

**99%** of POAs received electronically from suppliers

## ORDER MANAGEMENT AUTOMATION SUPPORTS PATIENT CARE

**New efficient process drives accurate, timely supply delivery and focus on more strategic activity**

A midwestern university medical center engaged GHX to standardize and extend automation in its order management process. As a result, the medical center boosted efficiency across its order transaction process and significantly increased electronically received POAs to 99 percent from suppliers that historically responded via fax or email. With a more holistic, standardized approach to the order process, the supply chain team has greater visibility into order status, helping them ensure that the right products are available when needed to help improve patient care.

The efficiency gained from transitioning suppliers from fax and email confirmations to electronic POAs delivered through the GHX Exchange also freed up the equivalent of one full-time employee (FTE). The supply chain team has reallocated this resource to more strategic activities, including management of exceptions, backorders and rejected orders, which further supports accurate and timely supply delivery to the patient bedside.

## RESULTS



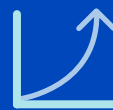
**Supported clinicians and their patients** with accurate and timely product delivery



**Significantly reduced outstanding non-confirmed orders** and number of days outstanding for these orders



**Transacting with 400 partners** now in the same way as their Exchange integrated suppliers



**Increased volume of EDI orders**, including fax and email orders converted to EDI via the GHX Exchange



**Reallocated one FTE** to more strategic, value-added activities and support for organizational growth



**Increased the number of perfect orders** by proactively managing exceptions

## SITUATION

Supply chain, being the second largest cost to healthcare providers, has long been a target for increasing standardization and automation as these are known to drive efficiency and savings. However, with all aspects of trading partner relationships, both parties have to engage to reap the full benefit of advancement, creating challenges where automation capabilities are not available for one of the partners. This is especially true for order management. Reducing manual tasks in sending orders and receiving purchase order acknowledgments (POAs) from suppliers that are not capable of electronic data interchange (EDI) can significantly improve order accuracy and visibility for measurable results.

Standardization and automation for submitting purchase orders (POs) and receiving order confirmation go hand-in-hand to achieve high levels of efficiency. When supply chain has to shift gears to send orders via email or fax, this inefficient process also introduces potential inaccuracy. The effects are felt immediately in downstream activities and systems. And, when suppliers send POAs in disparate ways (e.g., email, fax) or don't send them at all, the health system or hospital is left unsure about receipt of the order and the status for delivery is in question.



This university medical center supply chain team worked with GHX on standardizing and automating the order process for all of its suppliers.

Suppliers not connected to the GHX Exchange may either fail to send POAs or are sent to the wrong inbox or fax number. Even when faxed or emailed POAs are received, they require manual documentation in the provider's enterprise resource planning (ERP) system.

This university medical center established a goal to reduce manual tasks around order processing and POAs. Submitting POs in different ways for suppliers that were not connected to the Exchange created significant waste in staff resources. Each time a POA was not received, a member of the purchasing team would spend valuable time, upwards of 20 minutes or more, attempting to confirm the order with the supplier. The cumulative effort cost the medical center the equivalent of one full-time employee's (FTE's) workload.

## OF GREAT IMPORTANCE TO THE ORGANIZATION,

order uncertainty had the potential to impact patient care. Without a POA, the supply chain team did not know if the order was received or the status of the order, which could result in the order not arriving in time for a scheduled procedure. When this occurs, supply chain and the clinician lose time in the search for a substitute item or the procedure could be postponed due to the error.

## SOLUTION

Engaging with GHX for Order Trust, the medical center was able to standardize its order management process with customers that were not connected to the GHX Exchange and then manage those transactions in the same way as their suppliers that are on the Exchange. As more and more suppliers transact with the medical center, either by way of the Exchange or through the Order Trust solution, the resulting impact for visibility and efficiency on order processing continues to grow.



GHX captures POAs received from suppliers electronically or manually and presents them to the provider through the My Exchange dashboard. With a holistic view of the order cycle, the purchasing team has greater visibility into order status and can more efficiently manage orders.



### Support clinicians and their patients

The most significant impact Order Trust has had on this provider organization is helping clinicians get the products they need when they need them. With visibility into order status within the GHX My Exchange dashboard, the purchasing team can more effectively track orders, identify problems (e.g., backorders, rejected orders) and intervene promptly to support efficient and effective patient care delivery.



### Work smarter not harder

Order Trust uses technology to streamline the order process, providing scalability for the provider's increasing number of PO lines.

Additionally, the provider saw an increase in "perfect orders" week over week after implementing Order Trust, because the team can manage exceptions proactively through the GHX My Exchange dashboard.



### Drive down days outstanding

With centralized access to orders within My Exchange, the team can prioritize orders that have gone unconfirmed based on days outstanding. Focusing on the older orders first has resulted in a drastic reduction in the number of outstanding non-confirmed orders.

