The Challenge
In 2015, The Oregon Clinic faced a major procurement challenge brought about by rapid growth in addressing the supply needs of what had become the largest group of physician-owned multi-specialty clinics in Oregon. Founded in 1994, The Oregon Clinic has grown from 40 physicians across six specialties groups to 317 physicians and more than 1,000 employees supporting 26 clinics in 54 locations.

The onboarding and incorporation of new clinics created a number of logistical, administrative, patient service and cost considerations. “The organization had a central infrastructure in place accountable for financial, human resources and compliance, as well as common information technology, but no supply chain management function,” said Joshua L. Bardfield, Supply Chain Services Manager, The Oregon Clinic.

Bardfield explained that, at the time, there were few coordinated medical supply efforts in place. Each clinic engaged vendors independently, many without the assistance of primary group purchasing organization Intalere, and had responsibility for provisioning of medical and surgical supplies without overlap with other clinics. To address this issue, The Oregon Clinic created a Shared Services organization, which recommended and establish a centralized supply chain management effort in 2015. This initially consisted of a single staff member brought in with a strong background in medical supply chain and procurement.

The Solution
Shared Services, with the new supply chain management role, the addition of an internal project manager and a medical staff member, developed a plan to partner with the clinics to consolidate, centralize and automate procurement. The challenge was significant. The supply chain manager recognized the importance of group purchasing alignment in this effort and closely collaborated with Intalere to significantly reduce costs and boost procurement performance.

Savings were realized with an aggressive effort in reviewing pricing and performance of existing vendors. In some cases, vendors were replaced with those better able to support the effort to provide the best possible outcomes at the lowest costs. In addition, a particular focus was placed on GPO contract compliance where applicable.

A Short Take on Success
The Challenge:
- Procurement issues brought about by rapid growth in addressing the supply needs of large physician-owned multi-specialty clinics.

The Solution:
- Focus on GPO contract compliance and automation of medical procurement and support for all clinics.

The Outcome:
- Savings by centralizing, automating procurement and partnering with Intalere totaled more than $1.3 million.
In tandem with these efforts, and with the support of Intalere, a full scale push was made to automate medical procurement and support for all clinics. After a comprehensive exploration and review process, the decision was made to partner with Intalere supplier IOS to implement the ENVI™ materials management information system (MMIS) and in the larger clinics to add a supply clerk role.

As a MMIS, ENVI brings improvements to every step of the procurement process, from usage tracking to invoice approval, while adding value to 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 OUTCOME

The implementation of ENVI significantly improved efficiency and costs, and freed up medical staff resources already in high demand as part of a rapidly growing organization. The Supply Management team completed the full implementation of ENVI in mid-2017.

“For procurement automation, leadership applied a lean approach to ensure issues were addressed quickly, and projects were effectively tracked, stayed within budget and delivered on time,” said Bardfield. “Key to the project success was the strong support we received from Intalere and IOS ENVI, as well as the willingness, once on board, of each clinic to work with and support the project.”

Total direct savings to The Oregon Clinic by centralizing and automating procurement efforts through ENVI and partnering with Intalere totaled more than $1.3 million as of November 2016. Equally important are the improvements in supply chain oversight, and efficiencies gained in procurement tracking and reporting that reduced clinic cycle time to order and receive supplies by 50 percent. Additionally, The Oregon Clinic gained noticeable improvements in clinic customer supply satisfaction, as well as the mitigation of risk with respect to compliance and regulatory controls.

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Joshua L. Bardfield ∙ Supply Chain Services Manager ∙ The Oregon Clinic

According to Bess Oleksiak, Director of Shared Services, The Oregon Clinic, the key for any growing organization undertaking a major business change is the willingness to identify those that are best skilled and positioned internally and externally to execute change. “The sponsoring leadership of The Oregon Clinic and line management did an outstanding job in having the foresight and vision to address challenges brought about by business growth and the willingness to put in place solutions that accommodate a well-thought-out business model,” she said. “Intalere has played a key role in supporting the project and our continued business success.”