



Memorial Hospital at Gulfport Transforms Supply Chain Into a Strategic Arm with **GHX Lumere**

WHAT		Supply chain transformation
RESULTS		Supply chain team drove savings and reduced variation by standing up steering committees, creating standardized processes driven by collaboration and implementing product vetting standards rooted in evidence
HOW		Leveraged GHX Lumere's powerful software suite and advisory team to help improve supply chain

Challenges

- » **Struggled to effectively manage expenses** due to lack of collaboration
- » **Product decisions based on clinical preference and price** instead of evidence-based product vetting standards
- » **Unable to produce verifiable analyses** for many of the products and services entering their facilities

Results



Structure and collaboration created across the organization with new workflows and processes



Supply chain team gained credibility resulting in cost control and improved clinical contract compliance management



Vetting standards implemented using unbiased vendor-agnostic evidence and data



Five active supply chain committees established, approving 33% of all new product requests on an annual basis

Situation

The supply chain team at Memorial Hospital at Gulfport (MHG) struggled for years to garner the collaboration and credibility necessary to effectively manage expenses, device selection, new product introductions and contract compliance across their organization. An established product committee lent a pretense of structure but failed to produce verifiable analyses for many of the products and services entering their facilities.

David Mimms, director of supply chain and logistical services, recalls:

“Our processes were elementary. Voting on whether or not to bring in a new product was based solely on the cost of the product or one person’s desire to change a product.”



In other words, they based major product decisions on nothing more than clinical preference and price, relying on little if any product vetting standards rooted in evidence.

This created many hurdles, the most problematic of which was making a case for clinical value to physicians who were loyal to certain devices, even when presented with less expensive alternatives that had similar patient outcomes. “We didn’t have the necessary information to back our stance on cost reduction and contract compliance,” says Mimms. “We were challenged at every turn.”

Solution

Knowing MHG’s status quo was as frustrating as it was ineffective, supply chain leaders drafted a plan to create structure and collaboration across the organization. Their blueprints included new workflows, dynamic and responsive committees, and standardized processes that would transform supply chain into a strategic arm of the organization rather than a mere transactional department.

Supply chain leaders realized, however, that they would need a partner to help bring this vision to life. Not only did the team lack the vendor-agnostic data needed to make informed product decisions, but they also had no workflow tools or protocols in place for fostering the inter- and cross-departmental collaboration necessary for true organizational maturation.

Mimms was impressed by the GHX Lumere solution’s comprehensive evidence reviews and workflow tools designed to foster and streamline transparency and communication across an organization:

“We knew that if we had that available, our operation would take on a whole new outlook.”



The Need for Collaboration

Without a culture of collaboration and the tools to make strong clinical cases for standardization initiatives, the team at MHG was held back by systemic difficulties that made it nearly impossible to:



Control costs and variation



Manage new product introductions



Ensure compliance with physicians and clinicians

Results

With GHX Lumere's support —both through its powerful software suite and professional advisory team dedicated to coaching them every step of the way—the supply chain team at MHG was able to stand up steering committees, identify where savings opportunities existed, and create processes to document projects and opportunities for review by those newly instituted committees. And with the help of GHX Lumere's unbiased, vendor-agnostic evidence and data, the team now has more credibility to hold conversations they never were able to have previously. This ultimately swayed physician attitudes, and as a result, they have been able to control costs more effectively and better manage clinical contract compliance.

To date, MHG's supply chain team has five active committees, judiciously approving 33% of all new product requests on an annual basis—a drastic change from when they considered themselves nothing more than a rubber-stamp transactional department bound to cost- and preference-based decision making.



“I have often said that implementing a change before GHX Lumere was like going up to home plate without a baseball bat. We were sitting ducks. Lumere has given us the necessary tools to show up to the batter's box confidently, and that has helped drive cost savings, variation reduction and contract compliance.”

DAVID MIMMS

Director of Supply Chain and Logistical Service,
Memorial Hospital at Gulfport

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