

Date:

Company

Address

City, State, Zip

RE: HealthTrust [year] GPO Administration Fees Disclosure

Dear CFO:

Enclosed for your information is a spreadsheet listing the group purchasing organization administration fees ("GPO Fees") received by HealthTrust Purchasing Group, LP ("HealthTrust") from the listed vendors, as well as the Global Sourcing Fees received by HealthTrust, based on purchases by you and your affiliated facilities for calendar year [year]. GPO Fee percentages paid by HealthTrust vendors are equal to or less than 3% of purchases, except for [vendor name redacted], which pays fees equal to [redacted]% of payments received on its accounts. Also, HealthTrust will receive GPO Fees from some vendors that are distributors of products in amounts that are one percent (1%) or less, resulting in a total GPO Fee from both the vendor manufacturer and the vendor distributor that may exceed three percent (3%), but which will not exceed four percent (4%) of the purchase price paid by a facility. The Global Sourcing Fee ranges from zero to 5% of the sourcing costs of products sourced under HealthTrust's Global Sourcing Program. The enclosed information is provided for compliance with the Federal Medicare/Medicaid laws and Safe Harbor Regulations 42 USC § 1320a-7b(b)(3)(C) and 42 CFR § 1001.952 (j). The GPO Fees received are used by HealthTrust to underwrite its costs of providing the various vendor contracting and related services to your organization.

For [year], HealthTrust did not receive any funding from vendors to support HealthTrust education and meeting expenses, but HealthTrust did receive fees for booth rentals and other promotional opportunities charged to vendors at HealthTrust seminars, meetings and conferences. HealthTrust also received fees from vendors for advertisements placed in HealthTrust publications. Enclosed is a list of such vendors and the particular promotional or advertising opportunity they obtained.¹

If you have more than one facility, the individual facility information provided in the enclosed spreadsheet must be provided to each of your facilities in order to meet GPO Safe Harbor requirements. Therefore, in accordance with your obligations under your Participation Agreement, please furnish a copy of this letter and applicable portions of the enclosed spreadsheet to each of your facilities (if you have multiple facilities), so that they receive notice of the GPO fees received by HealthTrust based on their purchases. If any of your facilities have made purchases under HealthTrust Vendor contracts through another one of your facilities, then it is your responsibility to report to the ultimate purchasing facility the portion of GPO Fees HealthTrust received based on their purchases.

Please feel free to contact me if you have any questions. I would appreciate receiving a signed copy of this letter acknowledging your receipt and agreement to provide the information furnished to each of

¹ Note regarding educational events, conferences and advertising: HealthTrust does not require any supplier to purchase exhibition booth space, sponsor or otherwise participate in any educational events or conferences sponsored by HealthTrust, or to purchase any advertising in any HealthTrust publication.

your facilities. Please return the signed copy to [name] at the address stated in the letterhead or email a PDF copy to [name] at [email address].

Sincerely,

John M. Paul
Chief Financial Officer
HealthTrust
Enclosure

Receipt Acknowledged

By: _____

Name: _____

Title: _____

Date: _____