



Healthcare Supply Chain Management: Syncing Provider and Supplier for Improved Results

Beginning now...



Presented by Blytheco

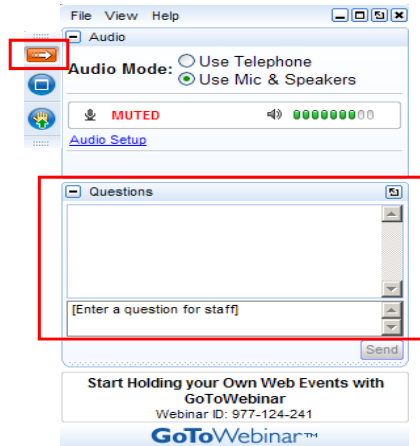
Welcome!



Today's Agenda

- Introduction
- Healthcare Supply Chain Management—Jamie Kowalski, FACHE
- How Can Technology Be Better Utilized to Improve the Healthcare Supply Chain?—Skip Hulme
- Q&A

How to Participate Today



- ➊ Arrow = Open/close your panel
- ➋ Questions = Submit text questions
- ➌ Follow-up email with video link

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Audience Poll...



How would you classify your healthcare supply chain?

- ➊ **Excellent**; no or very rare problems
- ➋ **Very good**; relatively few problems
- ➌ **Okay**; some problems but nothing that's really hurting our organization
- ➍ **Not great**; we're experiencing problems that are affecting profitability or patient safety
- ➎ **Unacceptable**; we are or need to look for another solution

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Introductions



Jamie C. Kowalski, FACHE

Has specialized in healthcare and hospital supply chain management as an executive, entrepreneur, strategic advisor, and consultant for more than 30 years. He has worked in supply chain management for leaders in the industry including Owens & Minor, Inc., the largest healthcare industry distributor and supply chain management services company, and McKesson Provider Technologies.



Skip Hulme

Has consulted with hundreds of businesses as a Strategic Business Analyst at [Blytheco](#), and has extensive knowledge of supply chain management using ERPs dating back to his role as a Senior Product Manager at Sage Software. Skip knows Enterprise Resource Planning (ERP) products inside and out after working with them for more than 10 years.

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Jamie C. Kowalski, FACHE

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What Does the Current and Optimal Provider Supply Chain Look Like?

Current Characteristics...Many Gaps

- ③ Lack of Organization Grasp & Recognition of What Supply Chain Is/Can Be
- ③ Fragmentation, Silos
- ③ Leadership; Education; Learned From Untrained Predecessors
- ③ Non-Supply Chain Professionals Managing the Supply Chain



Continued...



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What Does the Current and Optimal Provider Supply Chain Look Like?

Current Characteristics...Many Gaps

- ③ Minimal Use of, Investment in Information Technology (Clinical Takes Priority)
- ③ Limited Use of LEAN and Other Management Methods
- ③ Behind Most Other Industries
 - Demand Planning
 - Warehouse Engineering
 - Use of Common Metrics
 - Measuring Customer Satisfaction and Service
 - Point-of-Use Management



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What Does the Current and Optimal Provider Supply Chain Look Like?

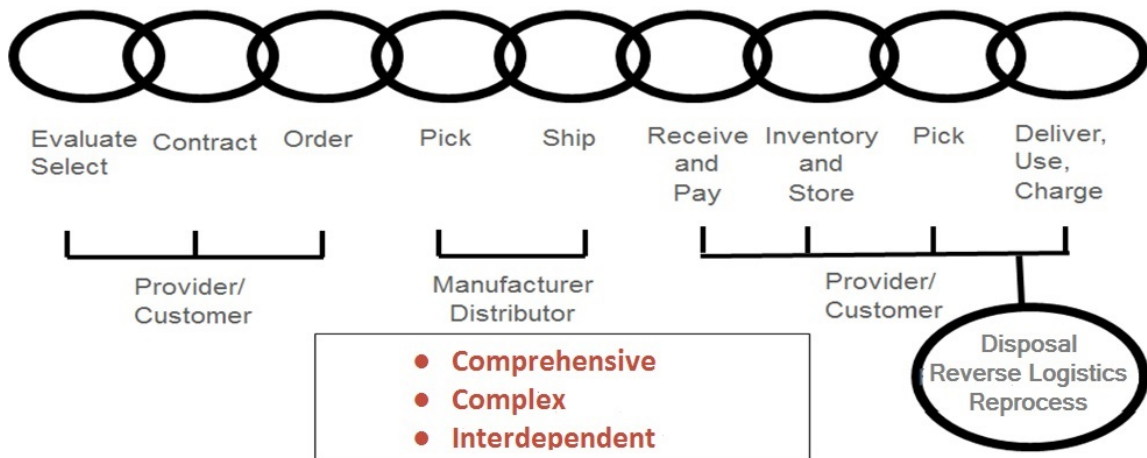
“Optimal” Provider Supply Chain Characteristics

- Little Optimization Achieved
- Some Components Optimized
 - Contracting
 - Value Analysis Processes...But Not Results
 - ????????????
- Beginning to Recognize Hospitals Are Not That Different
- Greater Willingness to Test “New” Models



