



CQO:
The Health Care
Supply Chain

Percentage of Purchase Order Lines Sent Out with a Global Location Number (GLN)



Purpose:

Measure a hospital or health system's level of GLN adoption in purchase order (PO) transactions placed through an enterprise resource planning (ERP) system or e-commerce solution provider.

Value:

Enables the measurement of performance against preset GLN adoption goals.

Equation:

$$\frac{\text{Number of PO lines sent out via an ERP/e-com. provider (or OCR'd) with a GLN}}{\text{Total number of PO lines sent out via an ERP/e-com. provider (or OCR'd)}} = \text{Percentage of Purchase Order Lines Sent Out with a Global Location Number (GLN)}$$

Note: it is favorable to have a higher value for this Key. The higher the value the better.

Example:

- A hospital's number of all ERP or e-commerce PO lines sent out using a GLN is 6,000.
- The hospital's total number of ERP or e-commerce PO lines sent out is 10,000.

$$6,000 \div 10,000 = \mathbf{60\% \text{ Percentage of Purchase Order Lines Sent Out with a Global Location Number (GLN)}}$$



CQO:
The Health Care
Supply Chain

Input Descriptions and Sources:

Input Name	Includes	Excludes
Total number of PO lines sent out via an ERP/e-com. provider (or OCR'd)	The total number of PO lines sent out via an ERP system or e-commerce solution provider, or, generated manually but scanned in using Optical Character Recognition (OCR) technology and sent out electronically.	PO lines processed outside of the ERP system or e-commerce portal or placed with suppliers manually, unless an organization utilizes OCR technology or invoice scanning solutions.
Number of PO lines sent out via an ERP/e-com. provider (or OCR'd) with a GLN	Number of PO lines sent out electronically to all suppliers that reference or use a GLN to identify the hospital or health system.	

Points of Clarification:

- This metric can be utilized to understand trends and performance over time to determine if the hospital or health system’s objectives to increase the use of GLNs are being realized.
- The adoption of data standards provides a method to codify in valid, meaningful, comprehensive and actionable ways, information captured in the course of doing business with all stakeholders within the health care supply chain.
- The GLN is a field-wide, standardized location identifier that replaces custom account and location numbers. The GLN provides the opportunity for increased visibility into on-hand inventory levels (bulk, each) by location, potentially increasing efficiency in pulling expired and recalled products.
- One root cause of pricing inaccuracy and short paid rebates in multi-hospital systems is location inaccuracy. The elimination of customized location identifiers can enhance the accuracy of item price and rebate administration.