Miravida Living (formerly Lutheran Homes of Oshkosh) provides a full continuum of housing and healthcare services for elders and others in need. Included in their offerings are Bethel Home, a 128-bed skilled nursing facility; Eden Meadows, offering a 30-bed rehabilitation center and two 10-bed Green House Homes; Elijah’s Place, offering a 12-bed assisted living facility dedicated to dementia care; Gabriel’s Villa, an assisted living complex offering 39 apartments; three HUD subsidized complexes offering 217 apartments; and Carmel Residence, offering 70 apartments for elders 62+ years of age.

As it continued to evolve and grow, the organization was challenged with combining the purchasing efforts of its multiple locations. Each facility within the Miravida group was managing their purchasing separately. This led to multiple inventories, an inefficient use of manpower and did not take into consideration optimizing volume purchasing to bring down pricing.

According to Jason Meyer, business operations manager for Miravida Living, there were many objectives to investigate and implement as part of this project. Among the most pressing:

- Consolidate purchasing efforts.
- Build and maintain a central inventory.
- Create a method of tracking product usage and location.
- Ensure the correct inventory usage is applied to the proper department.
- Standardize product choice and consolidate purchasing to take advantage of opportunities for volume discounts from suppliers.
- Decrease labor hours as it relates to purchasing.
- Reduce hard-copy output connected with the manual purchasing system.

Working with Shared Purchasing Solutions (SPS), an affiliate of Intalere, Miravida Living began the process of investigating the implementation of a completely electronic purchasing management system. During the process, Miravida Living was introduced to ENVI™, a materials management software system offered by Inventory Optimization Solutions (IOS), a contracted Intalere supplier.
With the nation’s largest footprint in the non-acute healthcare supply chain, IOS works with more than 4,500 critical access hospitals, ambulatory surgery centers, long-term care facilities and physician clinics. Treating the supply chain like a science, IOS has carved out a leadership position in the industry with stellar customer service and years of innovative technology development.

As a complete materials management information system (MMIS), ENVI brings improvements to every step of the procurement process, from usage tracking to invoice approval, while adding value to your existing systems through customized interfaces.

Capable of scaling to fit the needs of disparate organizational structures and sizes, ENVI is particularly well suited for enterprise implementations where a single technology solution is needed to manage multiple sites and departments accessing a broad portfolio of purchased products. By channeling all purchasing activity through ENVI’s unified platform, a single organization-wide item and vendor master allows connected locations to funnel purchases to approved vendors and gives administrators a clear view into their complete supply chain.

The Miravida team decided to implement IOS’s ENVI solution, and as a first step initiated a calendar of goals. To keep the project on target, weekly conference calls between all key parties were held. “A key to the successful launch was a collaborative effort by all partners to input the required data,” said Meyer. “To begin the new program, the top five suppliers (in spend) were the initial targets for implementation. Once the top five suppliers were successfully brought into the system, we began adding other viable suppliers.”

"We have seen a 51 percent increase in contract utilization, resulting in an increase in rebates and an approximate reduction of $517,000 in price paid for goods.”

Jason Meyer ∙ Business Operations Manager ∙ Miravida Living

THE OUTCOME

ENVI was officially implemented in May 2016. Through the use of ENVI, Miravida Living is now able to use a single procure-to-pay system across their entire campus. The solution offers a total inventory management system with the ability to activate unlimited levels of approval, output customized reports, and implement barcode scanning. It also offers real-time product use tracking, price compliance tools, automated purchase order creation and an electronic three-way match of purchase orders to order receipt to supplier invoicing.

According to Meyer, since the launch of the program, Miravida Living has realized an initial reduction of 1,300 hours related to the purchasing process, an annual savings of $30,000 in labor spend. “We have seen a 51 percent increase in contract utilization, resulting in an increase in rebates and an approximate reduction of $517,000 in price paid for goods,” he said. “By standardizing the products purchased and consolidating volumes, we will continue to see results through better pricing.”

What began as an idea to save cost in the overall purchasing process has become a reality for Miravida Living.