



## Table of Contents

Savings and Benchmarking FAQ. ....	2
Value-Added Service FAQs. ....	3
Supplier Operations FAQs. ....	6
Construction Logistics FAQs. ....	7
Freight Audit & Payment FAQs. ....	8
Freight Management Reporting FAQs. ....	10
Supplier Compliance FAQs. ....	11



## **Savings and Benchmarking FAQs**

### **1. How do you benchmark and measure savings?**

Savings are measured against historical baseline freight costs. TRIOSE gathers information by vendor and facility in terms of cost, cost per shipment, service level etc. All future expenses are compared against the baseline volume and service levels to calculate savings. In addition, TRIOSE has performed detail analysis by vendor that includes explicit analysis regarding calculating actual freight charges from vendor invoices including all the necessary detail (origin/destination, weight, service level etc.) and then comparing them to the cost under the TRIOSE program. This data is used to validate the benchmark data as well.



## Value-Added Service FAQs

### 1. What distinguishes your program from your competitors in the marketplace?

TRIOSE views managing freight and transportation as an important first step in gaining control and providing value of an improved supply chain for Healthcare Providers. This tactical program provides a good baseline of current state and allows us to provide immediate impact while gathering data to make informed recommendations.

Some of the elements that make the TRIOSE program different include:

- TRIOSE is an “outcome based” organization
- We are a true logistics company and take a consultative approach to the business problem at hand
- TRIOSE manages all aspects of transportation including all modes (parcel, LTL, Truckload, Specialized, Hazmat, etc.)
- We provide a true baseline of costs and operation process to measure results against
- Tailors our solution specific for each client – not a cookie cutter approach
- Proactively monitors service levels
- We take over and manage all aspects of the program and act as a “found resource” to the Materials Management and Purchasing departments

We believe that an organization is only as strong as its supply chain. TRIOSE can take clients to the next step of improved performance by implementing additional tactical initiatives as well as scoping and recommending longer term strategic supply chain initiatives. These programs include looking at network optimization and design, vendor sourcing strategies, facility layout and information technology improvements. We are aligned with our strategic partner UPS on these programs and stand ready to explore the timing and implementation of such things

### 2. What are some of the value added services and programs provided by your company?

Utilizing our own resources and those of our strategic partner UPS, TRIOSE can provide

- Consulting and implementation of network optimization and design
- TRIOSE Assessment & Opportunity (A&O)



- Current state assessment of supply chain performance identifying cost and service improvement opportunities
- Mapping of future state including gap analysis
- Implementation planning and execution
- Organizational assessment
- International expertise including:
  - Compliance planning and implementation
  - Customs compliance manuals
  - Documentation and recordkeeping requirements
  - Tariff Consulting

### **3. Does your program offer freight mode optimization?**

Yes! One of the base elements of TRIOSE freight and transportation management services is analyzing data to make improved decisions relative to cost and service. After the initial launch of the program, we routinely review data both inbound and outbound and make freight mode optimization recommendations. This includes mode shifting (lower cost options) as well as multi-shipment consolidation opportunities from vendors. Data helps drive decisions making process.

In addition, working with UPS, TRIOSE can analyze overall network optimization as well. Critical elements of the supply chain include distribution networks and fulfillment processes designed for optimum efficiency. Some key issues need to be analyzed when creating demand-responsive supply chains that facilitate the highest rate of network optimization. These issues include:

- Location of end users, manufacturing, suppliers, and partners within the supply chain
- Origin of orders
- Location of distribution centers
- Fulfillment and delivery capabilities

Our experienced consultants can guide organizations in making and assessing the critical decisions that influence optimization. We can design supply chains that support higher returns.

### **4. Does your program continue to drive savings on an ongoing basis?**

Yes! TRIOSE provides a platform for continuous improvement on an on-going basis.



