

HRSA 340B Prime Vendor Agreement

Response to Solicitation No.
HRSA-HSB-250-2014-PVA

Original Version

Apexus, LLC

Christopher Hatwig

President

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July 23, 2014

U.S. Department of Health and Human Services
Health Resources and Services Administration
Office of Acquisition Management and Policy
Division of Contract Services
5600 Fishers Lane, Room 14W-31
Rockville, MD 20857
ATTN: Frank Murphy

Reference: Solicitation No. **HRSA-HSB-250-2014-PVA**
To be opened by Government Personnel only

HRSA Contract Officers:

Apexus, LLC is pleased to provide our proposal to maintain, coordinate and advance the HRSA 340B Prime Vendor Program. Our proposal includes outpatient distribution services, price negotiation for pharmaceuticals, membership retention/expansion, organizational experience, and value-added products and services as required to address the needs of covered "member entities" participating in the 340B Drug Pricing Program.

The Principal Point of Contact/Agreement Director, authorized to negotiate for Apexus is:
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Apexus, LLC
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E-mail: chatwig@340bpvp.com

Apexus is prepared to continue its work with HRSA to apply our resources, experience and relationships to advance the Prime Vendor Program in delivering optimal value for all participating 340B covered entities.

Sincerely,

Christopher A. Hatwig, MS, R.Ph., FASHP
President, Apexus, LLC

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Executive Summary

Apexus is currently serving as HRSA's awarded prime vendor for the 340B Program. Our mission is to leverage our unique resources and expertise in delivering maximum value to 340B stakeholders through a focus on program integrity, compliance, and optimization of the 340B Drug Pricing Program.

This solicitation response demonstrates that Apexus is uniquely positioned to continue to serve as HRSA's 340B Prime Vendor based on the following:

- Our success in managing the program since 2004
- Our proven ability to maintain strong relationships with key program stakeholders
- Our national distribution network, which ensures access to affordable medications for all eligible covered entities
- Our expertise in government pricing programs and price negotiation
- Our successful marketing strategies to recruit and retain participants and suppliers
- Our expertise in developing and implementing 340B program integrity education and training programs consistent with HRSA's interpretation of 340B policy

Today's evolving 340B marketplace presents a variety of challenges for a diverse group of stakeholders. Apexus serves as a trusted and neutral intermediary to bring together ideas, find points of agreement, and provide solutions to advance 340B program integrity for all stakeholders. This extends well beyond the 340B Prime Vendor Program (PVP) participants to bring value to all 340B stakeholders.

Apexus has been able to successfully serve this role because it is the single Prime Vendor for the program. Many pharmaceutical manufacturers prefer to work with one vendor, modeling the VA's system, because of concerns about federal price protections and the need for privacy of their confidential government pricing. During the past 10 years, Apexus has been able to cultivate strong relationships with large numbers of manufacturers that enable it to represent the entire 340B program's purchasing volume to secure sub-340B discounts on branded and generic drugs. Similarly, by leveraging total purchases of the program through the single Prime Vendor model, Apexus provides unmatched savings on distribution services to entities. Apexus' success as HRSA's 340B Prime Vendor has been significant: In 2013, Apexus delivered more than (b) (4) million in documented value to PVP participants through the combination of sub-ceiling, sub-WAC, and vaccine savings, as well as the Apexus Shareback and the Manufacturers' Refund programs. The savings are used by the PVP participants to support their missions and to improve access to affordable medications for their patients.

Apexus is able to effectively communicate HRSA's messages about program integrity because it is a single organization that has worked hard to earn the trust and respect of all program stakeholders over the past 10 years. During this time, Apexus has carefully built relationships with stakeholders such as industry, law firms, covered entities, and the trade associations representing them. In its public-private partnership with HRSA, Apexus has utilized these relationships, in conjunction with its contracting expertise and

responsibility as the reliable and verified resource for program integrity, to build a successful 340B Prime Vendor Program.

The provision of accurate, HRSA-aligned information by a single organization is a critical driver of program integrity in the marketplace. The Apexus Answers Call Center and 340B University are two significant examples of program integrity support that simply would not be possible without the single Prime Vendor model. Apexus has expended considerable assets in development of the 340B University content and brand, as well as developing systems, processes, and intellectual property necessary to support its daily operations. (b) (4)

(b) (4)

As the incumbent HRSA 340B Prime Vendor, Apexus requires no additional time to scale up operations to support the program. Apexus can assure HRSA that the PVP will continue without interruption in service during contract transition, and that HRSA will continue to find Apexus to be a high-quality, fully-committed partner in its 340B program integrity initiatives.

(b) (4)

Apexus submits this response with confidence that its neutral marketplace position, extensive team of experts, long-standing relationships, national distribution network, documented contracting success, and 340B-related education and training programs prepare it to serve all stakeholders and maximize the value of the Prime Vendor Program to all of them. Apexus is uniquely positioned and accepted by all 340B stakeholder groups (See Appendix IX for references) to continue in its role of delivering unmatched value as HRSA's 340B Prime Vendor.



DEPARTMENT OF HEALTH AND HUMAN SERVICES
Health Resources and Services Administration
Office of Acquisitions Management & Policy

Division of Contract Services
Parklawn Building, Room 14W31
5600 Fishers Lane
Rockville, MD 20857-5600

June 11, 2014

Reference: Health Resources and Services Administration 340B Prime Vendor Agreement

Solicitation No. **HRSA-HSB-250-2014-PVA**

To Prospective Offerors:

The U.S. Department of Health and Human Services, Health Resources and Services Administration (HRSA) is soliciting offers to develop, maintain and coordinate a program capable of distribution, facilitation, and other activities in support of the drug pricing program established by Section 340B of the Public Health Service Act, as amended (42 U.S.C. 256b). HRSA intends to enter into an agreement for these services. Proposal preparation instructions and evaluation factors for award are attached as Attachment A.

HRSA plans on entering into an agreement with the successful offeror substantively similar to the attached draft agreement (Attachment B). The draft agreement includes responsibilities in Section 1 which set forth HRSA's requirements. You are invited to submit an offer in accordance with the requirements and the remaining terms and conditions of the draft agreement.

HRSA may incorporate all or part of the awardee's offer by reference into the resultant agreement.

The deadline for submission of questions is no later than **10:00 A.M. Eastern Standard Time on June 30, 2014**. Questions must be furnished in writing (preferably by e-mail) to the Contract Specialist, fmurphy@hrsa.gov, or to the mailing address set forth below.

Your signed offer and two electronic copies (one in pdf and the other in Microsoft Word, on CD or USB drive) must be in one package. Offers must be received and date stamped no later than **10:00 A.M. Eastern Standard Time on July 28, 2014** at the following address:

U.S. Department of Health and Human Services
Health Resources and Services Administration

Office of Acquisition Management and Policy
5600 Fishers Lane, Room 14W-31
Rockville, MD 20857
Mark for: **HRSA-HSB -250-2014-PVA**
ATTN: Frank Murphy
fmurphy@hrsa.gov

The Parklawn Building located at 5600 Fishers Lane is a controlled access building. Therefore, offerors should allow ample time for building security. It is the responsibility of offerors to ensure that the proposals are received at the Governments Facility by the date and time specified above. Late offers will not be considered for award. All proposals submitted will become a part of the official 340B Prime Vendor Agreement file. This solicitation does not commit HRSA to pay any costs for the preparation or submission of a proposal.

HRSA reserves the discretion to enter into discussions with offerors prior to making an award.

All communications with HRSA concerning this acquisition prior to award must be referred to Mr. Frank Murphy at 301-443-5165 or Fmurphy@hrsa.gov. Communications with other HRSA personnel prior to award may result in exclusion from competition.

Sincerely,

Francis R. Murphy
Contracting Officer

Attachment A: Proposal Preparation Instructions and Evaluation Factors for Award
Attachment B: DRAFT HRSA 340B Prime Vendor Agreement

ATTACHMENT A
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS FOR
AWARD

I. PROPOSAL PREPARATION INSTRUCTIONS

1. All communications with HRSA concerning this acquisition prior to award must be referred to HRSA-340B Prime Vendor Agreement at 301-443-5165 or fmurphy@hrsa.gov. Communications with other HRSA personnel may result in exclusion from competition.
2. The proposal must include a cover page with the solicitation title HRSA 340B Prime Vendor Agreement, solicitation number HRSA-HSB -PVA-14W31, the legal name of the offeror, and the point of contact of an individual legally authorized to negotiate for the offeror. Include the appropriate telephone and FAX numbers and e-mail address.
3. Proposals must be signed by an individual who is legally authorized to bind your organization.
4. Proposals must be submitted as a complete signed hard copy original in a 12 point font on 8 ½ by 11” paper, and marked with the following: **HRSA-HSB-250-2014 PVA.**
5. All proposals will become part of the official 340B Prime Vendor Agreement file. This solicitation does not commit the Government to pay any costs for the preparation and submission of a proposal.
6. Proposals must be received at the address indicated in the cover letter at the time and date specified. Late offers will not be considered for award.
7. To facilitate proposal evaluations, offerors shall structure their proposal in seven sections. One section shall address the two mandatory requirements set forth in Section II below, and each of the six additional sections shall address one of the six technical evaluation factors set forth in Section II. Offerors must submit information sufficient for HRSA to evaluate their proposals based on these mandatory requirements and evaluation factors. Offerors must also include detailed information responsive to all elements listed within the stated technical evaluation factors in Section II.
8. Offerors may propose organizational arrangements that include subcontractor or subsidiary agreements to providing Prime Vendor services. If the offeror proposes that some of the services provided as part of this agreement will be performed by other than the offeror’s staff, then the offeror must submit a risk mitigation plan so that HRSA can evaluate whether or how much the subcontracting arrangements increase the risk of unsuccessful contract performance and how the offeror would

manage as an efficient entity.

9. If the offeror is a wholesaler-distributor, the proposal must include a fee schedule for all services provided by the organization(s) included in the offer. Distribution fee schedule(s) must be organized by drug purchasing volume. The fee schedule must include any optional services or catalog items that may be offered beyond covered outpatient drug distribution and price negotiation.
10. The proposal must include examples of periodic reports that will be provided to member entities and data accessible online. The proposal must also include the method for providing the required quarterly reports to HRSA.

