Case Study

JumpStock™ Inventory Management: Meeker Memorial Hospital



Overview

Meeker Memorial Hospital is a 25-bed critical access facility in Litchfield, Minnesota, which prides itself on being at the forefront of medical technology, service and care. The hospital is a county-owned, not-for-profit community hospital offering sophisticated diagnostic, surgical, rehabilitation, behavioral health and specialty services with the personal attention and respect that patients deserve. With a mission "To provide high-quality healthcare services responsive to the residents of the Meeker County area," the hospital is an acute care facility with 24-hour emergency and inpatient services, as well as outpatient services that "bring specialty care close to home by offering physician and program specialists for consultation, diagnostic, surgical and rehabilitation services."

Meeker Memorial Clinic has been recognized for excellence in patient satisfaction, measuring in the 95th percentile, and the Meeker Memorial Hospital carries the Women's Choice Award seal for supporting the empowerment of women and specifically, excellence in obstetrics.

The Situation

Community hospitals often support many types of patient care and community needs with limited resources. Like other small hospitals, a dedicated team at Meeker Memorial continually works toward excellence in both patient care and business processes. One of the ongoing challenges is being able to upgrade technology to support emerging business requirements.



Recently Gary Bridge, director, Materials Management, reviewed the current inventory management systems, which were a blend of manual processes supported by a limited health information system that focused more on billing than on materials management. The reporting fell short of what the supply chain team needed, and there no easy way to enter orders or automatically reorder materials. Bridge noted "many of these canned system vendors know they must offer something to support materials management, but it's not their focus. The system we're using is much more geared toward patient billing requirements. For materials management, the system was difficult to use. Our team had developed a few workarounds to support our inventory management and replenishment requirements."

"In retrospect, we can see we were carrying more inventory than we needed, so the nurses wouldn't be out of products. Our inventory swelled over the years." – Gary Bridge, Meeker Memorial Hospital

"We had a lot of manual processes we needed to replace," Bridge continued. "Our supply chain tech would receive everything into the organization, keeping all the records in a 3-ring spiral binder. She tracked everything coming in and what we needed to reorder. She'd count supplies and write down the reorder quantities that she knew would prevent stock-outs. In retrospect, we can see we were carrying more inventory than we needed, so the nurses wouldn't be out of products. Our inventory swelled over the years. That became one of the drivers to considering a new approach."

The lab at Meeker Memorial was also using the materials portion of the information system. The team had set up a system for the lab to generate

purchase orders for the department, so they shared a stake in creating improvements.

The Solution

"Because we'd developed workarounds outside our information system that were working, we weren't really shopping for an inventory management solution when we came across JumpStock," Bridge reported. "What was most appealing about the Jump Technologies' solution was its simplicity. It's very user-friendly and easy to use, very intuitive. We liked the flexibility of the hardware that could be used, with small hand-held scanners and the mobile app. Plus, financially it made sense."

To make the decision, Bridge worked with the organization's CFO and because of the affordability of the solution and scanners, they fit JumpStock into their current budget.



With a plan to begin in Central Supply, then roll-out JumpStock in the lab and eventually to surgery, Bridge and the supply chain team got started.

Installation, Implementation & Training

The JumpTech implementation team worked with Meeker Memorial to set-up JumpStock. The

cloud-based system is easily implemented, requiring no servers and minimal hardware (scanners or smart devices). Once the account was created, the team set up the Central Supply location and uploaded the supplies into JumpStock, creating the foundation for items that would be managed and replenished via a par approach. Par levels were established for each item and those levels were entered into JumpStock. Staff training took place in person, with follow-up by phone.

"The system is so easy to use – our purchasing assistant has really excelled with it," said Bridge. "We started in Central Supply and are now getting ready to go live in the lab. We'll follow that with surgery. In our organization, we don't have nurses doing any scanning, that's done by materials management. We try to keep supply management out of the hands of nurses and let them quickly get the supplies they need to care for patients."

Results

Using the reporting tools in JumpStock, the team at Meeker Memorial has been able to "cut way back on extra inventory," said Bridge. This has resulted in a 15% reduction in inventory, as Bridge compared the last two years' on-hand inventory year over year.

"Using the reporting tools in JumpStock, Meeker Memorial reduced on-hand inventory by 15% at the end of the first year." – Gary Bridge

"With the lab going live next, we'll undoubtedly see improvements in how they're able to manage supplies. And because we have a great working relationship with surgery, they're extremely receptive to implementing JumpStock. They hold

one of the largest inventories we have, and it was frustrating at times to only have visibility to surgery's supplies once a year, when they completed their physical inventory. It will be very beneficial to have visibility to our inventories at any given time with JumpStock," said Bridge. "With this, we can continue to make changes to par levels, based on reporting that shows an accurate view of what we use. JumpStock will help drive more automation in our reordering processes."

Bridge concluded, "We're seeing reductions in inventory today and better visibility to our supplies. I'm confident we'll measure labor savings in the future. I'm using the reporting tools in JumpStock often – particularly reordering by vendor and usage history. The dollar spend report is also very useful."

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Jump Technologies, Inc.

2600 Eagan Woods Drive, Suite 350, Eagan, MN 55121 888-373-7226 • jumptech.com

