

## **ABSTRACT**

*AMC hospital is a health institution engaged in services. AMC hospital has six service facilities, one of which is a pharmaceutical plant. This pharmacy provides various types of drugs needed patient. During this hospital AMC does not have the right inventory policies that supplies drugs available in the hospital always exceeds the number of incoming requests each month. In conducting the inventory control of drugs, hospital AMC not do classification drugs based on the value of the absorption of funds and the level of criticality of the drug and drug book without regard to the amount of the inventory of existing drugs that hospitals were overstock and cause the total inventory costs to be incurred high.*

*To overcome these problems, hospitals must perform inventory control drugs. The method used in this study is the analysis of the ABC and VED analysis and probabilistic methods Continuous Review (s, S) System for know the size of the number of order, safety stock and reorder point so as to reduce overstock and minimized total inventory costs to be incurred by the hospital.*

*Based on calculations using probabilistic methods Continuous Review (s, S) System, it can be seen that the total cost of supply of drugs produced by Rp 226.160.240 and retrenchment Rp 164.400.215 or 42,09% of the actual conditions.*

*Keywords: Drug, Inventory Control, Continuous Review System.*