



# St. John's Medical Center improves efficiency using supply automation

Pyxis® Perioperative Solutions case report



St. John's Medical Center, a 52-acute care bed regional hospital in Jackson Hole, WY, faced multiple challenges controlling inventory and capturing charges. Lost charges were rising as a result of inefficient manual processes, and "expedited" freight costs were mounting due to frequent stock-outs.

The facility either had to build more space, hire more people or improve their inventory management system with a better method for receiving and distributing inventory. With limited space and resources, St. John's staff identified the need for a perpetual automated inventory management system.



### **Improving inventory management**

Pyxis® supply technologies from CareFusion offered the ideal solution for St. John's Medical Center. "The largest impact that Pyxis® supply technologies have had on our facility is the significant reduction in supply stock-outs," reports Virgil Boss, Assistant Administrator of St. John's Support Services. "About 75% of the calls I received each week were related to staff trying to find products. Now I only get about one call per month."

"There has also been a significant reduction in inventory stored in the operating room area—we only keep 3-4 days of inventory on hand," continues Virgil Boss. "This has reduced our overhead inventory costs and decreased the value of our on-hand inventory by 52%."

As a result of more efficient inventory management, logistics labor hours have been reduced, adding to St. John's overall cost-savings. Marianne Wamhoff, Materials Manager at St. John's Medical Center, explains. "With Pyxis® supply technologies, we consistently have fewer than three stock-outs per month and require significantly fewer labor hours in the receiving and the refill processes, which saves us time and money."

### **Increasing charge capture**

"The increase in charge capture was a benefit we immediately realized after we began using Pyxis® supply technologies," explains Virgil Boss. "We experienced an increase in net revenue of \$34,000 for charges that would have been lost with the manual system."

"The old system required using stickers that often resulted in lost charges," adds Catherine Beck, Clinical Supervisor of Primary Care, "By automating the charge capture process with Pyxis® supply technologies, my workflow is simpler and we don't experience lost charges."

### **Enabling clinicians to focus on patient care**

Additionally, with improved access to supplies and automated processes, clinical staff can spend more time on patient care. "There is a direct correlation with the use of Pyxis® supply technologies and patient care," explains Virgil Boss. "Our clinical team has more time to focus on patients because they are not concerned with locating products and other supplies. They are always available and easily accessible on the nursing floor."

"We no longer have to make phone calls to chase down products with the automatic reordering in place," adds Lee Kunze, Operating Room Materials Coordinator. "The product is configured so I can go to any OR room and find the product I need in the same place—quickly."

### **Improving compliance with reporting capabilities**

The reporting features allow staff to manage par levels, identify shortages and effectively manage expired goods. Through these features, Pyxis® supply technologies have enabled St. John's staff to improve compliance with suggested on-hand inventory guidelines. According to Catherine Beck, "With the reporting mechanisms in place, I have information to effectively train and educate my staff to promote compliance and ensure our stock levels are maintained."

"Through training, education and the system's ease of use we are able to consistently exceed 95% compliance levels with the Pyxis® supply technologies," concludes Marianne Wamhoff.

**"We saved more than \$70,000  
our first year using Pyxis®  
supply technologies."**

Virgil Boss  
Assistant Administrator, Support Services

#### First year results

Inventory reduction \_\_\_\_\_ \$7,000

#### Processes

EDI \_\_\_\_\_ \$11,745

Logistics \_\_\_\_\_ \$8,760

Charge capture research time \_\_\_\_\_ \$3,285

Stock-out management \_\_\_\_\_ \$4,380

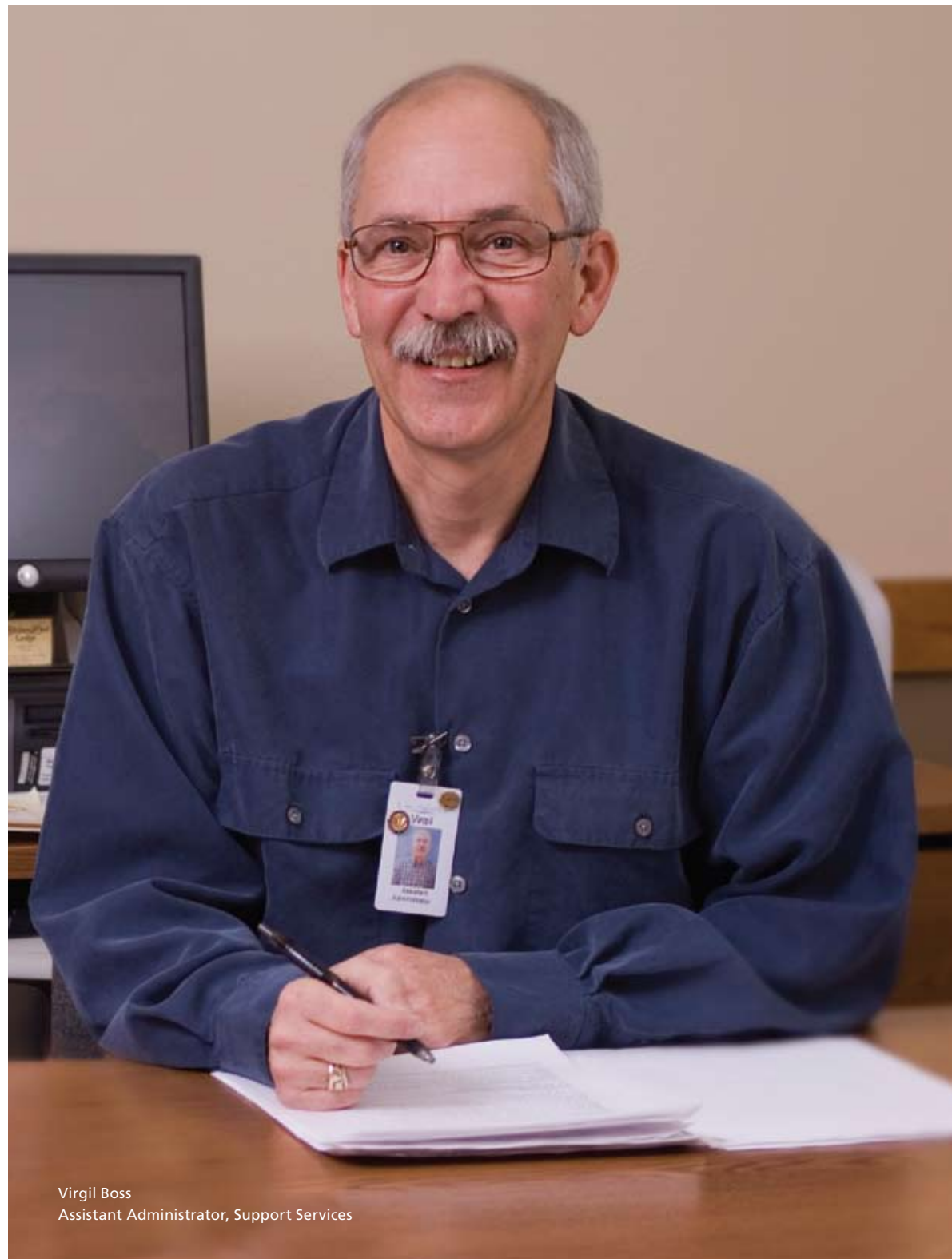
#### Costs

Freight \_\_\_\_\_ \$2,600

Increase net revenue (lost charges) \_\_\_\_\_ \$34,089

**TOTAL ANNUAL SAVINGS\* \$71,859**

\* Individual hospital results may vary



Virgil Boss  
Assistant Administrator, Support Services

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