

CASE STUDY

"I save five to ten hours a week in the ordering process."

Julianne Reed,
Technical Support Coordinator



DEBORAH.
Heart and Lung Center

CHALLENGES

- Apply new ordering technology to replace reliance on the want book.
- Add accuracy and speed to the receiving process.

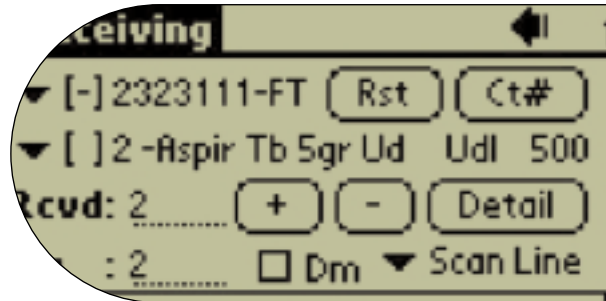
SOLUTION

Implement McKesson's Closed Loop DistributionSM system to achieve streamlined multi-site ordering and receiving processes.

RESULTS

- Labor savings of 7 to 15 hours a week in the ordering and receiving processes.
- Added product receiving accuracy.
- More fact based ordering.
- Smoother procurement work flow between facilities.

DEBORAH HEART AND LUNG CENTER BROWNS MILLS, NEW JERSEY



Closed Loop Distribution
Receiving Screen



Leverage the Power
of Bar Code Technology

Deborah Pharmacy Adopts Comprehensive Mobile Computing Solution

Customer Profile

Deborah Heart & Lung Center, located 40 miles from Philadelphia, was established in 1922 as a tuberculosis sanitarium and pulmonary center. Following the development of antibiotic medications, Deborah expanded its focus to other chest diseases. Today, Deborah offers the latest surgical techniques and non-surgical alternatives for diagnosing and treating all forms of cardiac, vascular and pulmonary diseases in adults, and congenital and acquired heart defects in children. Deborah's 161-bed hospital also includes a full-service ambulatory care center.

A Closer Look

Julianne Reed, the pharmacy's Technical Support Coordinator, does all the buying for Deborah's main and satellite pharmacies. She orders over 100 line items a day from McKesson. Before McKesson introduced Reed to Closed Loop Distribution, she used a want book and inventory lists to know what to order and her own experience and instincts to know how much to

order. In addition, Reed's receiving process included manually reviewing invoices after re-stocking her shelves. "That was time consuming enough," says Reed. "And then, when everything came in, I'd have to go through all the totes, and generate at least three internal invoices a day." These processes left her with little time to address other important tasks including managing narcotics, management reporting, and monitoring contract compliance.

A technology solution she couldn't be without. Shortly after Reed joined Deborah Heart & Lung Center in 1999, McKesson became the pharmacy's primary supplier. Reed was impressed with McKesson's service, including the fact that McKesson's Delran distribution center—one of 31 nationwide—is only 30 minutes away. But it was Closed Loop Distribution that proved most valuable.

Closed Loop Distribution is McKesson's mobile supply chain tool that translates the power of bar code technology into a real-

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world solution for pharmacy buyers. Freed from manual processes and the limits of the Telxon™, pharmacy personnel use McKesson's hand-held Palm™ unit to dramatically improve efficiency and accuracy in the procurement process.

Reed found Closed Loop Distribution easy to learn and appreciates no longer having to write long lists or manually transcribe product numbers. Now she simply walks the shelves and scans the bar codes on the products she needs. For each item, Closed Loop Distribution provides valuable decision support information, such as a calculated suggested order quantity, the last order date, and the current cost. "I download Closed Loop Distribution into EconoLink®, check my order for contract compliance and then send it," Reed explains. "I save five to ten hours a week in the ordering process," she states. In fact, Reed encourages staff who order on Sundays—when she's off—to use Closed Loop Distribution, too. "I always tell them, 'You know you'll get what you want.'"

A custom approach to purchasing. Reed found another way to maximize her productivity. "With McKesson and Closed Loop Distribution," she says, "I can now customize my purchase order numbers by facility. When totes are received, I know exactly where products will go." In the past when all the products she ordered were on one PO, Reed points out, "I'd have to waste time separating everything." Here again, Reed saves valuable time—from two-and-a-half to five hours weekly compared to the prior process.

Receiving with confidence. Before Closed Loop Distribution, Reed would put all items away and only later, when she had time would she go through her invoices. "I'd have to remember what I ordered," says Reed, which increased the potential for error. Reed now uses Closed Loop Distribution to increase accuracy and speed in her receiving process. With Closed Loop Distribution, she scans the bar code of each delivered tote and each item. The system performs an automatic match against her McKesson invoice as she is scanning. Closed Loop Distribution alerts her to any discrepancies and automatically creates any credit requests. However, McKesson's accuracy remains extremely high. "In fact," Reed declares, "I can't remember the last mispick."

A winning solution. Reed particularly appreciates the ability to share data between EconoLink and Closed Loop Distribution to give her comprehensive information at a glance. "I have my order history, contract information...all the information I want right on my PC screen and on the Closed Loop Distribution system. Closed Loop Distribution just makes my job easier. I couldn't be without it," says Reed.

Of course, Reed is not the only one at Deborah to benefit from Closed Loop Distribution. "We have what we need when we need it," she emphasizes, "and that impacts our patients. We can deliver better healthcare, and that's what it's all about."

MCKESSON

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