

## SUCCESS STORY

# Integrated Health System Looked to Owens & Minor for Next-Level Service Excellence

## A Relationship with Staying Power

Ranked as the #1 health system in San Diego by *U.S. News & World Report*, the Integrated Health System is a private nonprofit, serving patients across the full continuum of care. Its footprint spans four hospitals on five campuses, 28 outpatient centers, three urgent care centers and four emergency rooms as well as 3,000 physicians and 15,000 employees. With an organization that expansive, change can be a challenge.

### The Challenge

#### NAVIGATING THE TRANSITION TO A NEW PARTNER

However, change was necessary for the Integrated Health System's supply chain. The Integrated Health System wanted more efficient processes and an increased level of service—so they turned to Owens & Minor.

The Integrated Health System wanted to make sure they could count on Owens & Minor for service and know they were partnering for distribution, not product sales.

### The Solution

#### BUILDING THE RIGHT TEAM TO GET THE JOB DONE

Led by a project champion, an Owens & Minor transition team of experienced leaders from every corner of the organization worked with the Integrated Health System to ensure a seamless transition. This team contributed their expertise and insight, cross-collaborating every step of the way.

The most important team member was the Integrated Health System, and luckily the Integrated Health System was highly engaged from the get-go. Says Marie Johnson, Client Engagement Representative at Owens & Minor, "They acted as a true partner. They were so on top of things." Matt Gillard, Global Process Leader, agrees. "With a lot of customer conversions, the customers don't come into the conversion with the same level of internal processes, controls and good practices that the Integrated Health System came into this conversion with. Their team was as prepared and engaged in the process as any customer I've worked with."

#### RESULTS AT A GLANCE

✓ **99.95%**  
adjusted fill rate

✓ **99.5%**  
reduction in discrepancies

✓ **15**  
minutes to resolve  
pricing discrepancies

✓ **50**  
items or less in daily fill or kill



# Making it happen for the customer

There were critical solutions the Integrated Health System needed Owens & Minor to deliver.

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One key request was for technology to manage pricing volatility. The Integrated Health System asked for Owens & Minor's RealPrice™ program to help eliminate staff from manually working price fallouts and discrepancies.

"RealPrice™ is our end-to-end process for price management," says Gillard. "When we have a pricing exception, we will not invoice those lines to the customer until we research, report, collaborate on identifying the cause of the issue, and agree on who needs to make the correction. This significantly reduces billing errors."

Another request from the Integrated Health System was for functionality that would allow them to cancel orders using ship-to instead of the account number. This required the

Owens & Minor team to get creative and figure out how they could leverage their mapping logic to meet that need. "This was a request that came in late in the conversation," explains Kevin Carr, E-Commerce Integration Manager at Owens & Minor. Our approach is to work together with our customers to fully understand their business need, then develop a technology solution to address that need."

Adds Melody Hernandez, Senior Account Manager at Owens & Minor, "Often customers ask us for solutions that might increase operational expense. With our operations leadership being fully engaged, we could collaborate with the Integrated Health System on creative solutions that would not impact expense on either side simply by changing the process. They truly are a partner interested in best practice and process improvement."

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**Melody Hernandez**  
Senior Account Manager, Owens & Minor





# Keeping the lines of communication open

Communication, both internal and with the Integrated Health System, was key. Tracy Prusia, Domestic Process Leader at Owens & Minor, explains, “We had weekly conference calls with the customer, and for different work streams internally. I also had meetings here with the group of teammates that would be servicing the customer after go-live.” To make the transition as seamless as possible, Owens & Minor created a hotline, led by the client operations team, where the Integrated Health System could call in at any time for assistance or help solving an issue.

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To keep things running smoothly at all times, teams at the Integrated Health System and Owens & Minor touch base twice a day, five days a week—once in the morning to review any issues with deliveries for that day, and once in the afternoon to go over backorders, ETAs and substitutions. “It’s very cross functional with our groups,” says Patrick McDonald, Regional Asset Manager at Owens & Minor. “We made it a point to ensure that we did not get off a call until everybody was perfectly comfortable, and all issues were resolved for that step of the process. And that still continues to this day.”

