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Taking Control of Your Inventory

How long has it been since your medical practice reviewed its supply costs and inventory management procedures?

If it's been a while, you may be overlooking opportunities to save money and become more efficient. Here are some ideas you may find helpful.

Get organized. A disorganized supply closet inevitably leads to having too many of some items and too few of others. It also means your staff is probably spending more time than necessary locating supplies and deciding what to order.

Consolidate the ordering process. Assign one person to oversee the ordering for your practice (two if you separate office and clinical inventories). This will help streamline the process, eliminate duplicate orders, trim inventory to appropriate levels, and ensure that critical items are on hand. It may save money in another way: The purchaser will be aware of pricing trends and changes and can negotiate with suppliers for better prices.

Devise an inventory control system. This doesn't have to be complicated. A simple system may be preferable, as long as it reliably indicates when it's time to reorder and establishes strict procedures for receiving orders and restocking supplies.

Watch costs, up to a point. Comparing costs for every item and always putting price ahead of quality are two examples of false economy. Comparing costs may not be a money saver once you factor in the amount of staff time it takes. Chances are good that the majority of your supply cost is concentrated in certain frequently used or expensive items. Reducing costs on those key items will create the greatest savings.

Consider joining a purchasing group. Joining an established purchasing group or forming your own with other local physicians is another way to keep inventory costs down.

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