



Mercy recovers \$13M in charge capture and unlocks multimillion-dollar savings with Tecsyst

Results at a glance

\$13M

recovered through more accurate charge capture

\$4.7M

in savings from improved inventory utilization

\$2.4M

in savings by realizing unrecognized inventory assets

\$459K

in labor savings from preference card accuracy

\$480K

in labor savings through automated replenishment

\$167K

in labor savings from reduced cycle counts



About Mercy

Mercy is one of the largest U.S. health systems, named a top five large system by Truven/IBM Watson. Headquartered in St. Louis, Missouri, it includes 44 acute care and specialty hospitals, 259 operating rooms, more than 750 physician practices, 300 clinics and 40,000 co-workers, serving patients across Arkansas, Kansas, Missouri and Oklahoma with outreach across the region.

A costly problem in the OR

With 259 operating rooms generating **42% of Mercy's revenue**, perioperative services were also a high-expense area. Inconsistent, manually updated preference cards and fragmented processes left Mercy with **38% of items picked for cases returned to inventory**, bloated stockpiles, wasted labor, inaccurate case costing and missed charge capture. Finance had limited visibility into millions of dollars in inventory assets.

How Mercy fixed it

Mercy launched a system-wide transformation of perioperative inventory management, partnering with Tecsyst to integrate Elite™ Healthcare POU with Epic and Lawson ERP. The initiative focused on four steps:

Establish a single source of truth

Mercy linked Elite™ Healthcare POU directly to Epic so item-level usage was captured at the patient and case level, enabling accurate case costing.

Optimize preference cards continuously

Cards were cleaned once and then updated dynamically after every case using actual utilization data to eliminate waste and keep surgeons aligned with practice.

Unify clinical and supply chain workflows

OR staff and supply chain collaborated daily, ending silos and creating shared accountability for supplies.

Automate replenishment and reporting

Real-time dashboards and ERP integration reduced manual work and delivered reliable data for finance.



Before and after — in practice

BEFORE

38% of picked items returned to inventory; clinicians hoarded supplies to guard against stockouts; finance lacked visibility into unrecognized supply assets; manual preference-card work consumed time and still drifted out of date.

AFTER

Continuous card optimization and point-of-use capture restored confidence in availability; Elite™ Healthcare POU surfaced **\$2.4M** in unrecognized inventory assets, improved utilization for **\$4.7M** in savings and recovered **\$13M** in charge capture; automated replenishment and fewer cycle counts reduced labor spend.

The financial impact

For Mercy, the improvements translated into measurable financial benefits:

- **Inventory asset realization** — Mercy unlocked \$2.4M in savings by gaining visibility into supply assets across perioperative services.
- **Inventory utilization** — Mercy reduced hidden stock and hoarding to drive \$4.7M in savings.
- **Charge capture** — Mercy recovered \$13M through accurate point-of-use documentation of supplies used.
- **Labor efficiency** — Mercy realized \$459K in labor savings tied to preference-card accuracy.
- **Replenishment automation** — Mercy reduced manual work by \$480K through ERP-driven replenishment.
- **Cycle count reduction** — Mercy cut cycle-counting labor by \$167K.

About Tecsys' Elite™ Healthcare POU

Tecsys' Elite™ Healthcare POU connects perioperative areas directly to supply chain, finance and the EHR to deliver visibility and financial control at the point of use. The solution helps health systems:

- Track items in real time from receipt to patient
- Optimize preference cards continuously with actual utilization data
- Generate surgeon-level, itemized case costing
- Strengthen expiry and recall controls
- Improve charge capture and reduce revenue leakage



"We needed to start managing cost per case in the OR where we know the cost of the products as the surgeon selects them. The Tecsys Elite™ Healthcare POU solution does that for us – we know the cost of every single item in the OR."

Betty Jo Rocchio

*Senior Vice President and Chief Nursing Officer
Mercy*

Learn how Tecsys' Elite™ Healthcare POU can help your health system reduce costs, protect margins and improve financial outcomes.

Contact a Tecsys expert today

