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Case Study:

Leading Managed Healthcare Services Provider Leverages Enveyo to Optimize Shipping

Solutions: Modeling, Insights, Cloudroute
Industry: Healthcare

▶ *Company optimizes processes to save more than 14% in parcel shipping costs*

BACKGROUND

The leading managed healthcare services provider in America offers services targeted to government-sponsored healthcare programs, focusing on Medicaid and Medicare. They offer a variety of health and prescription drug plans for their membership including families, children, and the aged, blind, and disabled. Member focus is of paramount importance for the organization, in fact, improving health outcomes and the quality of life for members is their "reason for being."

Serving a growing population of members - more than 5 million nationwide - brings with it a number of challenges, including the constant need to operate the business more efficiently while ensuring member experience remains unaffected.

In the midst of this growth, company leadership made a focused effort to cut operational costs, with shipping being a primary focus. To effectively cut shipping costs, the business needed to understand what was happening within their supply chain so they could introduce efficiencies and reduce overall costs without disruption of service to their members. This required a solution that would eliminate existing blind spots and give full transparency into their shipping & fulfillment processes and costs, allowing them to make informed and data-driven decisions.

SOLUTION

To optimize shipping spend, the company entered into a strategic partnership with Enveyo. They were looking for a software partner that could:

▶ Identify target areas within its parcel shipping operations to reduce costs

▶ Create a strategy to increase shipping volume while controlling costs

▶ Relieve them of their reliance on legacy third party systems

▶ Increase member satisfaction through optimized shipping processes

Enveyo's business intelligence reporting tool, Insights, and predictive analytics software, Modeling, were selected to facilitate a comprehensive shipping spend analysis as well as comparisons of carrier provider options and service levels required for the company's members who heavily rely on the medications the organization provides.

KEY RESULTS

▶ > 14% savings in parcel shipping costs

▶ Achieved cost control as shipping volume grew more than triple the pace of its cost

▶ Complete visibility into supply chain

▶ Organizational decisions now leverage analytics and data intelligence to continually reduce costs

▶ Less IT reliance and legacy service providers with an agile platform

▶ Consolidation of multiple disparate third party systems

▶ Liberation of human capital resources

The Enveyo team imported the company's shipping data from each of their business units for all carriers and shipping modes into Insights & Modeling. The Enveyo toolset immediately shined a light on near-term opportunities to provide the organization's members with better shipping services at a significant cost savings.
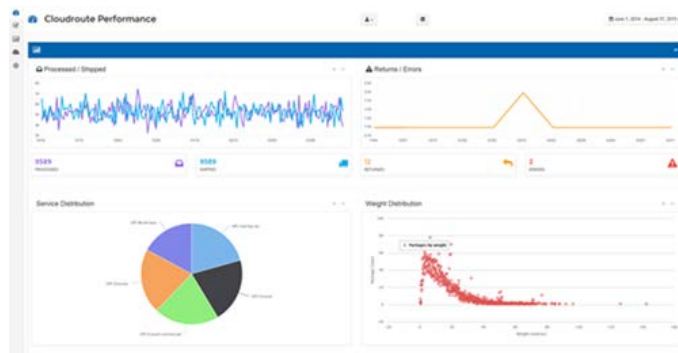
"One of the coolest things about what we do at Enveyo is we let the data tell the story, and more importantly, make the decisions. We provide a carrier-agnostic platform so we don't go into it with any pre-conceived notions or bias. We let the data speak for itself" - *Coby Nilsson - CEO, Enveyo*

The ability to view the data clearly and comprehensively helped the organization introduce a strategy that would reduce their overall shipping costs while providing a better experience for their members by reducing their average delivery times.

"While cost is important to us, the needs of our members come first. This delicate balance between capturing savings without impact to our membership requires us to be very careful in selecting a partner. The solution we've implemented with Enveyo effectively balances the needs of our business as well as the experience for our members." - Senior Director, Strategic Sourcing

With the data in hand and the strategy set, the organization sought an agile and scalable solution that enabled it to take action. The company adopted Enveyo's cloud-based multicarrier parcel Transportation Management System, Cloudroute, to optimize and schedule shipments based on carrier options.

"Standardizing on Enveyo's cloud-based platform has given our business enterprise-class stability and agility. We recently migrated 1/3 of our Over-The-Counter business to a new fulfillment partner. We would not have been able to adopt a new fulfillment partner and move such a significant portion of our business over in such a condensed timeframe on our own." - Pharmacy OTC & Vendor Management

Enveyo's cloud-based suite of logistics software leverages enterprise-level technology and big data experience to empower organizations to make business-transforming shipping decisions.

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RESULTS

Implementing the full suite of Enveyo's cloud-based logistics software enabled the company to eliminate their reliance on multiple legacy third party systems, remove costly human decision making, and seamlessly integrate into reporting that the company's executive team relies on. This helped the company achieve over 14% savings on their overall parcel shipping costs, and this savings continues to grow year over year. Customer satisfaction among the organization's healthcare services membership continues to improve as they receive their products more quickly and efficiently.

"This is really an iterative, technology-enabled process. The story continues to unfold as we refine processes along the way. The best part of our story is the ongoing engagement with Enveyo's toolset to proactively keep our costs in check. We've saved a significant amount of money to date, but the most interesting data points are that we're growing our business and shipping products to members at a pace that more than triples the growth of our costs in this area. It's pretty great to see those two growth lines with diverging trajectories. This speaks volumes to the power of Enveyo's intelligent platform and automation tools." - Senior Director, Strategic Sourcing