



MedAssets – Group Purchasing Organization (GPO)

Frequently Asked Questions

1. What is a GPO? A group purchasing organization, like MedAssets, is an entity that leverages the purchasing power of a group of purchasers to obtain discounts from vendors and distributors based on the collective buying power of all the GPO Members.

2. MedAssets, that sounds like a medical supply company, why would we be doing business with a medical supply company? Don't let the name mislead you. MedAssets has a large portfolio of vendor contracts that are utilized by non medical members. MedAssets has thousands of non-medical members that utilize the program. These members include Senior Nutrition, Senior Housing, Schools, Prisons & many other customer types.

3. What kinds of contracts does MedAssets have? MedAssets has hundreds of non-medical contracts for a wide range of goods and services. Initially, however, we will be focused primarily (exclusively) on utilizing the MedAssets Food Program since this represents the largest saving opportunity for The Salvation Army.

4. Who should participate? Salvation Army Adult Rehabilitation Centers, Camps & Units with or without kitchens can benefit by their participation with MedAssets GPO Pricing. The food prices are developed as a result of the collective buying power of MedAssets Members.

5. How do I sign up to become a member? The Salvation Army Corporation has signed up each Territory and the Territories have included all locations in membership. So, to answer that question, you are already a member. If for some reason, we come to a particular unit that was missed; we will immediately add that unit to our Membership List.

6. How do I get set up to purchase food at the MedAssets discounted price? There is a form that you need to complete to gain access to our MedAssets Food Program. The Form will ask for acknowledgement that you will commit 80-85% of your Food & Nutrition Purchases to your choice of 1 of MedAssets Authorized Distributors. The list of those approved distributors is attached for your convenience. Please note that the MedAssets Food Program is not a long term risk and only requires a 60 day termination notice to the distributor if for some reason you decide that you are not interested in participating.

7. What are the product categories that are included in the Food Program & the discounted pricing? The MedAssets Food Distributors carry almost everything that you would use on a weekly basis. Purchasing as much as possible through a MedAssets Distributor will create the maximum value for The Salvation Army. The MedAssets Program includes incentives such as drop size

discounts manufacturer rebates and distributor brand rebates. This translates to additional savings for all participating Salvation Army Units.

8. Does MedAssets have a distributor option for dairy? Yes, MedAssets has national dairy pricing with one of the nation's leading dairy distributors, Dean Foods. It is very possible that your current dairy distributor is owned by Dean Foods. MedAssets can verify that for you and we would be happy to compare your current dairy pricing to the MedAssets Dean Dairy Pricing. Our Dean Dairy Pricing is very aggressive and we typically save our members money in this key category. Many MedAssets Members purchase their milk through Dean Dairy, while some prefer to purchase through their current food distributor, i.e., Sysco, PFG, BEK, GFS etc.

9. Does the food program purchasing requirement preclude me from shopping anywhere else? It does not. The only requirement is that the unit purchase 80 - 85% of their operational needs from an authorized MedAssets Distributor. AI

10. How do I place my orders? Typically there will be no change in what you are currently doing. For example, if a unit is currently purchasing from Sysco, the unit will continue to order directly through the Sysco's on-line catalog (eSYSCO) or call into the customer service line to place orders.

11. Will I be purchasing directly from MedAssets? No, MedAssets is the GPO that negotiates the contracts. The Salvation Army will not purchase anything directly from MedAssets.

12. If I have questions about The Salvation Army / MedAssets Program, whom do I contact? Please contact Juli Cook, Client Executive, MedAssets @ 573-332-2276 or jcook@medassets.com to discuss your individual needs.

13. What kind of savings can I expect? MedAssets has already done several cost studies for The Salvation Army. Savings in those studies range from 3.6% to 40%, with the average savings being 13.5%.