II. EVALUATION FACTORS FOR AWARD

1. Listed below are the mandatory requirements and technical evaluation factors which will be used to evaluate the proposals. Offerors must submit information sufficient for HRSA to evaluate their proposals based on these factors, which HRSA will use to determine the feasibility of successful performance given the requirements of this solicitation.
2. The two mandatory requirements are threshold requirements for further technical review. Proposals will be scored on a “pass/fail” basis for each requirement, and proposals must receive a “pass” rating for both requirements in order to be considered further. **Proposals that receive a “fail” rating for either requirement will not be eligible for award.**
3. Offers which receive a “pass” rating for both mandatory requirements will then be evaluated on the technical evaluation factors listed in Section II.B below.

Section A: Mandatory Requirements

A. Mandatory Requirements

The purpose of the 340B Prime Vendor is to develop, maintain and coordinate a program capable of distribution facilitation and other activities in support of the drug pricing program established by Section 340B of the Public Health Service Act (“340B Program”) that bring value to 340B stakeholders. To that end, proposals must demonstrate that the offeror meets the following two mandatory requirements, which will be evaluated on a pass/fail basis:

- I. Have in operation a national distribution and delivery system that can support operations of the 340B Program and serve all member entities, or demonstrate the ability to put such a system into operation in as minimal time as possible to limit burden on stakeholders.

Apexus Response:

Apexus was established in 2007 as a company exclusively dedicated to the management of the Prime Vendor Program (PVP). We serve 16 different classifications of covered entities and more than 21,000 PVP participants with diverse makeup, purchasing power, and purchasing needs. Apexus ensures that all participants have access to an authorized distributor (AD) network that provides efficient distribution solutions at economical prices throughout the United States and its territories.

(b) (4)
(b) (4) adding the Apexus Generics Programs (AGP), (b) (4), establishing 340B and Group Purchasing Organization (GPO) prohibition compliant account setup and management processes, instituting AD auditing processes, and (b) (4)
(b) (4)

Apexus ensures open access to 340B drugs throughout the United States through purchasing channels that utilize a continuously increasing network of national and regional ADs. The Apexus distribution network includes 26 active distribution agreements, with three additional agreements anticipated by year-end. This broad network of distributors provides pharmaceutical distribution services throughout the United States, utilizing 86 strategically placed distribution centers (See Figure 1), each warranting uninterrupted delivery of product.

Section A: Mandatory Requirements

Figure 1: Apexus National Distribution Coverage Map



Apexus distribution agreements, with (b) (4), provide enhanced value to the participants, expressed through detailed terms and conditions which include flexible payment terms, expanded delivery options, compliant account set-up, confidentiality, and guaranteed service levels. Any licensed pharmaceutical distributor may apply to become an AD of the PVP. Apexus negotiates the requirements set forth in the Apexus authorized distributor template, found in Appendix I, with each AD.

Our current network of ADs enables all covered entities to have open access to 340B discounted products without changing distributors. Apexus operates an AD network that has years of experience serving 340B eligible covered entities and (b) (4)

Section A: Mandatory Requirements

2. Have in operation a price negotiation system that allows for the negotiation of sub-ceiling prices which will benefit all member entities, or demonstrate the ability to establish such a system in as minimal time as possible to limit burden on stakeholders.

Apexus Response:

Apexus has an experienced pharmacy team dedicated solely to the management of the 340B PVP. The Apexus team members have a unique understanding of federal drug pricing programs and the needs of pharmaceutical suppliers, along with the needs of our diverse 340B entity participants and their objectives of managing complex outpatient pharmacy operations. This knowledge, complemented by participant input and feedback, has enabled Apexus to establish a successful value proposition for all stakeholder groups, resulting in a successful PVP.



Figure 2: Apexus' Summary of Contracted Pharmaceutical Suppliers

	Sub-340B Contract Portfolio	Sub-WAC Contract Portfolio
	(b)	(4)
		(b) (4)

Section A: Mandatory Requirements

(b) (4)

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Figure 3: Sub-Ceiling Sales 2009-2013

(b) (4)

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Apexus' team of dedicated contracting professionals has proven they are experts at meeting the needs of HRSA in securing sub-340B pricing and other discounts on value-added products which enable the diverse 340B covered entities participating in the PVP to extend scarce federal resources and support their safety-net missions. Apexus has performed this responsibility successfully for the past 10 years. No other private entity can claim such success or track record in working with branded manufacturers in securing sub-ceiling discounts. Apexus will provide seamless continuity of the existing PVP programs and services to HRSA, PVP participants, and other stakeholders.

Section B 1: Outpatient Drug Distribution Services

B. Technical Evaluation Factors

Offers MUST include detailed information responsive to each of the technical evaluation factors listed below. Although HRSA has included specific elements within each factor that it will consider in its evaluation, HRSA is not prevented from considering other matters logically encompassed by, or related to, each factor.

1. Outpatient Drug Distribution Services 20%

This factor includes:

- a. Ability to provide efficient drug distribution services for all member entities at the lowest possible costs

Apexus Response:

Apexus is focused on providing low-cost distribution services that efficiently serve all member entities. The Apexus contracted ADs process more than 419 million chargeback lines, deliver more than 2.4 million orders, and fill 579 million medication orders for our participants every year. In order to ensure the lowest possible costs, Apexus monitors market conditions and relies on input from Apexus advisory councils of 340B entities to advise on negotiation of distribution fee changes, and to inform us about new services and changes in fee benchmarking.

Our AD agreements provide a wide variety of payment, delivery and mark-up options. These options are designed to fit different PVP participants' financial, accounting, patient care and operational drug delivery needs, while offering the most competitive distribution fees possible. (b) (4)

(b) (4)

(b) (4) These terms and others can be

negotiated as needed providing the covered entity the best possible distribution solutions at market competitive pricing. A sample of payment and delivery term details is outlined in Appendix I.

Terms and conditions addressed in our authorized distribution template have been thoroughly vetted by our legal team and are continuously updated as local, state, and federal government changes mandate. Our focus is on protecting the rights of our 340B PVP participants, ensuring competitive pricing for all entity types, and providing legally binding business practices. Section B.1.f provides details on how Apexus' performance standards assist in protecting the covered entities and supporting program integrity.

The national ADs include AmerisourceBergen, Cardinal Health and McKesson. The national ADs strategically place distribution centers capable of providing next-day service to 340B PVP participants located within the continental 48 states, Hawaii, Alaska, and U.S. territories. Regional ADs, such as Capital Wholesale, Dakota Drug, Morris &

Section B 1: Outpatient Drug Distribution Services

Dickson and others, service multistate regions of the United States and provide next-day service via third-party delivery companies. In addition to servicing the covered entities' on-site pharmacies, our distributors support smaller covered entities in meeting their needs for clinic administered drugs and supporting their off-site contract pharmacy relationships, when applicable. A complete list of Apexus ADs are provided in Figure 4.

Figure 4: Apexus Authorized Distributors

Apexus Authorized Distributors	
Distribution Category	Distributor
National - Full Service	ANDA AmerisourceBergen Cardinal McKesson
Regional - Full Service	Burlington (b) (4) Capital Wholesale Dakota Drug (b) (4) H. D. Smith Kinray Morris & Dickson Co., LTD Mutual Drug Rochester Drug Value Drug
National - Specialty	ASD Besse Medical BioCare Cardinal SPD CuraScript FFF Henry Schein McKesson Plasma & Biologics (b) (4) R&S Smith Medical Partners

Virtually all of our ADs provide drop-ship services for our 340B PVP participants. Drop-ship services fill the gap when needed drugs are not carried or not in stock at the servicing distribution facility, but are available from the manufacturer.

Manufacturers utilizing third-party logistics (3PL) distribution can limit access to 340B priced medications in the marketplace. Apexus maintains product flow to covered entities from manufacturers who wish to use 3PLs for their distribution model by establishing an

Section B 1: Outpatient Drug Distribution Services

AD relationship with these companies to ensure product and service coverage. Apexus currently works with 3PL distributors to help fill out our distribution network.

Through Apexus PVP distribution agreements, PVP participants will continue to be able to choose from a comprehensive list of full-service drug distributors for their 340B pharmaceutical purchases and select from a variety of payment options that best fit their business needs.

Our knowledge of the industry and years of distribution experience enable our staff to quickly respond to changes in policy and regulations affecting the supply channel. For example, (b) (4)

(b) (4)

(b) (4) Covered entities, manufacturers, distributors, and other interested parties, have relied upon Apexus to establish distribution networks that meet the needs of all 340B stakeholders. No other national purchasing program maintains agreements with such an extensive list of distribution partners/alternatives for their members, or represents such a diverse group of customers.

Throughout the year, Apexus personnel attend national and regional industry meetings to present updates on the 340B program and to stay ahead of new trends, and potential barriers in distribution models. Apexus personnel understand the unique challenges facing the covered entities in obtaining and providing 340B medications in the more rural and urban areas of the country. Addressing these challenges requires commitment, expertise, and the willingness to create new business models that can adapt to our PVP participants' changing health care environment.

- b. [Ease of access to distribution services, especially for small health care providers](#)

Apexus Response:

Apexus provides smaller covered entities access to cost-effective distribution services similar to those available to the larger volume participants. Customized distribution agreements with regional and specialty distributors ensure comprehensive services to smaller entities, and eliminate barriers to full-service distribution for small-volume accounts. (b) (4)

(b) (4)

(b) (4)

(b) (4) These regional and specialty distributors include ANDA, Burlington Drug, Capital Wholesale, Dakota Drug, Henry Schein, Kinray, Mutual Drug, R&S Northeast, Rochester Drug, and Smith Medical Partners. (b) (4)

Section B 1: Outpatient Drug Distribution Services

Our PVP Community Health Center Advisory Council (CHC) (See Section B.4.c. for detail on councils) provides valuable feedback on the needs of smaller, rural health centers. Apexus' distribution contracts allow these clinics to combine their purchase volume with the local retail pharmacy to lower their distribution fee and maximize product acquisition savings. Smaller 340B covered entities participating in the program may not have adequate monthly purchase volumes to meet the largest national distributors purchasing and credit requirements. The Apexus regional and specialty distribution agreements address this concern by enabling the smallest participating covered entities access to discounted drugs and excellent distribution services. For extremely small or rural 340B providers with small purchase volumes of dispensed medications, we offer prepackaged medications through Henry Schein Inc. as a value-added service.

