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**Ohio STS Prices  
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## Historic Review, Recoveries & Savings

### Statements

Review supplier provided statements to identify open credits due to the agency.

#### *Price:*

- 20% Contingency of Recoveries

#### *Process:*

- Collect data extracts
- Analyze data
- Select suppliers to request statements from
- Obtain approval on authorization and statement request letters from agency
- Request statements
- Review statements for open credits
- Supplier approval is obtained for claimed credits
- Contingency due upon supplier approval of claims

#### *Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts

### Duplicate & Erroneous Payments

Review uncovers duplicate and erroneous payments made due to data entry, vendor duplication errors and payments made to incorrect suppliers.

#### *Price:*

- 20% Contingency of Recoveries

#### *Process:*

- Collect data extracts
- Obtain authorization letter from agency
- Analyze data
- Present agency with potential claims
- Agency approves potential claims
- Supplier approval is obtained for claimed overpayments
- Contingency due upon supplier approval of claims

#### *Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts

## Contract Compliance

Review supplier contracts, quotes, bids, POs, correspondence and related contract (procurement) manager files for compliance to terms.

### Price:

- 27.5% Contingency of Recoveries

### Process:

- Collect data extracts
- Work with agency personnel to select suppliers to review
- Analyze data
- Present agency with potential claims
- Agency approves potential claims
- Supplier approval is obtained
- Contingency due upon supplier approval of claims

### Requirements:

- Complete data set and files related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Invoice Details, PO Details, Returns Details, Receipts Details, Item Table, Contracts, Quotes, Bids, correspondence, etc.

## Entitlement Review

Review recipient payment file to detect patterns that might represent erroneous payments made due to claimants presenting or failing to update, withdraw or amend their information and internal administrative errors (examples include: death, exemptions, incarceration, residency and duplication by staff).

### Price:

- Hourly Rate plus 5% of validated Annual Future Savings

Category	Rate Per Hour
Executive/Partner	\$350
Senior Manager	\$200
Senior Specialist/Consultant	\$160
Senior Analyst	\$125
Analyst	\$100
Administrative Associate	\$65

- All travel expenses will be invoiced at cost plus 10%.
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

*Process:*

- Collect data extracts, including public data files
- Obtain authorization letter from agency
- Analyze data
- Identify qualification of recipient
- Present agency with potential exceptions
- Agency validates the exception
- Erroneous recipient is removed from the monthly payment register
- Contingency due upon approval of annualized savings from future payments prevented

*Requirements:*

- Complete data set related to Agency Pay Master (including Payee unique detail, which may include TIN and SSN), Cash Receipts, and assistance in receiving other agencies public data files (death, prison, real estate, licenses, phone numbers, registered vehicles and other entitlement-related records)

**Individual Pharmacy Benefit Review**

The review of individual pharmacy charges and proposed pharmacy fulfillment information to determine if the third party administrator is minimizing the charges while providing equal to or better service to the recipient of the agency or employees of the State of Ohio.

*Price:*

- \$5.00 One-time per participant Set-up Fee
- \$2.75 Monthly Record Maintenance Fee
- 22% Annual Preventative Fee of the Net Identified Savings per Participant
- Consulting Hourly Rate:

Category	Rate Per Hour
Executive/Partner	\$350
Senior Manager	\$200
Senior Analyst	\$125
Analyst	\$100

- All travel expenses will be invoiced at cost plus 10%.
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

### *Process:*

- Collect data extracts
- Obtain authorization letter from agency
- Analyze data for pricing accuracy, eligibility, adherence to benefit design, pharmacy charges and fee charges
- Present agency with potential exceptions
- Agency validates the exception
- Erroneous recipient is removed from the monthly payment register
- Contingency due upon approval of annualized savings from future payments prevented
- Consulting Analytical Review at an hourly rate:
  - Compare to benchmark stats
  - Formulary review
  - Specialty drugs
  - Review mail order rates
  - Review policies
  - Validate that only valid members' medications are being paid.

