



# Reducing 10 % of excess stock in Ward 7

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ST. ANDREW'S COMMUNITY HOSPITAL

## Introduction/Background

- St. Andrew's Community Hospital (SACH) is a service under the St. Andrew's Mission Hospital group. SACH was set up to provide intermediate medical care for rehabilitation and sub-acute care to children, adults, and the elderly; including those with dementia or needing palliative care.
- Efficient medical supplies inventory management is crucial for the effective running of healthcare organizations. Medical supplies inventory in hospitals involves the management of ward stocks for patient care. On several topping up occasions, we noticed excess stocks of medical consumables in the wards. In some cases, there are insufficient space to place the items, leading to the staff taking more time to finish the top ups as they have to look for other space for the excess items.

## Fact Finding

- To find out the possible causes, monitoring of stock usage data from the inventory management system was done. Furthermore, feedback was gathered from the ward staff.

## Goal

- Reduce 10 % excess stock in Ward 7



## Implementation Plan

- The following actions were carried out to improve the processes

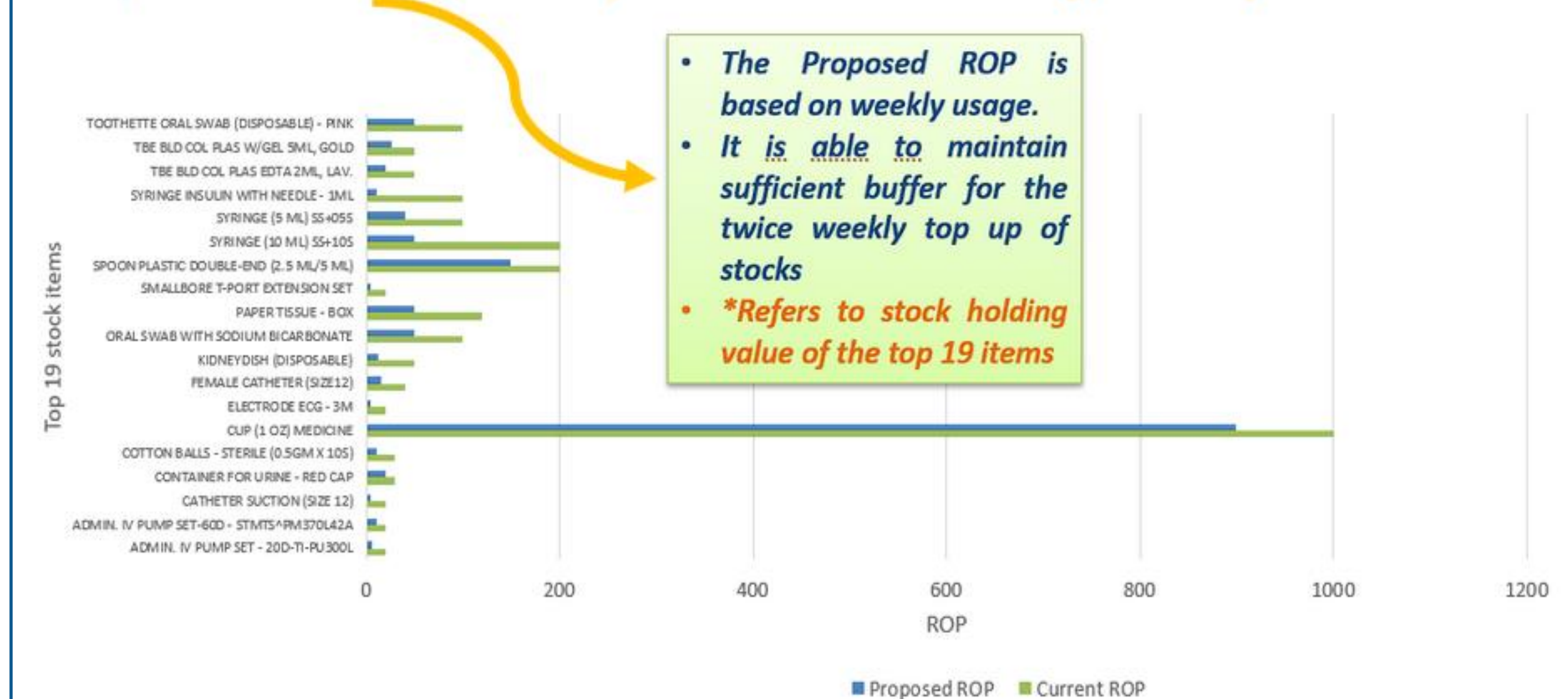
## Interventions & Action Plan

	Causes	Interventions	Staff	Implementation Date	Status
1	NM/CSD set the wrong ROP	Generate Usage Report to advise on the correct ROP	Eric	11 Dec 2023	Done
2	NM is fearful of having insufficient stock	Explain to them that the ROP is for 1 week's supply with 2 times top-up so it is more than enough	Kenn	13 Dec 2023	Done
3	NM lacks usage data to set appropriate ROP	Same as No. 1 intervention	Eric	11 Dec 2023	Done
4	PSA reorders unused items or when the 1 <sup>st</sup> bin is not empty yet	- Engage NM to find out why staff places the cue card into the basket when the 1 <sup>st</sup> bin is not empty yet  - Assure the Ward staff that they have the 2 <sup>nd</sup> bin as the buffer and can request for ad hoc top-up if there is sudden spike in demand	Kenn	13 Dec 2023	Done