(b) (4)

Apexus proactively utilizes each contract cycle to negotiate more favorable terms, providing smaller covered entities broader access to pharmaceuticals and pharmacy supplies at market-leading discounts on distribution rates (cost of goods) with Apexus' ADs, thus increasing savings for these vulnerable covered entities. Apexus continually monitors the marketplace and responds to its council members in order to improve and expand distribution services that meet the needs of the smallest and most remote facilities by leveraging the purchase volume of the entire 340B program.

- c. [A distribution fee structure that provides competitive pricing based on a member entity's drug purchasing volume](#)

Apexus Response:

Distribution fees are typically derived from purchase volume criteria. For large entities, such as Disproportionate Share Hospitals (DSH), these fees can be independently negotiated and are very competitive. For others, such as entities with small purchasing volume or rural covered entities, competitive fees are not attainable through individual

Section B 1: Outpatient Drug Distribution Services

negotiations. As the sole awarded 340B Prime Vendor, Apexus is able to negotiate comprehensive terms and conditions, along with market competitive rates, by leveraging the purchasing volume of all participating covered entities collectively.

The strength and reach of the Apexus PVP distribution network and the subsequent business relationships with these ADs has never been greater. The Apexus PVP distribution agreements continue to offer participants ongoing and significant value. Through these relationships, PVP participants can choose from expanded volume categories, varied payment terms, and diverse delivery options. Smaller participants using contract pharmacies are also able to enjoy beneficial terms through agreements that allow them to combine their 340B and non-340B purchases to achieve lower distribution fees and that provide ready access to 340B medications in the communities they serve.

(b) (4)

(b) (4)

Requirements within the Apexus AD agreements not only ensure convenient drug delivery for facilities located in metropolitan areas, but also provide for timely deliveries to small-town and rural facilities, including locations in Hawaii, Puerto Rico, Guam, and the Marshall Islands.

Enhanced savings received from accessing the optimal distribution matrix for any given covered entity business model helps facilitate investment in patient care activities and programs by the covered entity. Apexus not only assists with enabling the covered entity to choose the best distribution model, but we also respond quickly and aggressively to market trends with specialty pharmacy, 3PLs, and other limited-access distribution methods that threaten product and pricing access, especially to the smaller covered entities.

A detailed explanation of the default distribution fee structure is in the Payment Terms section of Appendix I.

(b) (4)

(b) (4)

- d. [Access to standard industry reports on drug purchases and inventory management](#)

Apexus Response:

Covered entities require data and information to optimize purchasing and formulary management practices. Apexus delivers standardized reports available via the ADs. In

Section B 1: Outpatient Drug Distribution Services

addition to these reports, Apexus provides participant-specific reports on a secure website to help covered entities manage drug expenditures, and continues to develop enhanced reporting through the HRSA executive dashboard, which enables HRSA to monitor 340B purchasing trends in real time for the entire market.

Apexus' 340B PVP agreements require that the distributor make available reports to all PVP participants on an as needed basis. (b) (4)

(b) (4)

Apexus AD agreements provide participants with management reports that exceed both industry standards and requirements of the HRSA 340B Prime Vendor agreement. Our industry-leading business management tools and dashboard complement the participant reports from our ADs, allowing the covered entities to better manage compliant operations and effectively manage formularies, ultimately resulting in added savings for participants.

A sample of reports available to participants through the Apexus Dashboard include:

- PVP Contract Savings Report (Appendix III)
- Custom Savings Report (Appendix III)
- Public Health Service (PHS) Price Comparison Report (Appendix III)

e. [Access to optional services and catalog items](#)

Apexus Response:

Covered entities have operational and financial challenges outside of accessing covered outpatient drugs. Apexus helps covered entities address these needs with a variety of services and catalog items offered through our agreements with ADs.

Our system of national ADs provide access to optional services, such as community network and service programs designed to improve the operation and profitability of pharmacy as well as the quality of patient care. Through these types of programs, Apexus provides AD support for large networks of independent community pharmacies with solutions from technology and innovative patient care programs to business coaching.

(b) (4)

Section B 1: Outpatient Drug Distribution Services

(b) (4)

f. Appropriateness of proposed performance standards for drug distribution

Apexus Response:

Apexus' distribution terms and conditions ensure that distributors meet or exceed the covered entities' needs to have timely access to discounted drugs that are properly stored, picked, packed, and shipped in an economical and timely fashion, while supporting distributor compliance with industry standards and entity compliance with HRSA policy.

Apexus' AD contract templates are written with program compliance and integrity as primary consideration. Apexus distribution agreements include auditing provisions supporting 340B compliant pharmacy operations. Our focus is on protecting the rights of our participants, ensuring competitive pricing for all entity types, and providing binding business practices that protect the integrity of the 340B program.

With more than 10 years experience in negotiating and managing 340B distribution agreements, Apexus is the industry leader in terms of breadth of experience and knowledge regarding these highly unique and specialized contracts.

Performance standards covered in our full service national and regional AD agreements include (small local and specialty distributors' terms may vary):

(b) (4)

- *Purchase orders:* ADs accept participant purchase orders using multiple communication technologies, including Electronic Data Interchange (EDI) where supported.
- *Proper storage and transportation of products:* ADs warrant compliance with all federal, state, and local laws to participants, HRSA, and Apexus. ADs will deliver

Section B 1: Outpatient Drug Distribution Services

all products as new, with the longest dating available for that NDC. ADs will purchase products only from original manufacturers and will store all products according to FDA requirements.

- *Computer software for ordering:* All ADs are required to provide ordering technology to the participant that will enable full use of the distributor's services. Technology may include computer hardware, handheld ordering devices, or other types of technologies.
- *Order confirmations:* All ADs provide electronic order confirmation within 20 minutes of a transmitted order. Each confirmation serves as committed inventory to that participant.
- *Product fill rates:* All ADs that provide service-level commitments for their general customer base do so for the PVP participants. The terms and conditions outline acceptable service levels and financial penalties if these levels are not maintained.
- *Product stocking:* ADs are required to warehouse sufficient quantities of products to satisfy PVP participant ordering requirements and maintain a reasonable safety stock in reserve.
- *Notice of distributor temporary interruptions:* ADs will communicate with Apexus and participants when any scheduled disruption of service is planned, such as physical inventory or holidays.
- *Support for physical inventory by participants:* All national ADs and some regional ADs offer assistance with participants' yearly physical inventories, free-of-charge, as part of their value-added services package.

(b) (4)

- *Product returns:* All participants have the right to return products to distributors in accordance with terms set forth among participants, manufacturers, and distributors.
- *Disaster response plan:* Apexus requests a defined disaster response plan for each AD. All national distributors and most regional distributors have written and presented such plans as attachments for the executed distribution agreement.

(b) (4)

Section B 1: Outpatient Drug Distribution Services

See Appendix III for a complete list of performance standards included in the Apexus AD template.



(b) (4)

Figure 5: AD Service Level Analysis Report

Distributor Name	Adjusted Service Level Indicator			
	Q1 2013	Q2 2013	Q3 2013	Q4 2013
Morris & Dickson	(b) (4)			
H.D. Smith Wholesale Drug Co.				
Burlington Drug Co.				
Cardinal Health Pharmacy Distribution				
McKesson Pharmaceuticals				
AmerisourceBergen Drug Corp				
Dakota Drug Co.				
R&S Sales, LLC.				
Kinray, Inc.				
Mutual Drug Company				
Rochester Drug Pharmacy Distribution Agreement				
Anda, Inc. Pharmacy Distribution				
Extensi				
Value Drug Co				
(b) (4)				

(b) (4)

(b) (4) (See Figure 6)

for example of McKesson's contract load report).

(b) (4)

(b) (4)

(b) (4) Appendix VIII provides an example of the PVP catalog.

Section B 1: Outpatient Drug Distribution Services

Figure 6: Contract Load Report

MCKESSON *Connect*

(b) (4)

(b) (4)

Section B 1: Outpatient Drug Distribution Services

Figure 7: AGP Benchmarking Tool

Price Change Tracking March 2014 Price vs April 2014 Price*	
Distributor	(b) (4)
(b)	
CARDINAL	
MCKESSON	
Totals/Weighted Averages*	(b) (4)

Figure 8: AGP Benchmarking Tool

Price Benchmarking (Comparing a basket of common products across distributors) March 2014 Price vs April 2014 Price					
Distributor	Number of NDCs Compared	March 2014 Aggregate Spend	April 2014 Aggregate Spend	\$ Aggregate Spend Change	% Change
(b) (4)					(b) (4)
CARDINAL					
MCKESSON					
Average					

Section B 2: Drug Price Negotiation Services

2. Drug Price Negotiation Services 20%

This factor includes:

- a. Demonstrated capacity to conduct timely and successful price negotiations with all types of drug manufacturers

Apexus Response:

Apexus has continued to invest in resources to support the execution of contracting services to address participants' needs. Apexus' resources dedicated to supplier contracting have doubled in the past five years, (b) (4) employees.

Contracting Overview

Apexus negotiates sub-340B and sub-WAC pricing on branded and generic pharmaceuticals and contracts for other value-added pharmacy-related products and services that support covered entity pharmacy operations. Figure 9 summarizes the major categories of contracts negotiated by Apexus to support PVP participants.

Figure 9: Contract Categories

Contract Category	Number of Active Contracts	On PVP Contract Since	Contract Purpose
(b) (4)			

Section B 2: Drug Price Negotiation Services



Contract Methodologies

(b) (4) as described in Figure 10.

