Keeping a careful eye on Cath Lab Inventory Management

The Affordable Care Act (ACA) mandates that health systems eliminate waste and across the country many have responded with innovative ways to cut billions of dollars in unnecessary costs. Memorial Hospital in Chattanooga, Tenn., has cut expenses significantly with fully integrated, RFID-based inventory management systems across their seven labs.

By Mary C. Tierney

“It made us nervous not knowing if we had what we needed, so we put a lot of work into constantly checking the shelves,” says Cath Lab Director Terri Siever, RN, RT. Now she lets the products count themselves. More than five years and 30,000 cases later, the team at 365-bed Memorial Hospital has myriad lessons to share with facilities needing to take control of their inventory.

After labor, inventory represents the single largest expense for most hospitals. Costs in the cath and EP labs are especially high with high-cost implantables, as well as a wide variety of physician preference items. The team at Memorial also had a mission to streamline inventory and workflow in the cath lab with the help of an inventory management system, says Siever, who was part of the implementation team.

“On the clinical side, we knew there were things we could do a better job on,” she says. “With this system, we were confident we could have an impact on performance from several perspectives: clinical, financial and operational. When we ran the numbers in potential savings and ways it could improve safety, our administration bought in pretty quickly.”

In each of Memorial’s labs, Cardinal Health Smart Cabinets read contents automatically while RFID-enabled point of care stations capture usage, with a real-time feed to the hemodynamic monitoring system. Web-based software includes reports on inventory, while mobile barcode capability tracks all other supplies.

Before an interventional team starts a procedure, the clinician simply pulls the supplies from the cabinet. No access codes are needed. The system automatically notes the time and date items are removed. When items are used during the procedure, the clinician either waves the RFID tag or scans barcodes at the point of care. Staff returns unused supplies to the cabinet, which automatically logs them back into inventory.

“We have significantly reduced our inventory of balloons and stents,” Siever says. “We stock all essential supplies with an emphasis on quality not quantity.”

Confidence in making sure expired or recalled devices don’t reach patients gives the Memorial team peace of mind. “We have that confidence thanks to our inventory management system,” Siever says. “It is essential to managing labs these days. It makes life so much easier for cath lab staff. Administrators get revenue integrity and expense quickly and accurately.”

What’s the real value of live, RFID-based inventory management?

• Greater inventory visibility, tracking and control
• Real-time consumption data and on-hand inventory value
• Physician utilization patterns by product type and cost
• Hospital market share data — supports enterprise visibility
• Tracking what clinicians use most, enabling bulk buys and reduced per-unit costs — provides strategic purchasing
• Prevents expired and recalled items from reaching patients
• Proactively manage recalled and about-to-expire devices
• Staff focus on patient care, not inventory — eliminate manual counts
• Instant charge capture through interfaces — ensures accurate billing for reimbursement