Using the fundamental approach of base-lining and current state analysis, TRIOSE creates the platform and defines the roadmap to improve. TRIOSE takes a results-oriented approach to continuous improvement. Utilizing the sound approach of DMAIC (Define, Measure, Analyze, Improve, and Control), TRIOSE uses the same processes and skill sets it has deployed in other manufacturing and distribution industries to achieve these results.



## **Supplier Operations FAQs**

### **1. What major carrier(s) are utilized by your program?**

TRIOSE employs a core carrier concept for all specific modes of transportation – parcel (Air, Ground, and Expedited), LTL (National and Regional), truckload, special move projects, and specialized Hazardous. Our core carrier for parcel air/ground is United Parcel Service (UPS). TRIOSE has a strategic partnership with UPS which allows for seamless freight management service implementation nationally for our healthcare clients. TRIOSE leverages UPS tremendous resource base, depth and breadth of service to implement UPS technology and service solutions as part of its baseline freight management program offering. In addition, TRIOSE works with UPS Supply Chain Services organization to provide healthcare providers the “next level” of efficiency in Supply Chain management linking the healthcare organization goals with the engineered solution. For National LTL services we utilize UPS Freight and Roadway Express. We also use Regional LTL carriers dependent on the client requirements. Example of a Regional LTL Carrier is A. Duie Pyle. For Heavy Freight Air projects we use BAX Global. We have an agreement with Landstar to provide truck load services and brokerage and utilize Legacy Logistics for specialized and white glove service moves. In addition to the core carriers, TRIOSE has affiliated agreements with over 1,000 carriers and service providers giving them a full depth of domestic and international service providers.

### **2. What are your on-line capabilities (i.e., tracking and tracing, least cost transportation mode and selection tools, etc.)?**

TRIOSE will configure, administer and provide the training on Quantum View , a UPS tool that allows the customer to view all packages being shipped in and out of the hospital to streamline answers to questions of locating a shipment in transit. This tool will alert the viewer of any potential problems, i.e. weather delays, mechanical problems, as well as proactively monitoring the status of inbound and outbound product in the supply chain pipeline. This information is useful for improving efficiencies in the ordering/shipping process.



## **Construction Logistics FAQs**

### **1. Does your company provide logistics management for hospital construction projects?**

Yes, TRIOSE will work directly with a capital buyer or outside asset management firm. This is similar to how we work with the Health System for single shipment process (non-repetitive, one-off shipments). The Health System would communicate the requirements including vendor, contact and provide a copy of the purchase order or quotation including delivery/installation time frames. TRIOSE will then contact the specific vendor to coordinate the shipment release, carrier booking and end delivery or staging and installation. All the respective functions of claims, freight payment, auditing, reporting etc. would apply in this scenario.

### **2. Who are your primary contracted carriers for LTL, FTL, Vanline, Flatbed, Riggers, etc.?**

We use both UPS Freight and Roadway Express for LTL deliveries. For Truckload service both van, flatbed and specialized truckload we use Landstar Carriers. For blanket wrap and air-ride truck service, we provide that through our contract with Legacy Logistics who has national service agreements with van line household goods movers etc.

### **3. How do you insure that a shipment is picked up and delivered on time?**

Once a shipment is tendered, TRIOSE customer service personnel monitor the shipment. Our carrier partners provide real time tracking including Satellite and GPS communication that is integrated with their on-line tracking systems. This allows us to proactively manage on-time pick up and delivery service.

### **4. Can your company provide in-transit storage to the hospital construction site?**

Yes, TRIOSE can provide in-transit storage on a situation specific basis using our network of asset-based service providers under contract.