Section B 2: Drug Price Negotiation Services

Figure 10: Contract Methodologies

Apexus Contracting Category	Description of Contract	Demand/Rationale
Apexus PVP Sub-340B	(b) (4)	
Apexus PVP Sub-WAC		
Apexus Generic Program (AGP)		
Value Added Contracting		

Sub-340B Contracting

One of the fundamental requirements of the 340B PVP agreement is to negotiate sub-340B discounts on outpatient covered drugs for all participating covered entities. The Apexus contracting team has been able to deliver unmatched savings to all the subgroups of covered entities by deploying effective contracting and negotiation strategies when working with suppliers. The bar graph in Figure 11 is a representation of the average percent savings that each covered entity subgroup achieves by accessing

Section B 2: Drug Price Negotiation Services

the PVP's sub-340B portfolio compared with what they would have paid at the higher statutory 340B ceiling price for each product. It is important to note that some of the smallest HRSA grantee participants are enjoying some of the largest average saving percentages on their drug purchases.

(b) (4)

(b) (4)

Figure 11: 2013 Savings Percentage by Entity Type

(b) (4)

The Apexus team has an excellent rapport with pharmaceutical manufacturers and continues to expand the reach and breadth of the PVP portfolios with the addition of new suppliers and products.

(b) (4)

(b) (4)

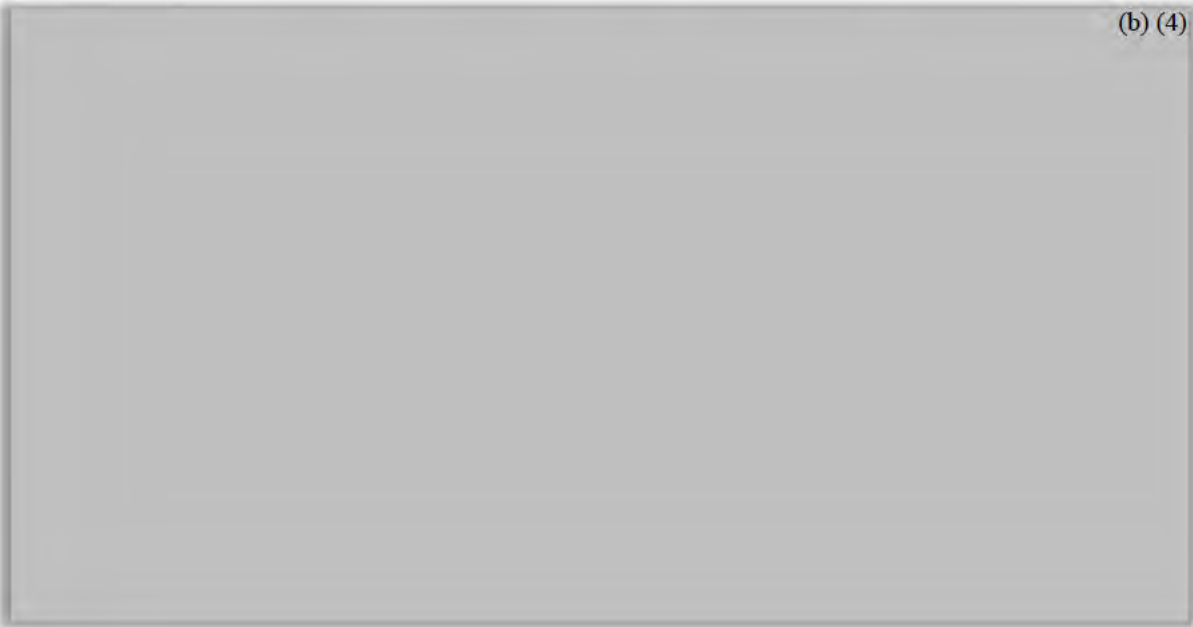
Sub-WAC Contracting

(b) (4)

Section B 2: Drug Price Negotiation Services

(b) (4)

Figure 12: Disproportionate Share Hospital Sub-WAC Monthly Savings



Apexus Generics Program (AGP) Contracting

(b) (4)

The following distributors offer an Apexus generic program:

(b) (4)

Section B 2: Drug Price Negotiation Services

Each distributor offers special contract pricing on a full portfolio of injectable and noninjectable generic products, as well as over-the-counter products, in the following categories:

- Oral solids (tablets, capsules)
- Oral liquids
- Topical (creams, ointments, liquids, sprays, patches)
- Respiratory
- Ophthalmics
- Otics

(b) (4)



Section B 2: Drug Price Negotiation Services

Figure 13 represents the quarterly savings (b) (4)
(b) (4)

Figure 13: Bar Chart AGP Quarterly \$ Savings



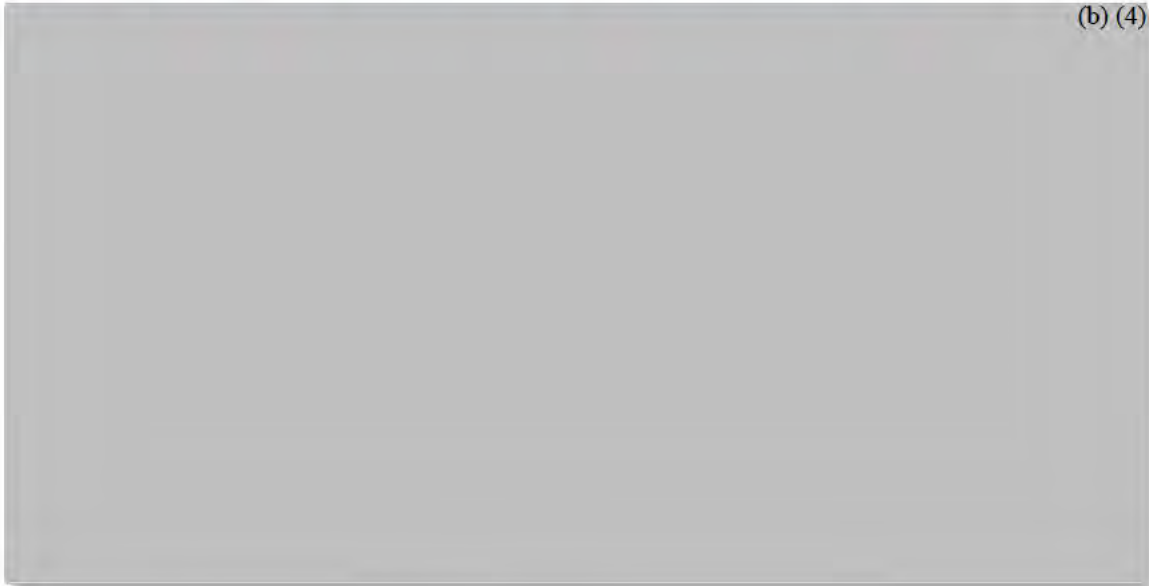
Value-Added Contracting

In addition to sub-340B contracting, Apexus currently contracts for value-added products and services that bring additional value to participants. Apexus will continue contracting for value-added products that are mutually agreed upon by HRSA, Apexus, and the PVP advisory councils. A highly successful program in our value-added portfolio is the vaccine portfolio. Vaccines are categorized as non-covered outpatient drugs; vaccine contracts through Apexus have delivered substantial value for more than nine years.

(b) (4)

Section B 2: Drug Price Negotiation Services

Figure 14: Value-Added Vaccine Annual Participant Savings Chart



Contracting To Address Subgroups' Needs

Over the years, the Apexus team has become more sophisticated in building partnerships with alliances and knowledge experts that assist Apexus in delivering value, through network and relationship building, that ultimately enhances our contracting strategy and value for subgroups of participants. Apexus is actively engaged in the following partnerships that contribute to the success of our overall contracting strategy, by supporting development of unique contract portfolios that meet the needs of specific HRSA grantees participating in the 340B PVP.

Hemophilia Treatment Center Solutions

Hemophilia treatment centers have unique procurement requirements; (b) (4)

(b) (4)

Section B 2: Drug Price Negotiation Services

Figure 15: Apexus Hemophilia Quarterly Sub-340B Price List



The image shows a promotional flyer for Apexus Hemophilia Products Q2 2014. At the top, there is a blue banner with the text "sub-340B savings" in white and orange. Below the banner is a photograph of three healthcare professionals (two women and one man) in blue scrubs, smiling. The main body of the flyer is a large grey rectangle with the text "(b) (4)" in the top right corner. At the bottom left, there is the Apexus logo and contact information for Michael Cook, PharmD, Portfolio Executive, Apexus | 340B Prime Vendor Program, 972.910.6649, mcook@340bpvp.com, and www.340BPVP.com. At the bottom right, there is a grey rectangle with "(b) (4)" and the "340B Prime Vendor PROGRAM" logo, which includes the text "Managed by Apexus".

