



SUCCESS STORY

VPL Delivers Hard Savings for Large Health System

In an effort to cut costs a health system with 2,000 beds, serving patients in several states, required a freight management provider that could streamline operations, increase supplier compliance and provide access to more aggressive carrier discounts. Because of its track record of delivering hard savings for their customers, VPL was chosen for the job.



VPL analyzed the health system's freight management program under its previous provider to understand where additional savings could be realized and to provide a plan to make their program more operationally efficient. VPL also put in place a savings guarantee that was to be met within the first year of partnership.

Next, VPL conducted intense outreach to the customer's suppliers to ensure they had appropriate shipping instructions based on the customer's unique requirements. By giving suppliers the option to utilize both UPS and FedEx, VPL ensures the highest levels of program compliance. Not only did this allow more freight to be managed but also provided the customer the flexibility to access the most beneficial pricing available to them in the market at any time.

To enhance operational efficiencies, VPL provides a weekly invoice uniquely formatted to accommodate the customer's specific accounting requirements. This significantly reduced the number of staff hours the customer spends processing payments when compared to their previous program. And due to VPL's highly transparent pricing model, the health system has direct line of sight into both their shipping costs and the cost to manage their freight program.

VPL is currently helping this customer manage over 55,000 shipments per year resulting in an additional 27% savings compared to their previous program. Overall, VPL's products and services helped this health system achieve their goals of greater operational efficiencies and lower overall freight costs.

BY THE NUMBERS (Annualized)

928

Participating Suppliers

55,681

Shipments Managed

\$386,636

Savings Generated

27%

Increased Savings
vs.
Previous Program