

October 2023

To whom it may concern,

Salud Integral en la Montaña (SIM), is a private, non-profit organization that provides health services and primary and preventive care in Puerto Rico. Recognized by the federal government as a "Federally Qualified Health Center" under section 330 of the Federal Public Health Act, it has 8 Comprehensive Health Centers and 4 Emergency Rooms located in the following municipalities: Naranjito, Barranquitas, Orocovis, Corozal, Comerío, Toa Alta and Bayamón. Been the leading provider of primary health services in Puerto Rico.

Between April and October 2023, we developed along with London Consulting Group the SIM TEAM project, focused on optimizing the Materials and Services Purchasing process, as well as the Inventory Management and Control.

The project yielded several results, of which the following stand out:

Materials and Services Purchasing Process:

- \$0.25 USD reduction in cost per patient in terms of their recurring product expenses
- 100% reduction in late payment penalties
- 32% increase in the use of the actual negotiations of prompt payment with suppliers
- 65% reduction in the number of days between the creation of the purchase order and the merchandise receipt
- 35% increase in complete deliveries made by the suppliers
- 17% increase in productivity regarding the creation of purchase orders
- 34% reduction of purchase orders that are more than a month old

Inventory Management and Control

- 16% increase in the inventory's quality within the parameters
- 7% increase in compliance of the merchandise reception plan
- 40% decentralization of the merchandise receipts transactions from the central warehouse to the health centers

Furthermore, a Change Management Program was implemented to support the departments in the adoption and usage of the new processes, work tools, and management indicators. The organization's leaders were trained in a change management methodology, which facilitated the implementation of the initiatives with their personnel.

The project generated an annualized forecasted ROI of **1.75 to 1**.

We are pleased to recommend London Consulting Group as a professional and committed firm that helps organizations shift towards a result-orientated culture that is continuously seeking out new ways to improve their processes.

Sincerely:

DocuSigned by:

Gloria del C. Aท่าสิเรือยี่ โดยสาสัทเนียว, DrPH-HSAM, MHSA, CEO **President & Chief Executive Officer**

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