Section B 2: Drug Price Negotiation Services

Title X Family Planning Drug Formulary

Thousands of Title X Family Planning clinics rely on our comprehensive quick reference pricing guide, updated every calendar quarter. This is evidence of our ability to provide timely contracting updates, which contributes to the overall success of our program. (b) (4)

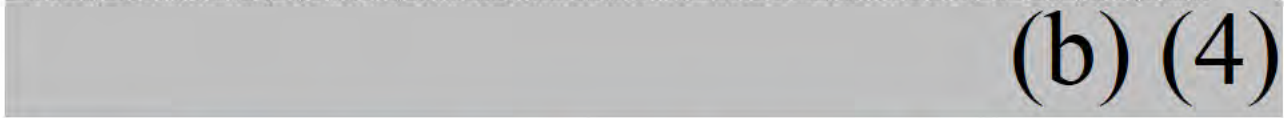


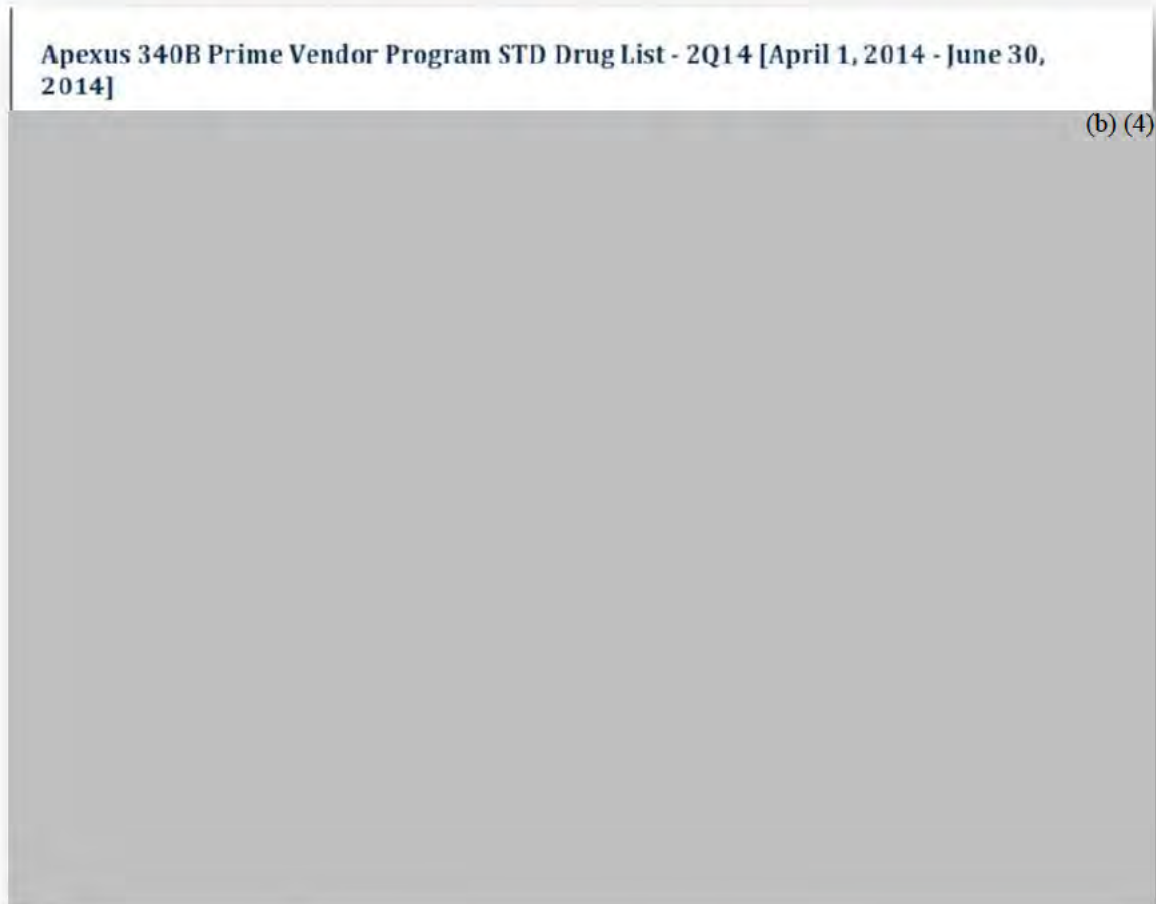
Figure 16: Apexus Participant Secure Website Women's Health Drug Formulary List

Women's Health Products --- SECOND QUARTER OF 2014 (APRIL 1, 2014 THROUGH JUNE 30, 2014)
Find this price sheet everyday on the Apexus PVP secure website at www.340bpvp.com Last Revised 3/13

CONTRACEPTIVE CATEGORY	PRODUCT NAME	NDC	Q2 2014	Q2 2014	Q2 2014	Q2 2014	Cycle Count	QTY	Pkg Size
			340B/PHS ORDER PRICE	340B/PHS CYCLE PRICE	APEXUS ORDER PRICE	APEXUS PVP CYCLE PRICE			
(b) (4)									

(b) (4)

Figure 17: Apexus Participant Secure Website STD Clinic Drug Formulary List



- b. Ability to collect data about the purchasing patterns and future needs of covered entities while maintaining appropriate confidentiality to protect the competitive positions of all manufacturers, distributors and entities participating in the 340B Prime Vendor Program

Section B 2: Drug Price Negotiation Services

Apexus Response:

Use of Purchase Data to Create Value

Through established distributor and manufacturer relationships, Apexus secures the appropriate purchasing data to support the contract strategy of the PVP (Figure 18). In addition to pharmaceutical data subscriptions, advisory council expertise/feedback, and covered entity survey information. Apexus

(b) (4)
(b) (4)

(b) (4)

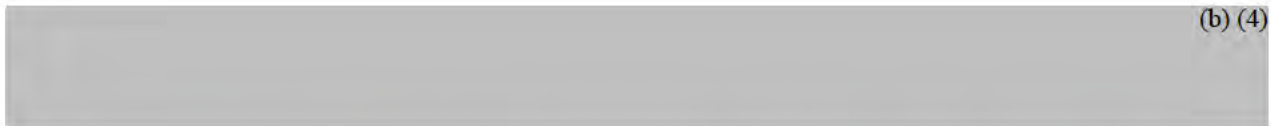
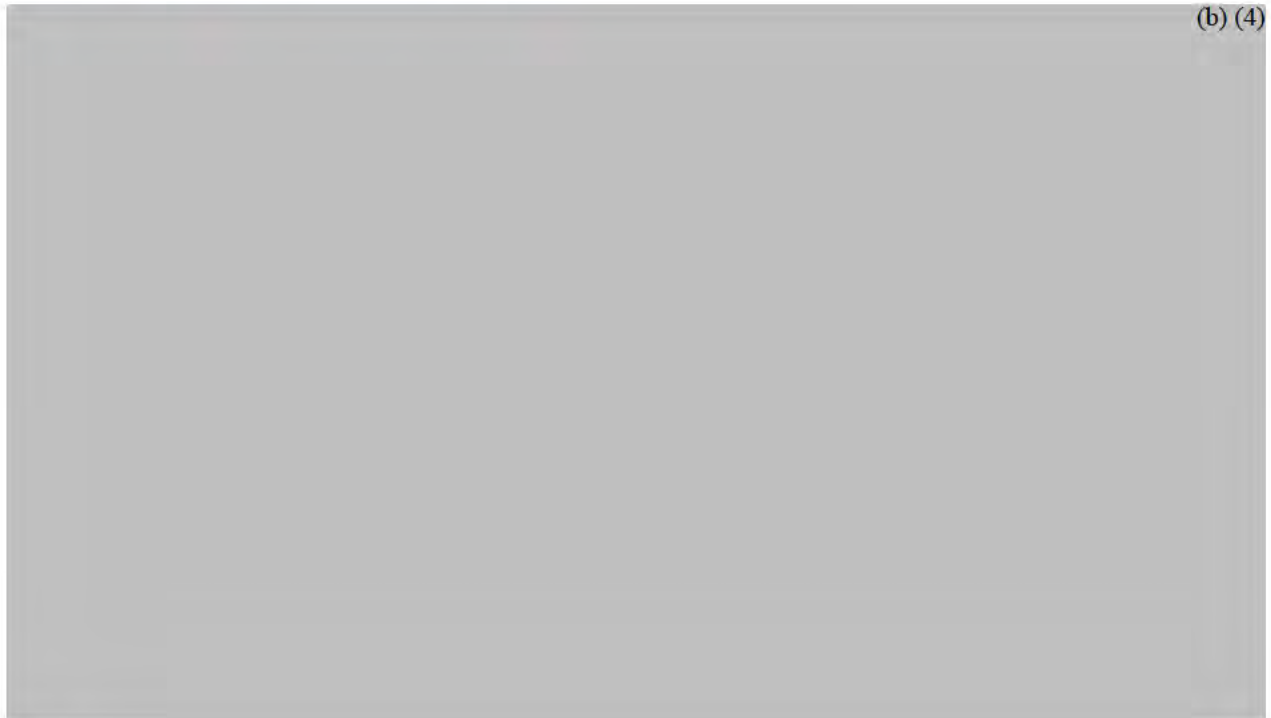
Figure 18: Apexus Participant

(b) (4)

Report Type	Description
(b) (4)	

Section B 2: Drug Price Negotiation Services

Figure 19: Apexus Contracting Process



- c. Ability to determine the highest priority drug price negotiation needs of the member entities

Apexus has established the appropriate supplier/distributor relationships and information technology to support the contract strategy and priorities of the PVP. In addition to the separate councils' recommendations, the PVP also uses sales reports provided by distribution or supply partners to develop its contracting priorities.

Reports generated and/or reviewed by the Apexus contract team and PVP councils include:



Section B 2: Drug Price Negotiation Services

(b) (4)

(b) (4)

The contracting team involved in the procurement of pharmaceuticals is equipped to understand the challenges and needs of participants, market dynamics, supplier strategies, and techniques to contract more effectively and efficiently. (b) (4)

(b) (4)

(b) (4)

Section B 2: Drug Price Negotiation Services

(b) (4)



- d. **Appropriateness of proposed performance standards for pricing integrity, negotiation and data confidentiality**

Section B 2: Drug Price Negotiation Services

Apexus Response:

Pricing Integrity

Apexus' primary objective is to negotiate pharmaceutical supply-related contracts that add value to participants in the PVP. Over a 10-year period, Apexus has developed a broad portfolio of favorably priced products and services to ensure that all PVP participants benefit from the program. Apexus continues to apply the following pricing integrity standards in its operations of the PVP:

- Require compliance of all staff to Apexus' code of business conduct and compliance program (See Appendix VI)
- Comply with all federal regulations regarding the safe harbor and anti-kickback provisions
- Monitor participants' PVP contract purchases through distributors on a monthly basis and require ADs to process credits when overcharges are identified. If HRSA would make the validated ceiling price file available to the 340B Prime Vendor, then Apexus can greatly improve pricing transparency by:
 - Sharing with eligible covered entities through its secure password-protected website
 - Ensure that covered entities receive the correct price
 - Audit distributors for administering pricing correctly

(b) (4)