### *Requirements:*

- Agency and the third party administrative must provide the individual electronic data tapes for agency administered recipients and employees of Ohio who are in their own pharmacy plans, contracts (including formulary policies), MAC list and member roster.

## **Energy/Utility**

Recover money spent in error with service providers, reduce future costs through rate/tariff corrections, procure cost-saving supply and usage contracts, and provide detailed savings reports.

### *Price:*

- 30% Contingency of Recoveries and Annual Future Savings plus \$28 Data Acquisition and Programming Fee per account exceeding \$400 in annual spend
  - Data Acquisition and Programming Fee to be paid at contract initiation

### *Process:*

- Collect data extracts
- Select suppliers to review
- Obtain authorization letter from agency
- Analyze data
- Present agency with potential claims/future savings
- Agency approves potential claims/future savings
- Supplier approval is obtained and future rates are recognized
- Contingency due upon supplier approval of claims

*Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Current Copy of Invoice from Each Location and Provider

**Real Estate Lease Review**

Review the terms of a lease and the amounts being billed by a landlord or paid by the tenant.

*Price:*

- \$1,000 minimum per lease reviewed + 28% contingency on recoveries/savings and future savings for a period of 12 months
- Abstracting/Consulting Hourly Rate:

Category	Rate Per Hour
Executive/Partner	\$350
Senior Manager	\$200
Senior Specialist/Consultant	\$160
Analyst	\$100

- All travel expenses will be invoiced at cost plus 10%.
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

*Process:*

- Provide list of all leased real estate locations
- Select supplier/landlords/locations to review
- Obtain authorization letter from agency
- Obtain necessary data – lease contracts/year end reconciliations/payment history
- Research and analyze data
- Present agency with potential claim reports
- Agency approves report for issuance to landlord/supplier
- Supplier/landlord approval is obtained
- Contingency due upon supplier approval of claims
- Review future supplier/landlord invoices for proper billings
- Abstracting/Consulting at an additional hourly rate

*Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Current Copy of Invoice from Each Location and Provider, Leases/Contracts/Agreements/Year end reconciliations/certain facility costs if needed

## Telephonic

Identify and analyze telecommunications billing mistakes, order processing errors, overcharges, tariff violations, contract non compliances, overlooked rebates, credits and discounts, unclaimed recovery of refunds, overpayment of taxes, and other surcharges.

### *Price:*

- 27.5% Contingency of Recoveries and Future Savings for Review
- 1.75% Spend for Invoice Management/Payment Service

### *Process:*

- Collect data extracts
- Select suppliers to review
- Obtain authorization letter from agency
- Analyze data
- Present agency with potential claims/future savings
- Agency approves potential claims/future savings
- Supplier approval is obtained and future rates are recognized
- Contingency due upon supplier approval of claims
- Invoice Management/Payment Service at an additional fee

### *Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Current Copy of Invoice from Each Location and Provider, Leases/Contracts/Agreements

## Diagnostic/Analytics

Analytics are conducted to provide insight into whether agencies are over-paying, if their working capital position is appropriate for their business environment and if their procure-to-pay process is running effectively. Examples of reports include:

- Days Payable Outstanding (DPO)
- Payment Terms Analysis
- Cycle Times – Early/Late Payments
- Manual vs Electronic Invoice Analysis
- Preferred Supplier Analysis
- Supplier Master and Maintenance
- Spend & Transaction Analytics

*Price:*

- Fees based on hourly rate:

Category	Rate Per Hour
Executive/Partner	\$350
Senior Manager	\$200
Senior Specialist/Consultant	\$160
Analyst	\$100
Administrative Associate	\$65

- All travel expenses will be invoiced at cost plus 10%.
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

*Process:*

- Collect data extracts for appropriate database
- Analyze data
- Present agency with analysis and recommendations

*Requirements:*

- Complete data set and files related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Invoice Details, PO Details, Returns Details, Receipts Details, Item Table, Contracts, Quotes, Bids, etc.

