A Merging of Minds:

Procurement and Business Operations All on One Team

GuideWell

Kevin Gavin
Senior Director Procurement

Jamaal Williams
Senior Manager Procurement
WHEN PROCUREMENT AND OPERATIONS MERGE

Executing what you negotiate and write

GuideWell – Corporate Office Jacksonville, FL
Kevin Gavin and Jamaal Williams – Corporate Procurement
GuideWell - building the future of health

Helping people and communities achieve better health

• Serves over 16 million healthcare consumers in the United States in 29 states
• $16.1 billion in revenue and over 12,000 employees
• Forward-thinking companies:
  • Leading health insurance company in Florida
  • GuideWell Connect - Consumer engagement company
  • GuideWell Health - Health delivery company
  • GuideWell Source - Administrative services/claims processing company for state and federal health care programs
  • PopHealthCare – Leader in risk adjustment and care management
• What we believe in:
  • Innovation in health care to accelerate change for better outcomes
  • Transformation in the delivery of healthcare through new ways to access and experience care
  • Consumerism can empower people to take charge of their health and healthcare
The needs for the operational merge of print and procurement at GuideWell were more efficient sourcing and improved transparency of the supply chain.
The evolution of the Sourcing Business Model is a critical component to effectuate change

<table>
<thead>
<tr>
<th>Transactional based</th>
<th>Relational based</th>
<th>Investment based</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mismatch</td>
<td>Vested</td>
<td>Joint Venture</td>
</tr>
<tr>
<td>Mismatch</td>
<td>Performance Based</td>
<td>Joint Venture</td>
</tr>
<tr>
<td>Approved Supplier</td>
<td>Preferred Supplier</td>
<td>Joint Venture</td>
</tr>
</tbody>
</table>

- Benefits of SBM
- Why we chose it
- Lessons learned adapting it
- How we integrated into our processes

**Risk Model**
- Legal
- Financial
- Info Security
- Operational
- Regulatory
- Reputational
- Strategic
Throughout the lifecycle of an agreement, information is lost and risks grow through multiple handoffs and passed accountability.

What happens during these revolving changes and multiple handoffs?

You incur information loss and added risks.
With a HUB you keep a comprehensive team in place throughout the entire lifecycle of the agreement – reduces loss of situational awareness

Keeping the integrity of a consistent team yields reduced risks and less disruptions
Pieces came in place for establishing a Print HUB both from ongoing enterprise-wide goals and a serendipitous opportunity last summer.
Print and Fulfillment at GuideWell – size and scale of operations

- Mail pieces: 49M mailing / year
- Budget: $40M budget
  10 fold increase in budget in 1-yr
- Suppliers: 24 suppliers
  3 major transactional suppliers
- Images: 443M images / year
- Electronic …: 2.6M e-mailings / year
- Multi-channel communications
Structure of the HUB – putting the right pieces in place to have full awareness of the Print supply chain from end-to-end

- Procurement
  - Pristine contracts
  - Accountability E2E
  - Identify and document contract ownership
  - Ongoing due diligence
  - Supplier Business Model usage

- Supplier Management
  - Accountability E2E
  - Identify and document contract ownership
  - Ongoing due diligence
  - Supplier Business Model usage

- Financial

- HUB Oversight

Structure of the HUB – putting the right pieces in place to have full awareness of the Print supply chain from end-to-end

- Supplier Management
  - Supplier compliance
  - Quarterly Business Reviews
  - External escalation points
  - Scorecard and reporting maintenance
  - Sound governance structure
  - Omni channel print production experience
Structure of the HUB – putting the right pieces in place to have full awareness of the Print supply chain from end-to-end

- **Procurement**
  - Supplier Management

- **Financial**
  - HUB Oversight
    - HUB Oversight
    - IT and operational liaison
    - Validation of operational controls
    - Ongoing risk mitigation
    - Data integrity and accuracy
    - Internal escalation point
Structure of the HUB – putting the right pieces in place to have full awareness of the Print supply chain from end-to-end

- Procurement
- Supplier Management
- Financial
- HUB Oversight

- Financial
  - Budget and purchase order oversight
  - Evaluating business projects and financial solvency
  - Operational readiness
SBM – our foundation and playbook

Really knowing it E2E

“It’s just print on paper!”

Becoming your own contract critic

Contact Information

Kevin Gavin – Sr Director – Corporate Procurement
Kevin.Gavin@bcbsfl.com / 904-905-5236

Jamaal Williams – Sr Manager – Corporate Procurement
Jamaal.Williams@bcbsfl.com / 904-905-5422

Social Media

[LinkedIn icon]
[Twitter icon]
[Facebook icon]
[Instagram icon]
ANY QUESTIONS?
Session information and evaluation how-to’s

**Why?**

- Your feedback **drives SIG Event content**
- By signing and submitting your evaluation, you are automatically entered into a prize drawing

**How?**

From the **App**:
1. Select **Sessions**
2. Select **Day**
3. Select **Session**
4. Click on **Clipboard Icon**
5. **Complete and submit evaluation**

This was **session # 32**

Download the App: sig.org/app
Join the dialogue!
Tweet and mention #SIGfall18!