Pricing Negotiation

Apexus provides national contracting services to 340B PVP participants. The primary goal of the program is to provide participants with better pricing for pharmaceuticals and other value-added products and services that they would not normally be able to obtain on their own. Apexus price negotiation strategies for products and services are designed to help participants drive sustainable results, improve quality, reduce costs, and stretch their limited resources. Apexus continues to apply the following standards during our price negotiations for the PVP:

(b) (4)

Section B 2: Drug Price Negotiation Services

(b) (4)



Data Confidentiality Standards

Apexus IT infrastructure includes state-of-the-art applications and systems used by many industry stakeholders that create efficient and auditable contract management processes and data flows to the appropriate stakeholders without compromising firewalls or allowing breaches of data confidentiality of any kind. Standards employed by Apexus to support data confidentiality for 340B stakeholders are:

(b) (4)



Section B 2: Drug Price Negotiation Services

Figure 20: IT Infrastructure, Data Confidentiality and Stakeholder Tools and Resources

(b) (4)

Section B 2: Drug Price Negotiation Services

- e. Plan for conducting negotiations to lower prices for member entities below 340B statutory ceilings for covered outpatient drugs

Apexus Response:

Contracting Processes

The Apexus team

(b) (4)
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(b) (4)

Section B 2: Drug Price Negotiation Services

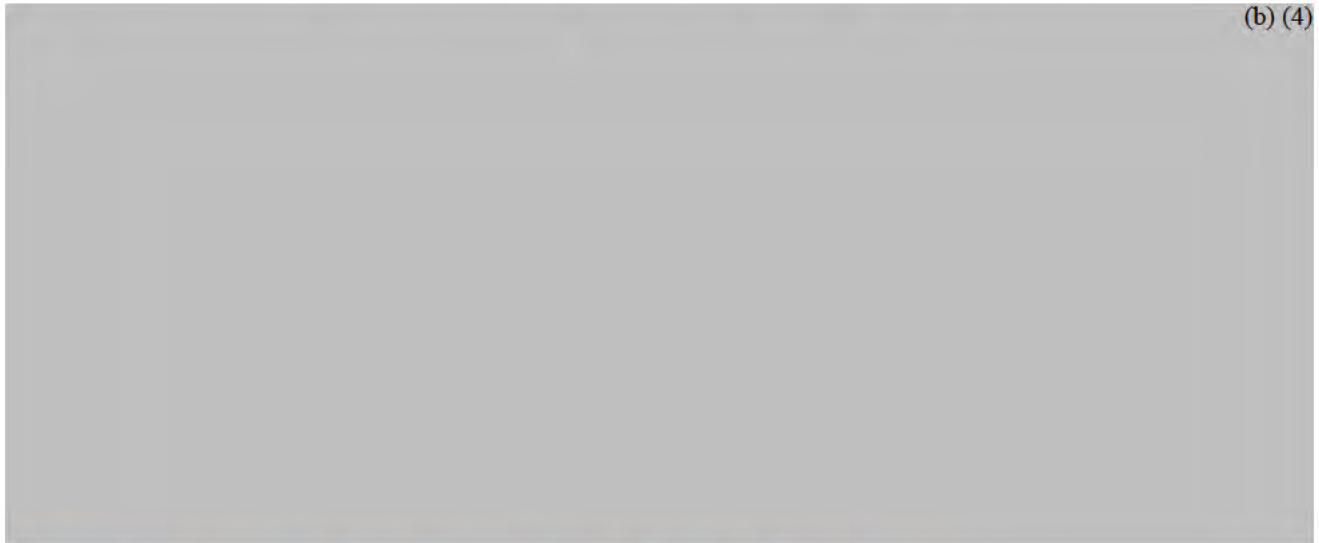


Figure 21: Antiplatelet Drug Class Sales by Covered Entity System

Covered Entity Systems	Sales by Quantity Sold	Percentage of Sales
(b) (4)		

Section B 2: Drug Price Negotiation Services

Figure 22

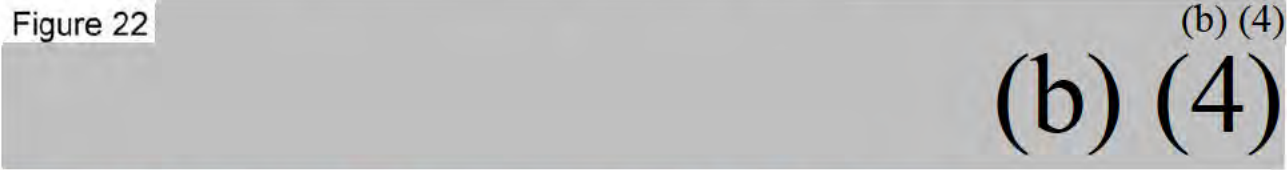


Figure 22: Antiplatelet Drug Class Sales by Units Sold, by Quarter



Section B 3: Plan for Providing Value to 340B Stakeholders

3. Plan for Providing Value to 340B Stakeholders 20%

This factor includes:

- a. How the offeror demonstrates their ability to maximize resources to improve services and value to 340B Program operations and program integrity, including information technology, stakeholder training to ensure compliance with HRSA policies and program requirements, and use of Prime Vendor systems

Apexus Response:

This section demonstrates how Apexus maximizes resources to improve services and value to 340B Program operations and program integrity in two areas: information technology and stakeholder training to ensure compliance with HRSA policies and program requirements, and the use of Prime Vendor systems.

Despite the variety of 340B stakeholders, all have a common critical need: accurate, timely, accessible, and trusted 340B-related data and information to support program integrity. Apexus' activities in these two areas fulfill these stakeholders' needs and focus on strengthening program integrity. This section presents evidence of Apexus' ability to adapt, expand and support stakeholders in these areas, as well as depicts a plan for building upon its established success.

Information Technology

(b) (4)

Section B 3: Plan for Providing Value to 340B Stakeholders

(b) (4)

(b) (4)

(b) (4)

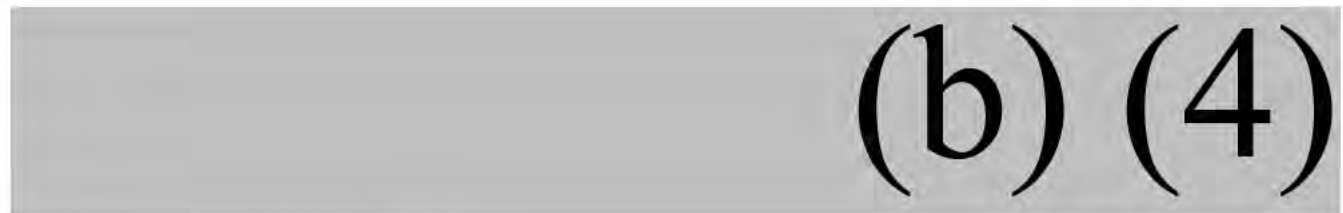
As a result of consistent communication with the Apexus contract team and continuous analysis of provided data streams, 340B PVP participants can feel confident that Apexus maximizes its resources and provides value through monitoring and responding to pricing inconsistencies on a regular basis.

(b) (4)

Figure 23: MRP Workflow Process



(b) (4)



(b) (4)

Auditing of Authorized Distributors

Apexus recognizes that although distributors play a significant role in ensuring that accurate 340B prices are transmitted from manufacturers to entities, distributors have not been subject to HRSA audits and have no direct 340B statutory compliance requirements. Distributors' accuracy in loading accounts can have sweeping implications for several HRSA policies. For example, for an entity to have the capacity to comply with policies such as the GPO Prohibition or the Orphan Drug Exclusion, the correct pricing must be loaded to the entity's account. If the distributor does not load the correct pricing, 340B program integrity is lost at an early stage in the process. Without 340B statutory requirements to follow, the distributors have had no incentive to attend to these account loads with the focus that would adequately support program integrity. Apexus has worked to support 340B program integrity by including language in our AD agreements requiring the distributor to submit to audits. This has introduced accountability by providing a binding business practice that protects the integrity of the 340B program. See

Section B 3: Plan for Providing Value to 340B Stakeholders

Appendix I for Authorized Distributor Template and auditing rights outlined in this template.



Figure 24: Apexus Distributor Audit Report

Action	Item Description	From Date	Through Date	New Bid	Old Bid	Price Chg	% Chg	NDC	Vendor Name	Generic Name
(b) (4)										

HRSA Dashboard

HRSA needed vision and insight into pharmaceutical sales in the 340B program, as well as understanding of the types of issues being raised by various program stakeholders.



Section B 3: Plan for Providing Value to 340B Stakeholders

(b) (4)

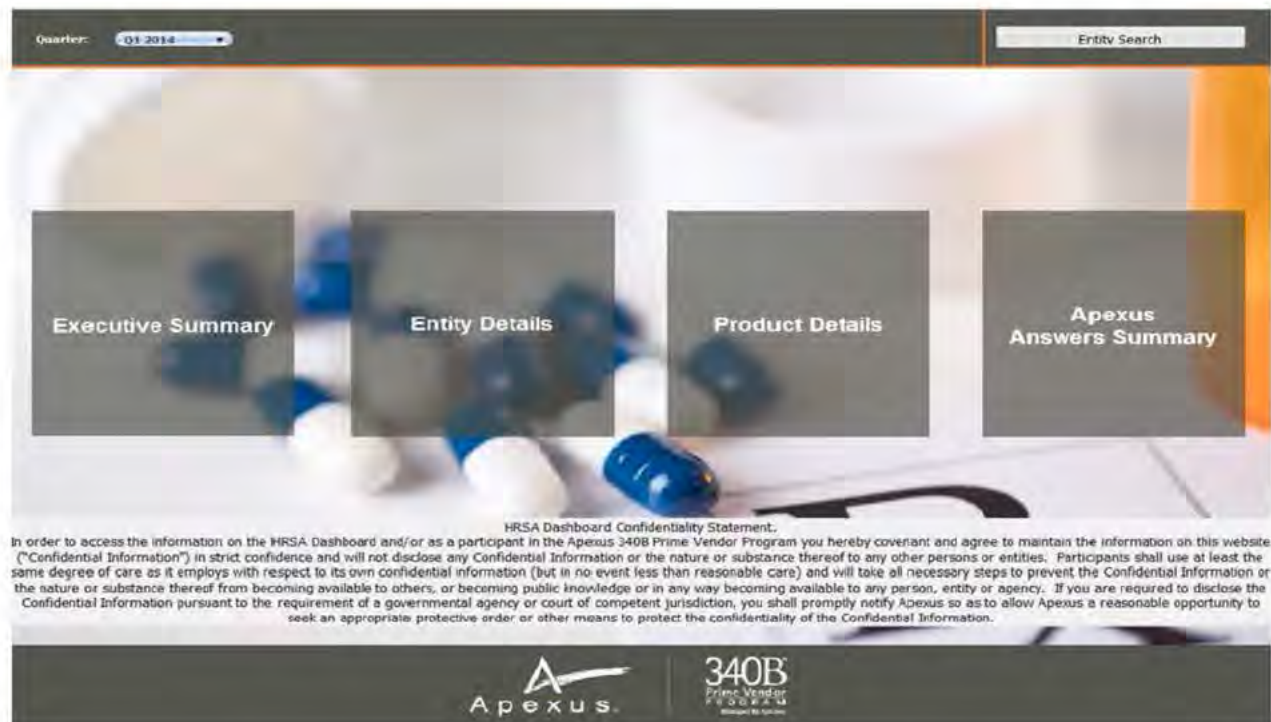
(b) (4)

