

# **McKESSON PRESS RELEASE**

## **HEALTHCARE WAREHOUSE MANAGEMENT**

*I wrote the following press release for McKesson Provider Services. McKesson is a Fortune 500 company that provides software and high-tech solutions for hospitals and healthcare providers.*

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### **McKesson Provides Real-Time, End-To-End Supply Chain Visibility With McKesson Healthcare Warehouse Management™**

*New cloud-based solution helps to improve warehouse productivity and increase inventory accuracy.*

**ATLANTA, September 1, 20XX** – McKesson today introduced an innovative cloud-based solution to help healthcare organizations better manage their warehouses and distribution centers. The McKesson Healthcare Warehouse Management™ solution provides organizations with real-time, end-to-end visibility of their supply chain, allowing them to maximize resources, improve warehouse productivity and accuracy, and increase cost savings through improved supply-chain management.

"As more healthcare providers consolidate into multi-hospital conglomerates or Accountable Care Organizations (ACOs), we see them forming Internal Distribution Networks (IDNs)," says Todd Tabel, VP of McKesson Supply Chain Solutions. "They take on a self-distribution model, where each hospital maintains its own warehouse and the IDN provides inventory for all the hospitals and healthcare specialists in their system. There's a need for improved warehouse management and better visibility and accounting of resources, especially for organizations that distribute supplies to hospitals and providers in geographically-dispersed locations."

McKesson Healthcare Warehouse Management enables multi-facility hospitals and ACOs to better manage and control their overall inventory. The

solution provides a consolidated single viewpoint of all the warehouses on the organization's network, and greater visibility of the inventory within each warehouse. Also, the solution provides continuous, real-time monitoring of activities and resources throughout the supply chain, allowing organizations to easily track and monitor where and how their resources are being used and distributed.

"Healthcare organizations are being squeezed to cut expenses, and supply chain and inventory management is arguably the second highest cost lever in healthcare," says Tabel. "The McKesson solution helps organizations collaborate to reduce cost overruns by helping them to 'right-size' their inventory supplies. For example, if one warehouse has a shortage of a certain medical item, they can use the McKesson solution to find another warehouse on their network with an overstock of that item, and request a supply transfer. This saves the warehouse from having to purchase new supplies of that medical item, while the other warehouse can reduce operations costs and labor for managing the extra inventory."

The Healthcare Warehouse Management solution will be hosted on McKesson's cloud servers, and offered as a Software as a Service (SaaS). The SaaS model makes it easy for healthcare organizations to implement the McKesson solution in quick-start fashion, and to bring new organizations onto the solution. Subscriber ACOs and multi-location hospitals can use the solution to easily add hospital groups or healthcare affiliates (e.g. physician or outpatient care centers) to their distribution network. Also, the cloud-based solution provides further savings by eliminating infrastructure and server maintenance costs that healthcare organizations incur from an on-premise solution.

McKesson Healthcare Warehouse Management was developed by Upp Technologies, a leading provider of warehouse management software. The

solution includes a number of easy-to-use features designed to help organizations achieve better data accessibility and inventory control, such as:

- Easy integration with existing Enterprise Resource Planning, financial, or operations solutions used by physicians or organizations.
- Mobile accessibility by phones, tablets, and computers.
- Validated lot control and handling of dated inventory and hazardous materials.
- Assurance of information, availability, resiliency, redundancy, and disaster recovery.
- 24x7 support from McKesson staff.

A chief feature of McKesson Healthcare Warehouse Management is its use of advanced radio frequency identification (RFID) to help improve operational efficiency and ensure 99.999% accuracy in inventory and shipping. Using RFID scanning, healthcare warehouses and distribution centers can capture data about physical inventory levels, manage inbound and outbound orders, track supply shipments, and manage inventory and order fulfillment tasks such as billing and kitting.

"McKesson Healthcare Warehouse Management complements and fully integrates with other products in our comprehensive Supply Chain Solutions™ suite," says Tabel. "Our supply chain solutions provide healthcare organizations with a complete, 360°-view of their supply chain, helping them to manage materials handling, sourcing, vendor contracts, value analysis, and a wide range of other supply and inventory needs."

"Also, by providing healthcare organizations with improved supply chain management, better inventory accuracy, and reduced inventory costs, McKesson Healthcare Warehouse Management helps to promote McKesson's Better Health 2020™ initiative. This strategy seeks to help healthcare providers achieve better

business health, better connectivity, and better patient care as health reform unfolds."

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### **About McKesson**

McKesson Corporation, currently ranked 14<sup>th</sup> on the FORTUNE 500, is a healthcare services and information technology company dedicated to making the business of healthcare run better. We partner with payers, hospitals, physician offices, pharmacies, pharmaceutical companies and others across the spectrum of care to build healthier organizations to deliver better care to patients in every setting. McKesson helps its customers improve their financial, operational, and clinical performance with solutions that include pharmaceutical and medical-surgical supply management, healthcare information technology, and business and clinical services. For more information, visit <http://www.mckesson.com/supplychain>.