### **Quarterly Preventative Duplicate and Erroneous Payment Identification**

Review data on a quarterly basis for duplicate and erroneous payments made due to data entry, vendor duplication errors and payments made to incorrect suppliers. Data will be migrated into the real-time preventative tool within 1 year.

*Quarterly Price:*

- 20% Contingency of Recoveries

*Quarterly Process:*

- Collect data extracts
- Obtain authorization letter from agency
- Analyze data
- Present agency with potential claims
- Agency approves potential claims
- Supplier approval is obtained for claimed overpayments
- Contingency due upon supplier approval of claims

*Preventative Price:*

- \$15,000/month

### *Preventative Process:*

- Data extracts are loaded into the tool as frequently as every day
- Tool will provide an exception report for agency analysis
- Agency stops payment if determined to be a duplicate or erroneous payment

### *Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts

## **Shared Service Center**

### **Duplicate & Erroneous Payments**

Review uncovers duplicate and erroneous payments made due to data entry, vendor duplication errors and payments made to incorrect suppliers.

### *Price:*

- 10% of Exception Listing Total

### *Process:*

- Collect data extracts from shared service center
- Analyze data
- Present agency with listing of potential exceptions for investigation and resolution
- Fee due upon delivery of exception report

### *Requirements:*

- Complete data set related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts

### **Diagnostic/Analytics**

Analytics are conducted to provide insight into whether agencies are over-paying, if their working capital position is appropriate for their business environment and if their procure-to-pay process is running effectively. Examples of reports include:

- Days Payable Outstanding (DPO)
- Payment Terms Analysis
- Cycle Times – Early/Late Payments
- Manual vs Electronic Invoice Analysis
- Preferred Supplier Analysis
- Supplier Master and Maintenance
- Spend & Transaction Analytics

*Price:*

- Fees based on hourly rate:

Category	Rate Per Hour
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Senior Manager	\$200
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Analyst	\$100
Administrative Associate	\$65

- All travel expenses will be invoiced at cost plus 10%.
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

*Process:*

- Collect data extracts for appropriate database
- Analyze data
- Present agency with analysis and recommendations

*Requirements:*

- Complete data set and files related to: Supplier Master, Payment History, Open Payables, Purchase Card, Cash Receipts, Invoice Details, PO Details, Returns Details, Receipts Details, Item Table, Contracts, Quotes, Bids, etc.

## **Strategic Sourcing Services**

### **Spend Analysis and Opportunity Assessment**

Perform a spend analysis to identify key data relationships and opportunities to increase process efficiency and improve sourcing savings. The Basic Opportunity Assessment relies on spend data to analyze and highlight potential areas where savings in sourced services may be achieved and identification of cost recovery opportunities.

*Price:*

- \$10,000 Flat Fee

*Process:*

- Data Cleanup
- Data Analysis & Payment Analytics
- Present agency with analysis and opportunities

*Requirements:*

- Complete data set and files related to: Supplier Master, Payment History, Open Payables, Purchase Card, PO Details, Item Table, Contracts, Quotes, Bids, etc.

## Strategic Sourcing

Utilize our strategic sourcing methodology which includes the development of internal spend and external market profiles, category sourcing strategy, development and issuance of either an RFI/RFP or conduct a Reverse Auction process, including supplier selection and negotiation through supplier selection and award.

### Price:

- Fees based on hourly rate plus 5% contingency of future savings:

Category	Rate Per Hour
Engagement Lead	\$250
Project Manager	\$225
Sourcing Consultant	\$200

- All travel expenses will be invoiced at cost plus 10%
- Hourly contracts will be invoiced at the appropriate rates plus travel expenses.

### Process:

- Collect data extracts
- Analyze data
- Develop specifications/strategy
- Create RFI/Develop supplier list
- Release RFI to suppliers
- Review response & shortlist suppliers
- Create RFP/Auction
- Release RFP/Auction to suppliers
- Review results & bid analysis
- Knowledge Transfer
- Implementation; if applicable

### Requirements:

- Complete data set and files related to: Supplier Master, Payment History, Open Payables, Purchase Card, PO Details, Item Table, Contracts, Quotes, Bids, etc.