



Home > Supply Chain

SPONSORED CONTENT PROVIDED BY MEDSPEED ⓘ

Drive hidden savings with these 4 time-tested strategies for supply chain logistics

By Jake Crampton, MedSpeed



Healthcare is weathering a perfect storm of financial challenges due to inflationary pressures, supply chain disruptions and global uncertainties. In this evolving landscape, strategic exploration of non-traditional sources of savings becomes a prerequisite for sustainable success.

At the same time, health systems are undergoing a remarkable transformation, reaching far beyond the traditional confines to redefine healthcare. It's not just about treating illnesses; it's about proactive engagement, preventive measures and the overall well-being of their communities.

While the centrifugal forces of savings and growth may seem at odds, both are achievable. As health systems extend their reach, healthcare logistics and medical courier networks can and must provide the connective fiber to support this vision. The scale and footprint of modern health systems present a unique opportunity to drive hidden savings.

1. Inventory management

Effective inventory management includes not only maintaining an adequate stock of essential items but also mitigating waste and maximizing the efficient use of inventory. A modern strategy involves sharing items, ranging from equipment to medications, across the entire system.

Example: A healthcare system in the East experienced a shortage when its manufacturer could not deliver the needed IV solution to several facilities. This health system already had a smart logistics network and partner in place as part of its integration strategy. The partner was alerted to the issue and worked to transfer the IV solution from hospitals with a surplus to those in short supply. As a result, the system avoided a crisis and made it through with zero negative impact on patients.

By breaking down silos and fostering collaboration, healthcare systems can optimize their inventory usage, reducing redundancies and minimizing the risk of expiration.

2. Shipping cost management

Shipping costs from distributors and overnight carriers can significantly add to overall expenses. To address this challenge, health systems are adopting a strategic solution: the integration of these movements with their existing logistics network.

Example: A large health system was incurring additive shipping costs to deliver items to non-acute facilities. The system worked with its distributor and same-day logistics partner to devise a plan for the distributor to drop pallets of non-acute supplies to the logistics partner, who then delivered the items along its normal routes.

By aligning the transportation of goods seamlessly within the established logistics infrastructure, health systems can optimize utilization and minimize redundancies.

3. Risk management

Risk management is essential to safeguard clinical productivity and maintain the highest

and drive savings.

Example: A not-for-profit health system in the South had a significant problem with its laboratory courier. The courier was losing or damaging an average of 17 specimens per week, resulting in nearly \$400,000 in annual specimen recovery costs. The system reevaluated its courier service and selected a new same-day logistics partner, who rebuilt and implemented a high-quality operation. With this change, errors and specimen recovery costs both fell to near zero.

By prioritizing risk management, healthcare providers create a resilient environment, fostering a commitment to patient safety and operational excellence.

4. Standardization

Redundant operations, often a consequence of disparate practices, can significantly contribute to financial waste. A connected logistics network can support the consolidation of support services while minimizing duplication of efforts and resources.

Example: A large Midwest health system had 18 disparate transportation operations comprised of an assortment of internal and third-party couriers. These operations were small, informally managed, and disconnected. The system partnered with a same-day logistics provider to build one logistics network to fully connect the geography. Not only was the logistics standardized, but the health system used this as a catalyst to centralize other functions, like fill pharmacy, print and mail.

By implementing standardization, health systems can streamline and harmonize their allocation of resources.

To realize the gains of a system-wide logistics operation, a network must be thoughtfully designed for proactive agility; it cannot operate as a disconnected series of reactive movements. By partnering with a high-performing, innovative logistics provider, health systems can meet the multiple demands to improve community health, elevate the patient experience and boost clinician satisfaction, all while strengthening the bottom line.

healthcare ecosystem through the movement of physical materials. Visit [medspeed.com](https://www.medspeed.com) to learn more.

About MedSpeed:



MedSpeed is the leading provider of healthcare same-day logistics. MedSpeed designs and operates custom integrated logistics networks that drive dependability, greater overall value, and innovation. To learn more, visit www.medspeed.com.