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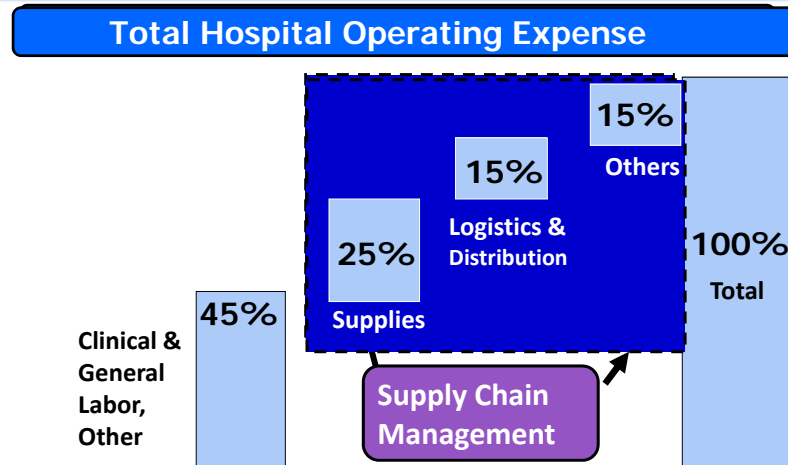
SC from a Provider Enterprise Perspective; “Optimal Model”?



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Supply Chain Reaches 50% of Total Hospital Operating Expenses



* Figures based on HFMA estimates. Labor cost includes salaries, wages and benefits based on average of leading hospitals in the U.S. and Others is inclusive of profits to the hospitals. Source: S&P Industry Surveys: Healthcare Facilities; HFMA; industry reporting; Pipal Research analysis.

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How Do and Can Providers Better Match Up with Suppliers' Manufacturing?

- Learn from Suppliers
- Demand Planning and Forecasting
- Technology Solutions/Tools: Point-of Use, Inventory Status
- Distribution Channels, Frequencies, Sources, Locations,
- Consolidated Service Center (CSC) Model (Single Point of Delivery)



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How Can Suppliers' Manufacturing Be Optimized For Better Synchronization With Providers?

- Recognize Gaps in Provider Supply Chain; Fill What Is Possible
- Take the Time to Educate Customers; What Is Possible, Why Do It?
- Manufacture to forecast, not to inventory
- Pull, Don't Push
- Packaging, Delivery modules and schedules (Support LUM and JIT)
- IT Integration



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What Role Can Supplier ERP Software Play In The Optimization?

- Note Weakness In, Limits Of Provider Technology Tools
- Capital Available Goes to Clinical Investment



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Healthcare Supply Chain Management:
How Can Technology Be Better Utilized to Improve the Supply Chain?

Skip Hulme

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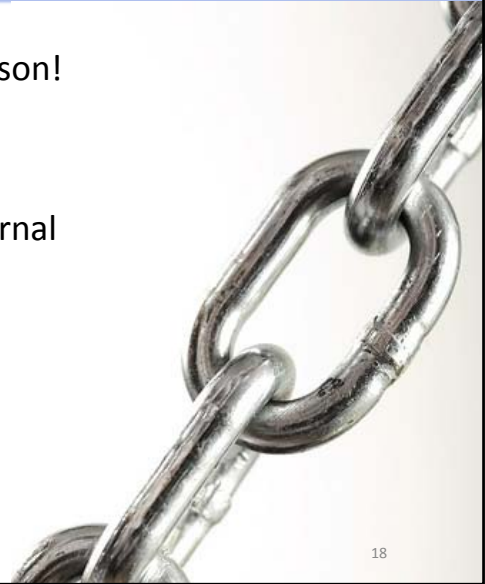
Technology for the Healthcare Supply Chain

Remember, it's called "Supply Chain" for a reason!

- Real-time access
- Coordination of all data and activities
- Integration across both internal and external applications and services



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Technology for the Healthcare Supply Chain

Your company's success depends on having a fully integrated solution for addressing the challenging demands of your industry, including:

- Compliance with regulatory agencies
- Strict quality assurance requirements
- Short product life cycles
- Multiple subcontractors



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Technology for the Healthcare Supply Chain

ERP software provides the advanced functionality you need to remain competitive in the face of these difficult challenges:

- ③ Full lot and serial number traceability
- ③ Electronic signatures with transaction audit traceability
- ③ Quality management
- ③ Sophisticated pricing and contract management
- ③ Sub-contracted operations and supply chain control
- ③ Extensive device history
- ③ Advanced order fulfillment and inventory allocation procedures



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How Do You Identify the Right Technology?

Work with a trusted partner who will help you answer key questions:

- ③ What keeps you up at night?
- ③ What do you need your software to do for you?
- ③ What processes aren't working for you?
- ③ What are your goals for the next 3-5 years? The next 5-10 years?
- ③ What are your competitors doing?
- ③ What government regulations are you dealing with?
- ③ And so forth



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Q & A

Please type your questions into the Questions Pane on your GoToMeeting Dashboard.



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Next Steps?



- Get a free 2-hour consultation
- Discuss your key business concerns with one of our consultants!
- Want more info? Try our free “What Is Your Business Missing?” quiz
- Questions? 949.583.9500, x2500 or solutions@blytheco.com

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