

ABSTRACT

Toto Kabila Regional General Hospital (RSUD) is a class C general hospital in Bone Bolango Regency. RSUD Toto Kabila has a pharmaceutical installation service that is responsible for managing medical inventory from the planning process to distribution. Proper medicine inventory can improve pharmaceutical services and hospital services simultaneously. However, in carrying out medicine supplies, the pharmaceutical installation of Toto Kabila Hospital experienced medicine stockout. The stockout is caused by the Pharmaceutical Installation not having a policy regarding replenishment point, optimal order size, and maximum inventory level. To solve this problem, solution provided is to design a medicine inventory policy system using the probabilistic continuous review system and periodic review system methods to minimize stockouts at the Pharmaceutical Installation of Toto Kabila Hospital. Drugs will be classified using ABC-VED analysis which results in three categories, namely category I using the continuous review method (s, S) and category II and category III using the periodic review method (R, s, S). The proposed inventory design using continuous review (s, S) produce inventory policies in the form of reorder points and maximum inventory levels, and the proposed inventory policy design using periodic review (R, s, S) results in the form of review interval times, reorder points and maximum inventory levels. The proposed inventory policy using continuous review (s, S) and periodic review system (R, s, S) can minimize the number of medicines stockout which from 349,406 units to 33,521 units or 90.4%.

Keywords: **Medicine, Stockout, Continuous Review System, Periodic Review System**