



INVENTORY
OPTIMIZATION
SOLUTIONS

Think Whole Person Healthcare Case Study

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Cindy Plooster,
Specialty Inventory Manager

About Think Whole Person Healthcare

Think Whole Person Healthcare (Think) is an Accountable Care Organization specifically geared toward serving patients with chronic conditions who need ongoing care coordination to keep them on goal and out of the hospital. Think physicians and clinicians see over 2,500 patients on a weekly basis. Think focuses on customer service to propel its mission of providing better outcomes for patients, giving them an enhanced health experience and lowering the cost of their care through looking at the whole person.

The Situation

When Think opened its door in July 2015, initial supply chain processes were entirely manual. The team wanted to ensure there would be plenty of supplies on hand, enabling every department to deliver seamless care throughout the organization, and ultimately realized they were overstocked. “Everything was manual,” said Jason Gregory, Director of Clinicians/Operations. “We needed to track and manage inventory in different stock locations in our facility, but we didn’t have a way to do that. We were receiving supplies manually, then didn’t have good visibility to what had been received, where items went once received, and what invoices were completed and ready for payment. We recognized that orders sometimes went out without approvals.”

Challenges, Goals, Objectives

“We wanted to automate our entire supply chain process, from ordering through invoice payment,” said Gregory. “Our team took on the challenge of identifying an automation solution that would provide functionality throughout our organization. Kate Holden and Cindy Plooster worked together with every department and business area, gathering input to fully develop our requirements. We set goals around improving visibility to costs, driving greater contract utilization, increasing automation of processes, improving accuracy of patient billing, and ultimately, enabling data sharing among systems.”

The Solution

“We implemented the Envi® solution in December 2016 to advance our goal of automating end-to-end processes,” said Gregory. “We had worked with our Group Purchasing Organization to understand our options, and after looking at a number of supply chain solutions, we selected Envi. No other solution was as complete with such an appealing price point.”

“The factors we considered in selecting a technology partner included not only breadth and price, but also usability and easy navigation,” said Cindy Plooster, Specialty Inventory Manager. “We wanted a system that all users throughout our organization would easily adopt. We completed a cross-functional technology review process, and got input from human resources, finance, materials management and IT. We’re not a typical medical practice – we have a lot going on, delivering services at a high volume for a lot of patients. We needed a system that can keep up with that – at Think, the wheels never stop.”



think
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Using the Envi® Solution

“With Envi, we’re able to support procurement processes for both pharmaceutical products and medical supplies,” said Kate Holden, Cost Accounting Manager. “With purchasing approvals in Envi, we gained greater visibility to purchasing and it’s been helpful to get more details about department and overall purchasing. We began using the contract module to get more traction on our current contracts. Then, we began using Envi to manage inventory, which has allowed us to reduce on-hand inventory and eliminate overstocking.”

“Now we use barcode scanners for better tracking of pharmaceuticals being consumed, including high volume items like immunizations,” continued Holden. “With Envi, users automate requisitions, and track what’s used by patient. Nurses quickly allocate a patient ID for each item, then upload into Envi and we can reconcile against electronic health records. We can ensure we’re billing things out accordingly, tying consumption to our billing processes and in turn, tying revenue to cost. Plus now we’re receiving our invoices electronically, which is making our AP person even more efficient. We get real-time reporting and information.”

“We use a central warehouse location,” said Plooster. “We deliver to supply areas on four floors. With Envi, our users submit a requisition and we fill items from the warehouse. Envi makes it easy for our team to do all the actual ordering, and we use the automatic purchase order functionality to replenish locations daily. One of the biggest highlights of the system is that we can set ‘mins/maxes,’ which keeps us on track throughout the month, then we do physical counts at the end of the month.”

Outcomes and Results

“As a start-up, we had excess inventory, which translated to cash tied up on shelves,” said Holden. “With Envi, we order more frequently and in smaller amounts, which means less cash sitting around, and cash flow has improved. We implemented an order approval process and using functionality in Envi, we have visibility to approvals, have reduced manual follow-up both internally and externally, and increased the speed at which we can pay invoices. We’ve gotten rid of our back-log. We’ve also been able to smooth out the cost of goods sold (COGs).

Without inventory management, we didn’t have visibility to consumption, when things were received and when billed. We’ve used Envi to smooth out and lower COGS and improve margins. We now have cost information that lets us track and control costs, and build more accountability in ordering.”

“Converting to EDI has saved a lot of staff time,” continued Holden. “Our team does less follow-up, both internally and with outside vendors. And having all documents processed electronically means good reporting. All departments have added their purchasing information into Envi and now, we have reporting that helps us understand use, and supports planning of department budgets. We have more detail about what’s being purchased.”

Gregory noted, “With Envi, we’re tracking inventory, expenses and costs. With P&L reviews, we can see whether we saved on budget and if not, we know why. We couldn’t do this previously.”

“The biggest improvement for me is that we don’t run out of any product in our supply chain,” said Plooster. “With so many moving parts, that’s important. If someone needs an item, I can quickly bring up inventory items and see what’s somewhere in the building, then go get it without having to rush order. By seeing what’s in inventory, we can run lean and don’t stock-out.”

“We’re also using the template functionality, and have custom templates for each department,” added Plooster. “Users can always see their items and know they’re requesting the right thing because the templates are specific. Downstream, we get the right items onto patient bills, helping improve revenue because all items get billed.”

Plooster concluded, “Our logistics supplier person, Mike Delp, is now our Envi guru. He’s learned the intricacies of the system and has helped us see how important the input is, so we’re continually building the data flow of information needed for the right output. If information isn’t right, we don’t get good reporting. We wouldn’t have been able to do this without him!”