The data are presented in graphic and tabular formats for the end users. Apexus is committed to continually improving these data to assist HRSA with its insights into the program and in support of 340B program integrity.

The HRSA Dashboard is accessed by HRSA staff via a secure web-based portal. The initial landing page (Figure 25) provides access to links that allow them to navigate to the following locations:

- Executive Summary
- Entity Details
- Product Details
- Apexus Answers Summary

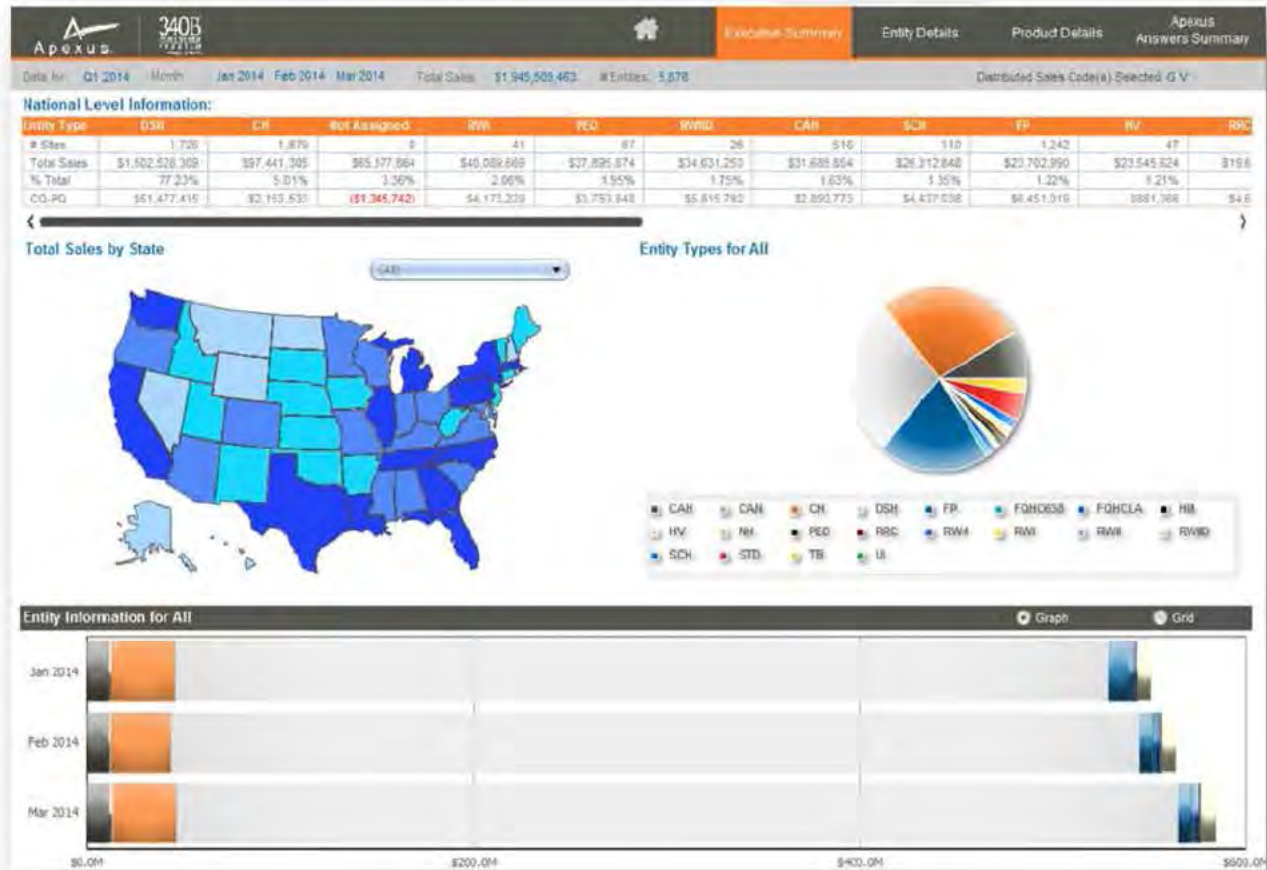
Figure 25: HRSA Dashboard: Landing Page



Section B 3: Plan for Providing Value to 340B Stakeholders

Choosing the Executive Summary box leads the user to an overview of 340B sales for the country, as demonstrated in Figure 26.

Figure 26: HRSA Dashboard: Executive Summary



Section B 3: Plan for Providing Value to 340B Stakeholders

The report illustrated in Figure 27 can be customized by

(b) (4)

(b) (4)

...

(b) (4)

(b) (4)

Figure 27: Top Purchasing Increases and Decreases by 340B ID

(b) (4)

The ability to determine product level sales details in the marketplace allows HRSA to fully interpret sales, pricing, and product availability from manufacturers to covered entities on a national or local level.

(b) (4)

Figure 28: Apexus Answers Summary

(b) (4)

Apexus maximizes the value of information technology platforms to provide valuable solutions such as the HRSA Dashboard giving HRSA optics into stakeholder data trends and other information that assists HRSA in developing knowledge and tools to improve program integrity.

(b) (4)

Section B 3: Plan for Providing Value to 340B Stakeholders

(b) (4)

(b) (4)

(b) (4)

Section B 3: Plan for Providing Value to 340B Stakeholders

Apexus is extremely nimble and responsive to HRSA requests for high-level information. Data from a variety of sources are automatically integrated, at our fingertips, and reportable in a variety of customized formats in minutes. (b) (4)

(b) (4)

(b) (4)

Stakeholder Training to Ensure Compliance

Compliance education and training is a priority for HRSA, as noted in HRSA's response to a 2011 GAO Report examining the 340B program: "HRSA will develop and implement a comprehensive education and communication plan which will build on existing tools

Section B 3: Plan for Providing Value to 340B Stakeholders

and resources.”¹

A priority for HRSA is a priority for Apexus. Not only is 340B-related education and training a priority for HRSA, but it is also a priority for stakeholders.

In 2011, 340B stakeholders from a variety of backgrounds (e.g., covered entities, distributors, suppliers, 340B administrators, state Medicaid agencies, advocacy organizations, legal firms) approached Apexus, requesting assistance. They were struggling to help establish 340B-compliant programs because they were having trouble discerning exactly what compliance looked like. The stakeholders were overwhelmed with conflicting information and they needed accurate, consistent, timely, accessible, and trusted 340B information.

The solutions from Apexus needed to be broad enough to handle the diversity of perspectives and operations, yet flexible enough to provide practical information to targeted entities. The solutions described in this section are a direct result of Apexus’ recognition of HRSA priorities, as well as Apexus’ responsiveness to the 340B stakeholder community. Apexus’ actions in this area have resulted in HRSA having access to excellent education and training, knowledge from tapping the everyday users of the program, and the ultimate outcome of increased 340B program integrity in the marketplace.

340B University

Apexus offers 340B University, an eight-hour, live, integrity-focused educational program designed to meet the practical needs of the 340B PVP participants and other program stakeholders. 340B University is different from other attempts at 340B education in the marketplace in that it presents a combination of stakeholder perspectives but always has a thread of alignment with HRSA policy running through the sessions. Attendees are told at the start of each session that the 340B University is not a forum for debating policy; rather, 340B University is about getting stakeholders practical information and tools to run compliant programs in alignment with HRSA policy. HRSA has shown strong support of 340B University, as it frequently uses 340B University as a training program for its core team, auditors, and other contractors.

The reach of 340B University has been expanding over time; since its inception in the fall of 2011, almost 4,000 stakeholders have attended 25 different sessions of 340B University, in 16 cities across the country, as shown in Figure 29. Feedback from all attendees is carefully collected after each event, and continuous quality improvement is applied to make changes suggested by attendees for subsequent programs.

¹ <http://www.hrsa.gov/opa/programrequirements/reports/gaooversightneeded09232011.pdf>. See HRSA response, p. 48.

Section B 3: Plan for Providing Value to 340B Stakeholders

Figure 29: 340B University: Extensive National Reach and Growth Over Time

340B University Reach and Growth Since Inception (2011)		
Year	City	Total Annual Attendees
2011	Irving, TX	(b) (4)
	Irving, TX	
	Grapevine, TX	
2012	Irving, TX	
	New Orleans, LA	
	Baltimore, MD	
	Grapevine, TX	
	Grapevine, TX	
	Las Vegas, NV	
	Bedford, NH	
2013	Los Angeles, CA	
	Baltimore, MD	
	Grapevine, TX	
	Houston, TX	
	Minneapolis, MN	
	Washington, DC	
	Chicago, IL	
	Chicago, IL	
	Grapevine, TX	
	Orlando, FL	
2014	Grapevine, TX	
	Dallas, TX	
	Orlando, FL	
	Las Vegas, NV	
	Washington, DC	
	San Diego, CA	
	Bedford, NH	
	Chicago, IL	
	Anaheim, CA	

Section B 3: Plan for Providing Value to 340B Stakeholders

A typical 340B University consists of approximately 250 to 300 attendees, instructed by 10 to 15 faculty and five Apexus support staff members. The program runs for either one full day or two half-days of instruction; the format includes time for traditional didactic lectures, large group facilitated discussions, expert panel discussions, tool application with experts in small groups, and open question-and-answer sessions. Content includes 340B intent/history, pricing, implementation models (entity-owned pharmacy, contract pharmacy, mixed-use settings), Medicaid and 340B, and 340B program integrity and audits. Most sessions are filled to capacity and have a waiting list for attendees, owing to the extreme demand for the program.