## Freight Audit & Payment FAQs

### **1. Do you provide 100% PO matching? If not, how do you handle missing Purchase Orders?**

TRIOSE base program will provide 100% PO Matching on all compliant vendors. Unfortunately, there is no industry standard for this and we rely on the participation/compliance of the vendors to note customer PO on the shippers manifest which transfers to our electronic reporting. Due to the inability of some vendors to put the PO on the shipper manifest we have seen less than 100% compliance with our over 1,200 compliant supplier base. Therefore achieving 100% PO Matching without employing additional process and technology is virtually unachievable based on our experiences in the industry. However, TRIOSE can employ an advanced solution which involves using handheld scanners to capture data which will be matched to freight charges and PO#'s to provide a true three way match to accomplish a 100% PO match process. We would be glad to discuss this sound process with Broadlane in future discussions.

### **2. What do you need from a Healthcare System to properly GL code and provide departmental freight cost allocation?**

TRIOSE will need the Healthcare System to provide periodic (daily, weekly or monthly) electronic Purchase Order data. Example and typical data fields are:

- COMPANY Number– (entity issuing PO)
- PO NUMBER
- PO DATE
- SHIP TO LOCATION
- EXTENDED COST
- BUYER
- FOB CODE
- FREIGHT TERMS
- VENDOR NUMBER
- VENDOR NAME

In addition, TRIOSE requires the Healthcare System to provide the specific rules or GL Coding information to match the freight costs back to the specific designated accounting category.



### **3. What is your invoicing and billing process?**

All carrier freight invoicing is sent to TRIOSE directly and TRIOSE pays all freight invoices on behalf of the client. TRIOSE then consolidates all the carrier freight charges and provides a statement to the customer on a weekly basis. That weekly statement includes a summary of all freight TRIOSE has paid on behalf of the facility as well as an itemized statement of each shipment both outgoing and incoming, the previous charge, the new charge, and shared savings under the program. TRIOSE offers several payment options including EFT (Electronic Funds Transfer) and Escrow Deposit Accounts.

### **4. Are there any fees associated with your freight audit and payment process?**

No, there are no fees associated with the freight audit and payment process.



## Freight Management Reporting FAQs

1. Do you provide freight management reporting and, if so, what types of reports do you generate?

YES, TRIOSE provides freight management reporting. The following is an overview of the standard generic reports provided by TRIOSE. Other reports can be configured and produced as requested by the Health System.

- Weekly Billing Statement – this report and its accompanying analysis is a summary by location that shows all of the inbound and outbound shipments for the week as well as YTD.
- Weekly Invoice Detail Report – this report is the line item detail for each shipment transaction occurring for the week
- Implemented Vendor Report – this report shows the specific and unique vendor information, by name and by number, that have agreed to comply with the program.
- Service Level Analysis and Service Level by Vendor – this report shows trends in shipping service levels over time to explore additional cost savings opportunities by mode and service optimization.
- Quarterly Customized Business Review Reports identifying trends and history



## Supplier Compliance FAQs

### 1. How many compliant suppliers do you currently have in your program?

TRIOSE currently has over 2800 vendors that have agreed to comply with the routing instructions and program.

### 2. What are the process, documentation and procedures you use to insure supplier compliance?

Initial data analysis from the client provides TRIOSE with a priority list of vendors for each facility. Vendors are sent a Vendor Shipping Guide that provides the freight billing account number and specific routing instructions. Vendors sign and return the document indicating their intent to comply with the new shipping guidelines. Hospitals provide TRIOSE with periodic data reflecting their ongoing freight expenses paid to vendors. This data is used by TRIOSE to check for double billing and to perform Compliance reports. Compliance reports are generated on a regular basis and noncompliant vendors are contacted to bring future shipments in to compliance.

### 3. How do you validate that a supplier will comply with your inbound program?

Vendors sign and return a Vendor Guide that indicates their agreement with the new shipping guidelines.

### 4. What is the ramp up timeframe to reach 100% supplier compliance?

Typically, we will impact 50% of the supplier freight volume in the first 60-90 days, with the 75% compliance achievement occurring in the first 6 to 9 months after start-up. Due to the vast number of suppliers in the healthcare segment as well as the resistance and inability of some of the vendor community to comply at all, it is difficult to attain 100% supplier compliance.