that the platform is all encompassing, but the one thing I needed was true cost tracking to the patient level. Being on the forefront of this is crucial when trying to find cost savings in today's market. This module lets you see true cost down to the pennies (spent on hypodermic needles, for example).

"Each module within the platform works together like pieces of a puzzle. Having those inventory items flow over to the preference cards and being able to track patient usage is a huge step for our organization. Taking that data and showing the difference between surgeons at one center or across the region opens discussions on standardization. Making small changes leads to big wins!"

Nate Mickish, now Vice President of Sourcing, Supply Chain Management, said "We have built, and are continuing to improve, a best-in-class service model to manage the non-acute supply chain. In fact, we are now offering our support – implementation, training, database management, etc. – for the Envi platform to organizations outside of Texas Health. Our desire to meet a growing need in the non-acute market by extending our program to other organizations was the impetus to creating a new organization within our system named Texas Health Supply Chain Services."

Post-Implementation

Several years after the implementation of Envi, Mickish added to the Envi story. "Much has changed since our initial implementation of Envi in 2013. In addition to the 250-plus clinics within Texas Health Physicians Group, we've expanded services to 12 ambulatory surgery centers and 17 imaging centers. We've been able to develop processes that ensure contract pricing is honored, product standards are followed, and fiscal policies are adhered to across nearly 300 sites of care."

Outcomes and Results

"We've saved our organization significant dollars and time by driving standardization, and we continue to improve overall performance by automating manual processes and creating visibility across the enterprise," added Mickish.

Highlights of Texas Health Supply Chain Services results include:

1. Standardized 25 major categories across 250 clinics
2. Saved a total of $6 million in two years post implementation
3. Created an approval process which prevents unnecessary ordering
4. Leveraged enterprise-wide data in planning and decision-making
5. Formed Texas Health's first physician-led product selection committee for physician group
6. Lowered risk across the system's continuum of care by proactively managing recalls and backorders
7. Implemented Envi Product Usage module, enabling accurate case costing

"The greatest success is the Envi Product Usage module. I love that the platform is all encompassing, but the one thing I needed was true cost tracking to the patient level. Being on the forefront of this is crucial when trying to find cost savings in today's market."

– Stormy Thomas, Texas Health Supply Chain Services

References
[1]John Gaida is now retired from Texas Health