ABSTRACT

The ZYX City Medicine Warehouse is part of the ZYX City Health Service which is responsible for managing the storage and distribution of medicines at ZYX City health centers. ZYX City Medicine Warehouse handles several types of medicines such as vaccines, routine medicines, consumable medical devices and reagents. In managing drug supplies, the ZYX City Drug Warehouse does not have an inventory policy, resulting in higher purchases than demand from health centers, which causes overstock and there are drugs circulating in the warehouse.

The pattern of demand for medicines every month is known to have a probabilistic nature and the drug warehouse policy can only reorder at a certain time, namely once a year. To be able to solve the problem of high inventories and also provide optimal policy proposals, product categorization was carried out using ABC-VED analysis and an approach was taken using the Periodic Review (R,s,S) method for class A drugs and Periodic Review (R,S) for class B and C drugs.

The results of calculations using the Periodic Review (R,s,S) approach are able to determine the review interval time (R), reorder point (s), maximum inventory level (S) while the results of calculations using the Periodic Review (R,S) approach are able to determine time review interval (R), and maximum inventory level (S) and is able to reduce total inventory costs by up to 85.25% of the total inventory costs in actual conditions. In addition, the Periodic Review (R,s,S) and (R,S) inventory policies can minimize inventory amounts by as much as 74%.

Keywords: Inventory Policy, Overstock, ABC-VED, Periodic Review