

CNHN VACCINE GROUP PURCHASE INFORMATION

As new vaccine manufacturers and products enter the market, our CNHN practices are regularly approached by vaccine representatives encouraging them to purchase vaccines that are not on CNHN group purchase contracts. We are writing to inform you how our CNHN vaccine group purchase contracts are structured.

CNHN members can choose to participate in our group purchase contracts. Currently, CNHN has contract agreements with Sanofi, Merck & Medlmmune. Together, our current contracts offer our members the best overall pricing for the full schedule of CDC recommended vaccines. **To receive our CNHN contract pricing, members agree to purchase Sanofi or Merck products where competing vaccines exist.** In return our members receive the region's best pricing on the <u>full</u> portfolio of Sanofi and Merck vaccines. Occasionally, a competing product may briefly be lower-priced; however, CNHN practices realize significant savings when you calculate the <u>total</u> vaccine purchases made annually by our practices.

If CNHN members prefer to purchase and use alternate vaccines, they can choose not to participate on our vaccine contracts. **CNHN members cannot selectively participate in CNHN vaccine contract for some vaccine and simultaneously purchase competing products off contract.** CNHN pricing is tiered to contract performance. The closer we come to 100% ordering compliance, the better we all do. CNHN does not endorse practices ordering small amounts of competing products. Doing so violates our contract terms and jeopardizes group pricing for all our participating CNHN members.

We receive periodic vaccine utilization reports from manufacturers. **CNHN will remove member** practices from our **CNHN group purchase contracts if they are in violation of the terms for contract participation.** By our contract terms with the manufacturers, we cannot reinstate any practice removed from our group purchase contracts for 90 days.

We now have almost 1300 physicians in seven states participating in our vaccine contracts- we thank you for participation and support. It's a simple equation: the more success we have in contract volume participation and compliance, the better the vaccine pricing we receive. And that makes an important difference to your practice bottom line.

CNHN additionally receives modest contract administration fees- which we return to our members in free CME programs, practice management seminars, AAP web programs, and- coming soon-support for Medical Home practice transformation and Part 4 ABP Maintenance of Certification programs for our members. **CNHN delivers more than great pricing- we help improve your practice performance.** This is a nationally unique and innovative model- and highlights the value of working together.

We thank you for your support and look forward to continuing our partnership, innovations and success for all.