## Benefits/Results

### Benefits & Results - Top 19 ward items

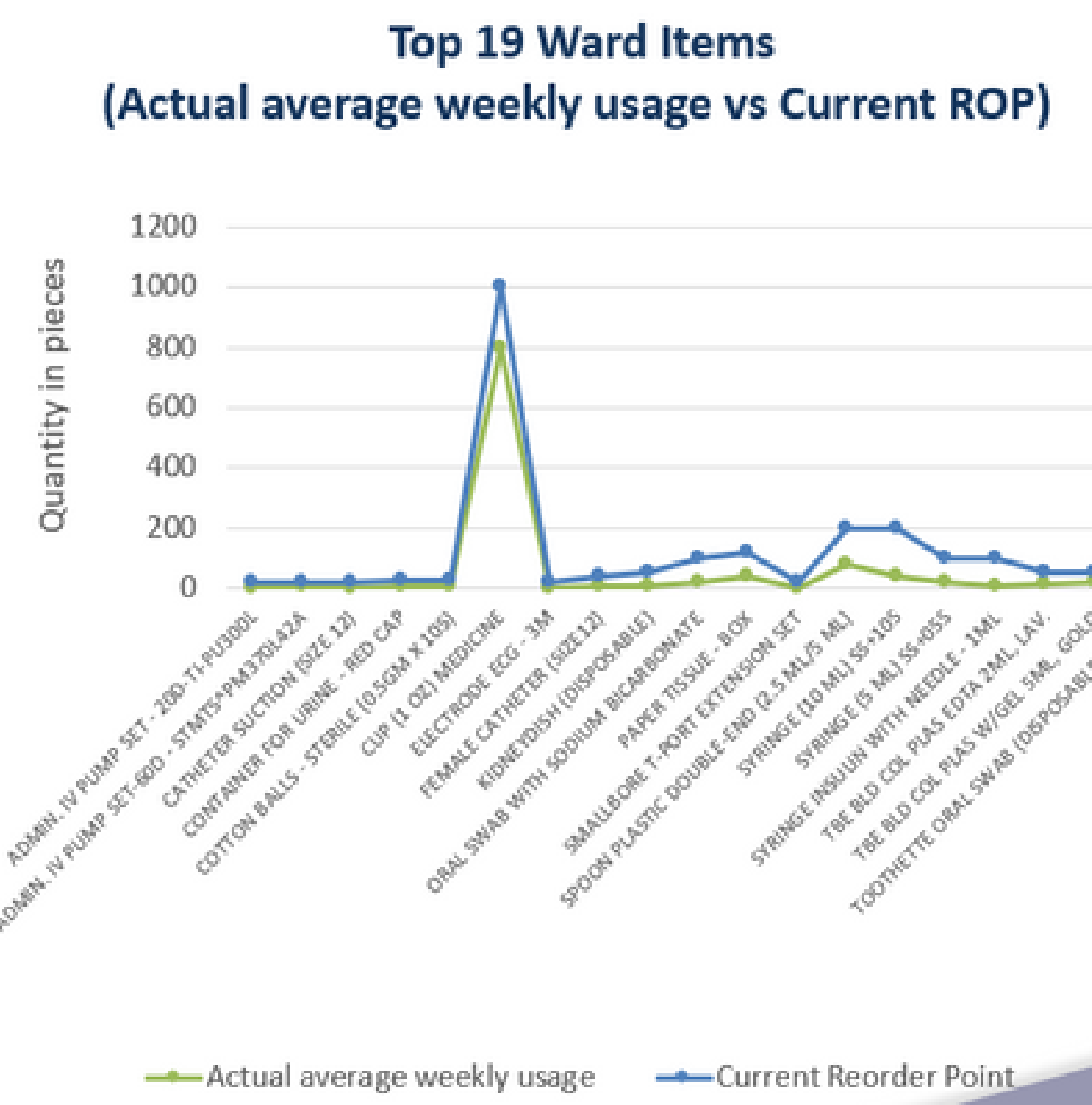
#### Proposed ROP (\$156\*) vs Current ROP (\$390\*)