“[The Integrated Health System] always talks about collaboration,” says Hernandez. “They really believe in working together, and they back it up. For instance, we run our data and they run their data and we compare. That collaboration has really made a difference.”



## Going the extra mile to get every order right

Another thing the Integrated Health System needed was a human touch. Because their previous distributor used separate SKUs for each unit of measure, oftentimes an order would get killed if a specific SKU wasn't in stock, even if the product was available in a different unit of measurement. Owens & Minor uses a single SKU, making it easier to pick and pull a product that's in stock no matter what the unit of measure is.

# Providing transparency at every turn

It was important for the Integrated Health System to see exactly who and what were on the other side of their orders. They wanted to meet the team, connect the faces with the names and know who they were speaking to if they ever had to talk to anyone in the distribution center. Their main objective was to check the readiness of the distribution center to make sure that they were prepared and had the stock on hand, so the Integrated Health System sent members of their operations, logistics, supply chain and nursing teams to tour the Owens & Minor distribution center in Ontario prior to go-live. On the last visit, more than 50 staff from the Integrated Health System arrived to check out the facility.

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The management team at the distribution center introduced the Integrated Health System to SmartSolve®, a system Owens & Minor uses to track, monitor and resolve issues. Their team learned how broken items, mispicks and warehouse discrepancies were captured, put through root cause analysis and documented for training purposes to make sure they didn't happen again. The Integrated Health System team was then led through demonstrations in the receiving, live picking, printing, labeling and dock areas.

Meanwhile, Scott Besnyi, Regional Transportation Manager at Owens & Minor, was taking carriers for site visits of the Integrated Health System's docking areas and making suggestions on how to organize and optimize for future state. “The fact that they were open and cooperative when it came to understanding what the challenges would be, and wanting to work through them with us, was significant,” he says. “Really that's the biggest thing—the transparency.”

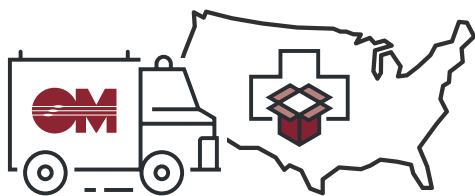
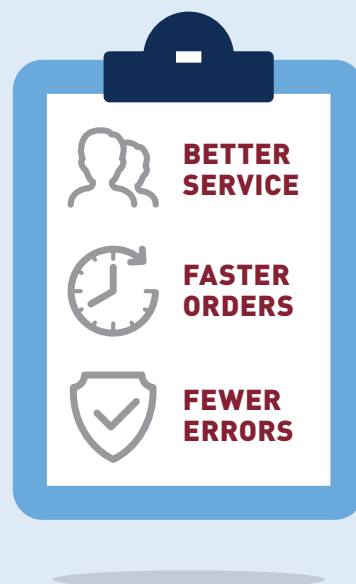


## A foundation for lasting success

Transparency and collaboration, especially with pricing and backorders, was a key factor in the smooth conversion for both organizations. The Integrated Health System receives a daily report regarding backorders that allows them to stay on top of any supply issues.

## The Results

- ✓ Daily fill or kill reduced from 100–200 items to 50 items or less
- ✓ 99.5% reduction in pricing discrepancies
- ✓ 15 minutes to resolve pricing discrepancies
- ✓ 99.95% adjusted fill rate



### ABOUT OWENS & MINOR

Success doesn't end with one story. At Owens & Minor, we are constantly thinking of new ways to help our customers grow their business. We continue to work with the Integrated Health System to identify opportunities to simplify workflows, improve financial performance and deliver the exceptional patient care they're known for. Let us do the same for your hospital.

Contact us at [omlearnmore@owens-minor.com](mailto:omlearnmore@owens-minor.com).

To learn how Owens & Minor can partner with you to solve your unique challenges and take your supply chain to new levels of efficiency, contact us at [omlearnmore@owens-minor.com](mailto:omlearnmore@owens-minor.com) or 1-866-935-0798.



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