

Materials Management

Functionality Brief



The Materials Management functionality in MEDITECH's Supply Chain Management solution helps users in a single- or multi-facility healthcare organization manage inventory, supplies, and equipment across departments and facilities. The functionality facilitates purchase and receipt of supplies and equipment, assists with analyzing supply usage, helps manage equipment maintenance, and maintains vendor contract information.

Highlights:

- Manage all supplies and purchase orders through centralized roles-based desktops
- Create purchase orders from stock and non-stock requisitions and based on current inventory levels
- Place, track, and acknowledge receipt of orders electronically using e-Commerce
- Electronically issue, receive, transfer, and adjust stock across departments
- Manage and decrement bar-coded supplies across multiple inventories to maintain PAR levels
- Match invoices to purchase orders through Accounts Payable integration

Materials Management Enables your Supply Chain Staff to: **Streamline Workflow through Roles-based Desktops**

Materials Management can help your organization increase efficiency and streamline workflow through roles-based desktops and automated routines. Using roles-based desktops, staff can view and sort daily task lists as well as drill down into reports for more details.

Standard desktops are available for Equipment Management, Financial Management, Item and Stock Processing, Purchasing, and Requisitioning and provide your staff with:

- Centralized access to all of their most commonly used routines
- Real-time reports on stock levels and item inquiries
- Single screen review of purchase orders and their statuses.

Order and Receive Items with Greater Accuracy and Efficiency

Streamlined purchase order entry empowers purchasing staff by enabling them to quickly approve and send out orders for quicker order turnaround times. User-defined templates for non-stock requisitions, automated routines to create purchase orders from requisitions, and the ability to create purchase orders from inventory levels streamline the ordering process. Furthermore, Materials Management combines all orders for a single vendor into one purchase order, while still designating separate shipping locations upon receipt. Other supply procurement features allow staff to:

- View current items on purchase orders to prevent overstock
- Establish four levels of verification based on user and price
- Accommodate consignment purchases
- Create organization-defined purchase order numbers
- Add free text notes and instructions to purchase orders, receipts, or both

- Capture additional non-standard information using customer-defined screens
- Receive recommendations for order quantity based on current stock levels.

Based on receiving instructions, receivers have the option to accept the entire purchase order, accept all but selected lines, or accept only selected lines. Additionally, both the receiver and the receiving department can acknowledge receipt of the order.

Purchase and Track Orders with e-Commerce

Materials Management provides access to a global marketplace of suppliers using ANSI X12 transaction sets. Our e-Commerce solution helps your organization to procure the best prices for supplies, as well as the ability to order and track those supplies in a paperless environment. MEDITECH supports the following EDI transaction sets:

- Electronic Price Catalog Update (832): Enables buyers to pull large item cost update files from their suppliers, review old and new pricing, and either mass-approve or line-by-line approve the item's new price, which can then update the Item Master.
- Send Purchase Order (850): Supports the electronic transmission of purchase orders.
- Purchase Order Acknowledgement (855): Validates vendor receipt of purchase order information and enables purchasers to confirm prices and make price changes directly to the PO line and/or to the Item Master file.
- Advanced Ship Notice (856): Informs sites of delivery intentions and automates the receipt process by allowing receivers to import an electronic packing list into the system, which upon request, populates the receiving screen.
- Electronic Invoice (810): Supports retrieval, auto-match, and transfer of a batch of 810s to Accounts Payable to ensure invoices are for valid POs in your system, and only apply to the items ordered. The software also prevents duplicate invoices and alerts users of substitute lower cost items invoiced at the ordered price.
- Electronic Funds Transfer (820): Automates the payment process through electronic funds transfer of vendor payments. NACHA format is also available.

Purchasing departments can also send standard protocol transaction sets using the Internet (FTP), traditional phone lines, and other third-party software packages.

Maintain Sufficient Supply Levels across Multiple User-defined Inventories

Ordered items can be placed into an unlimited number of user-defined inventories for distribution across your organization, and can also be ordered for specific patients. Materials Management features standard routines to make transferring, receiving, adjusting, and issuing supplies easy to track, by supporting:

- Identification of inventoried items by their item numbers, stock numbers, descriptions, colloquial names, or partial names
- Inventory valuation using Average Cost, First In/First Out, or Last In/First Out methods
- On-line inquiries, which display real-time information on receipts, issues, returns, adjustments, transfers, purchase order histories, or current inventory breakdowns
- Identification and management of critical inventory items
- Use of bar code readers to process and decrement supplies issued to patients and departments
- Alerts for those items falling below PAR level and requiring reorder.

Manage Equipment Usage and Maintenance

The Equipment Management feature of Materials Management allows staff to easily schedule preventative maintenance on all pieces of equipment in your organization as well as view vital information, such as location, manufacturer, warranty expiration dates, and average use. An Equipment Management Desktop provides staff with the ability to:

- View detailed work orders, including descriptions, type, priority, and status
- Evaluate purchase contracts to see expiration dates, statuses, and any additional notes
- Run reports for equipment usage, preventative maintenance schedules, and work order details.

Review Requisitions, Purchase Orders, and Supplies through Robust Reporting

Materials Management comes with a large selection of standard reports to help your organization analyze and track your purchases, supplies, and vendor performance. Some of the standard reports include:

- On-line inquiry of any purchase order, in either summary or detail format
- Single inquiry viewing of receipt and purchase order information
- A worklist of all purchase orders not verified, as well as receipt/invoice discrepancies
- On-line inquiry of the current receipt status for any purchase requisition
- Requisition lists provided in summary and detail formats by number or department
- An Item Dictionary audit trail
- Real-time inquiry of stock and items.

Reap the Benefits of Integration

Materials Management is a fully integrated component of the MEDITECH EHR, providing features and benefits to increase your organization's efficiency and introduce money saving options. Integration benefits include:

- Communication of patient issues and charges to Revenue Cycle
- Integration with General Ledger for departmental expensing and inventory valuation
- The ability to assign different vendors and General Ledger account numbers to specific purchasing facilities
- The ability to send asset tag/serial numbers created in Materials Management for all purchase order types to Fixed Assets for tracking
- Invoice to purchase order matching through Accounts Payable to reduce payment errors and increase payment turnaround time
- Shared Vendor and Item Master dictionaries with Accounts Payable
- Drill-down capability into Materials Management from General Ledger to view purchase order and invoice details.

For more information about us, contact a MEDITECH Marketing Consultant.

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