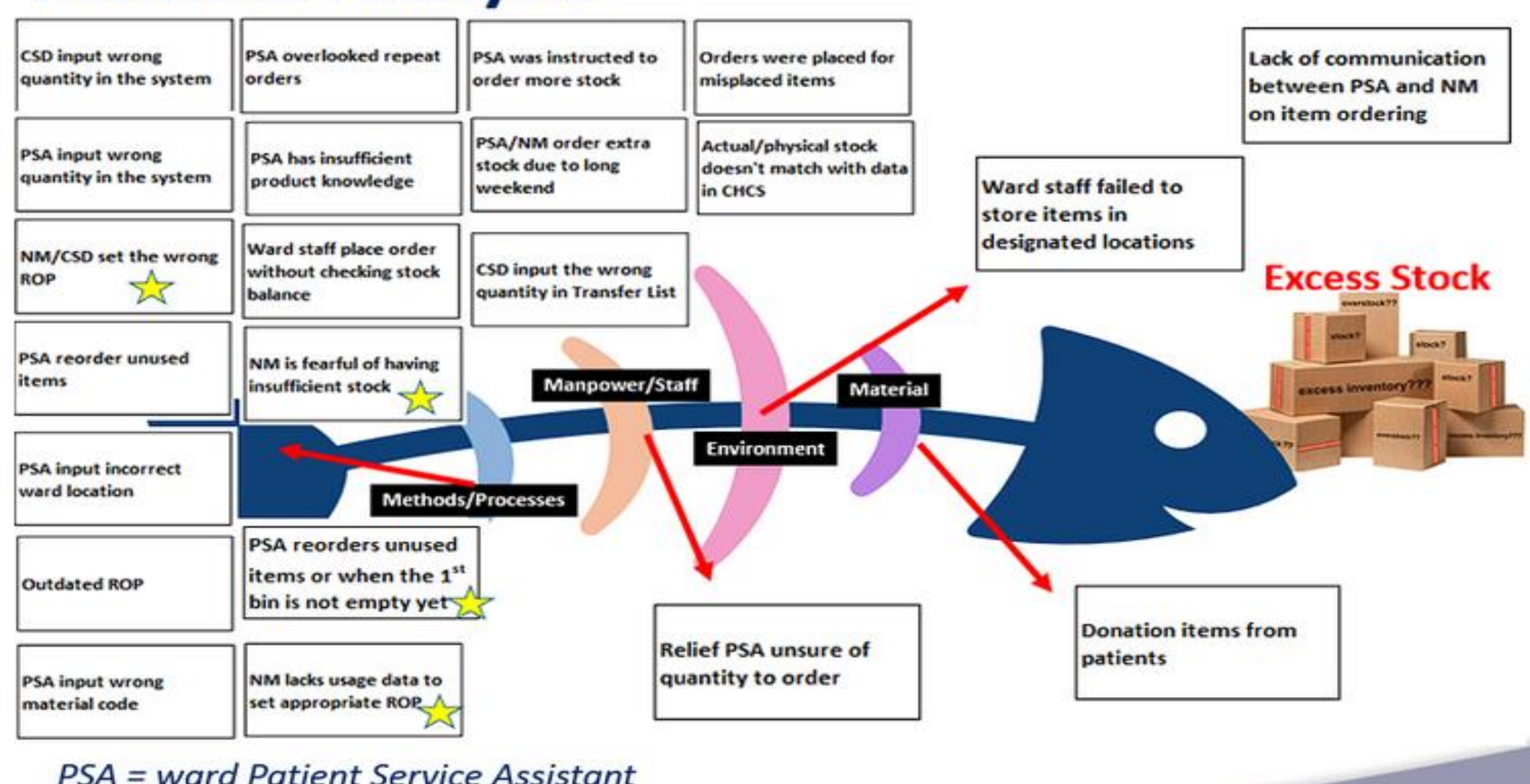
- The ward top up stock is done twice a week, the current ROP is too high, leading to excess stock holding. After monitoring the actual usage, the ROP proposed for ward 7 for all the stocks resulted in Cost Savings of \$2,064.
- The aim of the project is to reduce excess stocks in ward 7 by 10%. The result shows that the excess stock is reduced by 34%.

## Reorder Point (ROP)

- The **Reorder Point (ROP)** is a specific level at which the stock needs to be replenished. In other words, it tells you when to place an order so you won't run out of stock.
- The ROP is normally set based on the usage of the stock and the frequency of the top up.
- Excess stock levels are typically caused by inaccurate demand forecasting which leads to setting the wrong ROP.
- The graph shows the actual average weekly usage vs ROP.
- From the graph, the ROP for some stocks are set much higher than the weekly usage.



## Problem Analysis



## Sustainability & Reflections

- With the positive result, we will next monitor stock usage of the rest of the wards and propose the new ROP for optimum ward inventory management.
- When the Autonomous Mobile Robots are deployed, instead of ward staff, CSD will replenish the stocks directly so that the ward staff can focus on patient care.



- The limited storage space became more organised and optimised for easy access of stocks. Reducing stock holding also improves patient safety by eliminating the risk of using expired item due to overstock