

Building Financial Resilience in a Post-Pandemic World

Presented by: Expense Consulting Ltd.

In March last year, the Covid-19 pandemic hit, and the world as we knew it changed. *What comes next?*

During the pandemic, companies learned to cope; in the post-pandemic world, they need to learn to thrive. Below are a few critical questions that your company should be contemplating as the nation embarks on a complete economic restart:

- *What did you learn about your “partners”?*
- *What did you learn about your supply chain?*
- *What did you learn about your sourcing methodologies?*
- *What service level agreements need to be adjusted?*
- *What inventory level changes have been made?*
- *What opportunities have presented themselves as a result of Covid-19?*
- *Are you prepared for revised force majeure clauses?*
- *Were there any “ah ha” moments?*

Organizations emerging from the Covid-19 crisis are realizing that there should be a solid plan to build financial resilience. Here are some insights to help your organization make well-informed decisions to move forward in the post-pandemic era.

Rightsizing Service Levels

Your organization must strategically identify, evaluate, and define rightsizing measures. Some thoughts to reduce your costs and increase your bottom line:

- Waste Management
 - Audit for contractual compliance
 - Understand waste streams generated
 - Calculate trash / recycling ratios
 - Analyze weight tickets
 - Review pickup schedules
 - Investigate new technologies for greater efficiencies
- Telecom / IT
 - Tag all data & phone lines
 - Identify undesired redundancies
 - Ensure license alignment
 - Optimize plan design
 - Identify discounts available
 - Explore new technologies
- Maintenance Agreements
 - Identify undesired redundancies
 - Review service levels
 - Consolidate vendors where available
 - Identify discounts available
- Gases & Respiratory – make sure you have correct inventory levels and that you’re paying competitive rates from high quality providers

- Insurance - Review insurance policies and make sure you are not over-insured

Recovering Overpaid Assets

Audit historical accounts payable (a/p) to recover any over payments that may have been made, bringing dollars in the door without impacting your organization. It has been found out that 4% of all invoices contain billing errors which means that you may be paying more than agreed. In order to recover overpaid assets, you may want to:

- Ensure price accuracy
- Ensure delivered quantity matches invoiced quantity
- Obtain maximum discount

Navigating The Pharmaceutical Maze

The distribution network of pharmaceuticals is very complex and that appears to be intentional. The lack of transparency is clear with “middle-men” in the supply chain receiving rebates. With more than 300,000 NDCs with hundreds of manufactures and labelers and wholesalers, the clear choice is nearly impossible. Here are a few ideas to hold your pharmacy provider accountable:

- Have regular drug utilization reviews
- Track per patient per day costs (month-to-month)
- Review your formulary
- Create patient medication intake policies
- Review your dispensing days policy
- Negotiate high usage medications
- Request access to AWP and WAC to ensure contract compliance

Clearly, COVID-19 has been a game changer in so many ways and we will all learn the full impact over time. Expense Consulting is here to help with your strategic cost reduction. We deploy strategies to reduce expenses quickly, all the while looking to future growth. A key part of our process is for our analysts to conduct a complete review of your vendor and supplier contracts to identify cost reduction opportunities as well as potential over billings and rebate opportunities. We will make sure we identify and address all warning signs of future financial impact.

About Expense Consulting

Founded in 2009, Expense Consulting is a performance-based cost-reduction consultancy specializing in the review of vendor billing and contract negotiation. Our high performing team of CPAs, MBAs, and other professionals with years of experience in leading cost savings initiatives has work closely with clients to provide tailored solutions. Through our focused and analytic approach, we have recovered and saved tens of millions of dollars on behalf of our clients. We are dedicated to maximizing the value that organizations receive from their vendors and business partners.