



DSSI™ Savings Statement

*This example reflects a customer with 80 communities
(4,734 skilled nursing beds; 2,436 assisted living beds)*

DSSI Savings		Savings
Compliance Savings		
DSSI Total Transaction Volume	\$10,291,986	\$185,256
<small>(\$10,291,986 x 15% extra compliance x 12% contract savings = \$185,256)</small>		
Price Auditing Savings		
		\$89,334
<small>(\$10,291,986 x 14% historical overcharges x 6.2% average overage = \$89,334)</small>		
Formulary Catalog Maintenance Savings		
		\$41,168
<small>(\$10,291,986 x 0.4% average catalog maintenance = \$41,168)</small>		
IT Cost Savings		
		\$133,796
<small>(\$10,291,986 x 1.3% average IT maintenance costs = \$133,796)</small>		
Automation Savings		
Order & Invoice Transactions	11,624	
Invoice Only Transactions	4,126	
Total Transactions	15,750	\$331,860
<small>(11,624 transactions x \$25 + 4,126 transactions x \$10 = \$331,860)</small>		
TOTAL DSSI SAVINGS		\$781,414



Compliance Savings

The average increase in compliance with the contracted supplier and correct product increases with the use of DSSI. DSSI Forum providers experience (conservatively) 15% greater contract compliance by using the DSSI system. Average savings from buying on contract is 12% versus buying off contract.

Price Audit Savings

The DSSI Price Matching Logic checks the price you are charged on every line item with your correct contract pricing. The average new supplier brought on board has pricing errors on 14% of their invoice lines. 94% of those prices exceed the contract price and 6% are below with an average overprice of 6.2%. Therefore the net savings due to price matching and correcting is 0.87% of purchases (14% x 6.2%).

Formulary Catalog Maintenance Savings

The work of formulary and eCatalog management is completely done by DSSI. We maintain the single largest dynamic eCatalog in all of health care and have category experts who manage your formulary with your suppliers. The average cost of maintenance of this information is 0.4% of purchases.

IT Cost Savings

DSSI was one of the first cloud based – software as a service – applications in the world. Beginning in 1995 we allowed customers to avoid all of the IT costs associated with the purchase, customization, development and maintenance of supply chain systems. DSSI has spent over hundreds of millions on the continual development of the most widely used software outside of Microsoft Windows in all of Senior Living with nearly 1M units (patients/residents). Our ability to spread these low costs over such a large base – plus the incredible efficiency of cloud based computing makes DSSI the absolute low cost full eCommerce application anywhere. These cost savings with overhead are based on the actual average total IT costs for fully integrated supply chain software in long term health care at 1.3%.

Automation Savings

The cost to process a transaction with DSSI is reduced by a minimum of \$25 per invoice for full order and invoice transactions and \$10 per invoice for invoice only transactions. Your savings are calculated using these conservative rates, although Accenture cost studies have estimated these savings to be \$75 per invoice.