



# Intelligent inventory solutions lead to \$425K savings at Baptist Health Alabama

## Customer Profile

Baptist Health is the largest healthcare system serving central Alabama. The system consists of three acute care hospitals: Baptist Medical Center South, the 450-bed tertiary care flagship facility; Baptist Medical Center East, a 150-bed hospital; and Prattville Baptist Hospital, an 85-bed community hospital.

## The Challenge

Baptist Health hospitals manage medication inventory using cabinet-centric medication dispensing models, with the South and East hospitals augmented by central pharmacy carousels.

As pharmacy leaders confronted the coronavirus pandemic, they quickly recognized systemic issues with their medication inventory management. Challenges included:

- Overstocked cabinet inventory
- Critical drug shortages
- Low inventory turns
- Risk of expired medications

The challenges were further exacerbated by established processes. Inter-facility collaboration between pharmacy buyers had not been optimized. Each facility managed inventory separately. Reordering decisions were based on visual inspection and anecdotal evidence rather than hard data.

## The Solution

Pharmacy leaders sought a holistic, systematic approach to inventory management to provide full visibility across locations and to optimize inventory, manage shortages, increase turns, and reduce drug spend.

To achieve these goals, the health system implemented Omnicell® Intelligence Solutions.



### Baptist Health Alabama Montgomery, AL

#### Challenge

- Limited visibility of medication inventory
- Recurring medication shortages
- Cabinet overstock
- Expired medications
- Medication reordering based on guesswork
- Siloed, non-standard practices across facilities

#### Solution

- Omnicell Intelligence Solutions

#### Impact

- \$425,000 savings in less than three months
- \$800,000 reduction in on-hand inventory
- 39% reduction in days on hand
- 59% increase in inventory turns

## The Impact

These Omnicell solutions provide inventory visibility across the health system while also delivering cost-saving benefits. “It’s a win-win for us,” said Mary McKnight, Director of Pharmacy, Baptist Medical Center South. “It is helping us to truly optimize our inventory and is changing our mindset when it comes to medication planning.”

In less than three months, pharmacy leaders realized medication inventory savings of nearly \$425,000. They also experienced a 39% reduction in days on hand and a 59% improvement in inventory turns.

## Better Shortage Management, Fewer Patient Transfers

Increasing inventory visibility across care centers drives pharmacy efficiency and has connected facilities in new ways. “The Omnicell technology is a game changer for us,” explained Katie Tahir, Pharmacy Compliance Analyst. “It’s transformed how we make inventory decisions and helped to get everyone excited about the savings we’ve generated.”

At Prattville Baptist Hospital, inventory visibility has taken on new significance. From a medication management standpoint, the facility previously operated more like an independent, non-24/7 facility. At times, that meant providing a first dose and then transferring the patient to another level of care.

“Now with medication inventory visibility and inter-facility transfer, we can safely hold onto this patient medication-wise,” said Prattville Baptist Pharmacy Manager Kyle Sexton. “If we have the medical expertise at Prattville, we shouldn’t transfer patients due to a lack of medication on hand. This new approach has contributed to safer care and better patient workflow across the health system.”

## Next Up: More Savings and Optimization Opportunities

The pharmacy team is looking to sustain momentum by focusing on three additional areas of savings:

- High-cost, low-use drug optimization
- Package sharing across facilities to reduce waste
- Cabinet optimization to reduce stress on pharmacy technician labor

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“One of our biggest challenges over the years has been inventory turns. Seeing progress in inventory turns is really exciting to me.”

- Mary McKnight  
Director of Pharmacy, Baptist Medical Center South
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“The historical utilization data is what allows us to make informed, data-driven decisions, which has enabled us to deliver optimal care and better utilize our drug spend.”

- Kyle Sexton  
Pharmacy Manager, Prattville Baptist Hospital
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“The buyers are seeing the financial, clinical, and operational impact of using data to make inventory management decisions. They’ve become passionate about it in ways that I don’t think we would have been able to achieve otherwise.”

- Katie Tahir  
Pharmacy Compliance Analyst