Although the agenda (See Figure 30 for a sample 340B agenda) is relatively consistent among sessions, Apexus is occasionally asked to provide very focused 340B University sessions (e.g., for one entity type, such as health centers or pediatric hospitals). An example of such a tailored session is the first-ever 340B University for Medicaid Pharmacy Directors, to be held in August 2014, which was created as a result of demand from 340B stakeholders of all backgrounds (manufacturers, entities, state Medicaid agencies, and others). Holding this meeting in conjunction with a regional Medicaid conference will enable Apexus to offer a solution that maximizes the value of the services we offer and permit our attendees to use their travel resources efficiently.

Section B 3: Plan for Providing Value to 340B Stakeholders

Figure 30: Sample 340B Agenda Demonstrates Expert Faculty, Comprehensive Content, and Interactive Format



340B University Agenda

July 13-14, 2014

Marriott Wardman Park | Washington, DC

Day One – Sunday, July 13		
12:00 – 1:00 pm	Networking Lunch	
1:00 – 1:30 pm	Introductions & Welcome	Christopher Hatwig, MS, RPh, FASHP, President, Apexus Krista Pedley, PharmD, MS, Director, HRSA Office of Pharmacy Affairs
0.5 CE		
1:30 – 2:45 pm	340B Basics – Hospital	Katheryne Richardson, PharmD, Senior Director of 340B Program & Policy Analysis, Apexus
1.25 CE		
	340B Basics – Non Hospital	Debra Demers, Consultant, Apexus
2:45 – 3:30 pm	340B Pricing	Moderator: Christopher Hatwig Alice Valder Curran, JD, Partner, Hogan Lovells Kathleen Dynan Black, Director, Government Strategy, Pfizer Inc. Andy Wilson, PharmD, FASHP, Vice President, 340B Solutions, McKesson
0.75 CE		
3:30 – 3:45 pm	Networking Break	
3:45 – 5:00 pm	340B Implementation - Part One Contract Pharmacy	Todd Karpinski, PharmD, MS, FASHP, Executive Director - Chief Pharmacy Officer, Froedtert and the Medical College of Wisconsin
1.25 CE		
	340B Implementation - Part Two	
5:00 – 6:15 pm	Mixed-Use: GPO (Thurgood Marshall Ballroom)	Moderator: Mike Benedict, RPh, MS, Vice President of Operations, Apexus Fern Paul-Aviles, PharmD, MS, BCPS, Director, 340B and Regulatory Program Compliance, Carolinas Healthcare System Sarah Lee, PharmD, MS, Clinical Manager for Pharmacy Supply Chain, University of North Carolina Hospitals
1.25 CE		
	Rural Hospitals (Harding Room)	Moderator: Katheryne Richardson Gary Merchant, MBA, RPh, Administrative Director, New England Pharmacy Collaborative Jennifer Hagen, PharmD, Director of Ambulatory Pharmacy Services, St. Cloud (MN) Hospital (340B Peer-to-Peer Mentor)
	In-House Pharmacy (Wilson Room)	Tracey Cole, RPh, Pharmacy Director, Holyoke (MA) Health Center (340B Peer-to-Peer Mentor)
Day Two – Monday, July 14		
7:00 – 8:00 am	Networking Breakfast	
8:15 – 8:45 am	340B and Medicaid Billing	Moderator: Debra Demers George Oestreich, PharmD, MPA, Principal, G.L.O. & Associates Fern Paul-Aviles Tracey Cole
0.5 CE		
8:45 – 9:45 am	340B Hot Topics Q&A	Moderator: Katheryne Richardson Sarah Lee Rob Nahoopii, PharmD, MS, BCPS, Principal, Turnkey Pharmacy Solutions Tracey Cole Gary Merchant Jennifer Hagen
1.0 CE		
9:45 – 10:00 am	Networking Break	
10:00 – 11:30 am	340B Audit and Dispute Panel Discussion & Tool Review	Moderator: Rose Babbitt, RPh, Vice President, Federal Contracts and Grants, American Pharmacists Association, HRSA Contractor Michelle Herzog, Deputy Director, HRSA Office of Pharmacy Affairs Fern Paul-Aviles Todd Karpinski George Kenny, JD, Associate Director - 340B Account Management, Genentech Marcy Imada, Principal, Deloitte & Touche
1.5 CE		
11:30 am	Wrap-Up & Adjourn	Chris Hatwig

340B University is a product of Apexus | 340B Prime Vendor Program | (888)340-BPVP | www.340BPVP.com

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Section B 3: Plan for Providing Value to 340B Stakeholders

The content presented at 340B University consists of information, tools, and practical experience from our faculty. Apexus leadership works very closely with HRSA to ensure that all materials are consistent with HRSA messaging; these materials are reviewed and updated at least monthly. The quality of the information Apexus provides is critical to the program success; we pride ourselves on having the agility to (b) (4) as HRSA clarifies policy. (b) (4)

A key to the success of 340B University can be attributed to the extensively vetted faculty members, who represent all stakeholder perspectives: 340B University faculty are "in the trenches" in their respective areas and can talk to attendees as peers. (b) (4)

Apexus is proud of the difference 340B University has made in the marketplace. Even as we have touched the lives of an impressive number of participants, our success is measured not solely in how many we teach, but rather by the results our instruction has on the ultimate integrity of the program. Noteworthy impacts of this initiative include the evidence that 340B University attendance is associated with a decrease in HRSA audit findings and sanctions. Entities report making changes to their program after attendance to address compliance, and entities describe additional program integrity benefits due to 340B University attendance. See Figures 31, 32, and 33, showing that 340B University attendance is associated with reduced audit findings, 340B University-inspired changes to practice, and participant feedback.

Figure 31: 340B University Attendance is Associated with Reduced Audit Findings (FY 2012 Audited Entities with Sanctions or Findings)

	340B U attendance prior to audit	No 340B U attendance prior to audit
Sanction Rate		(b) (4)
Finding Rate		

Section B 3: Plan for Providing Value to 340B Stakeholders

Figure 32: 340B University Attendance Results in Positive Changes to Covered Entity's Compliant Practices

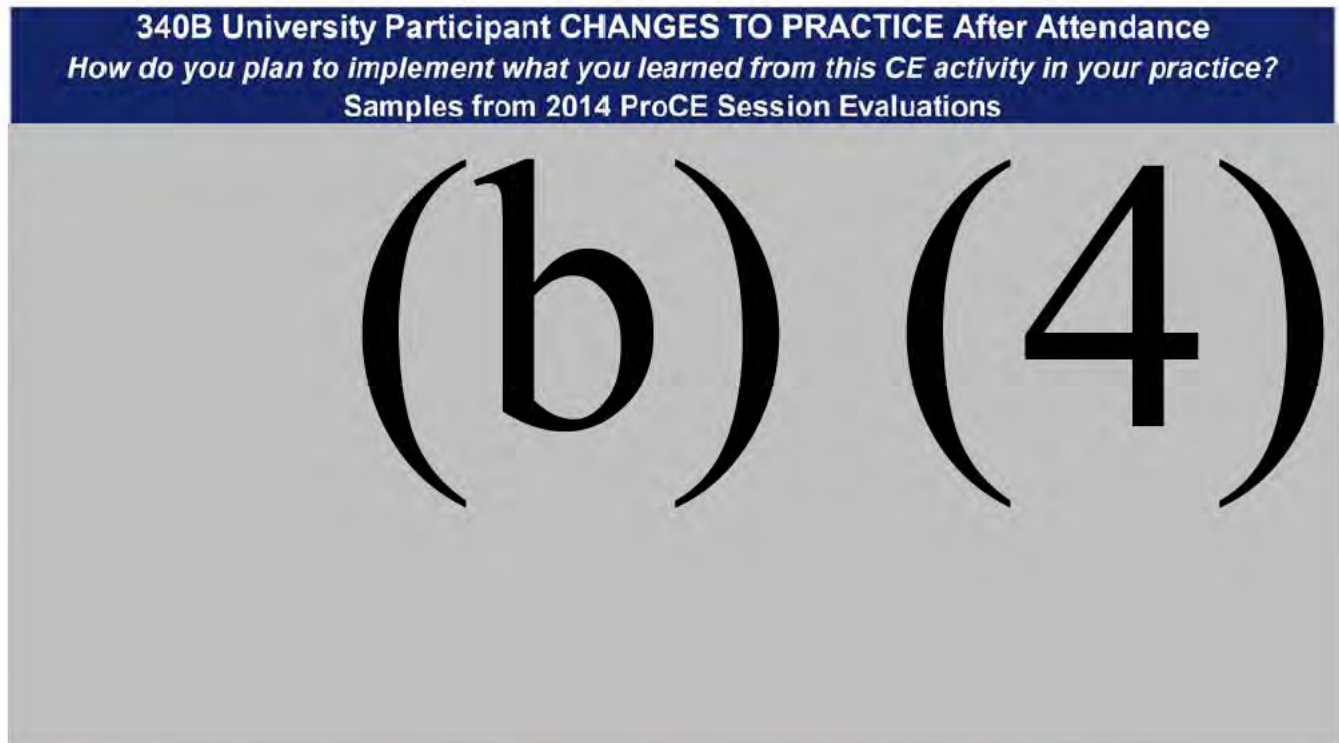
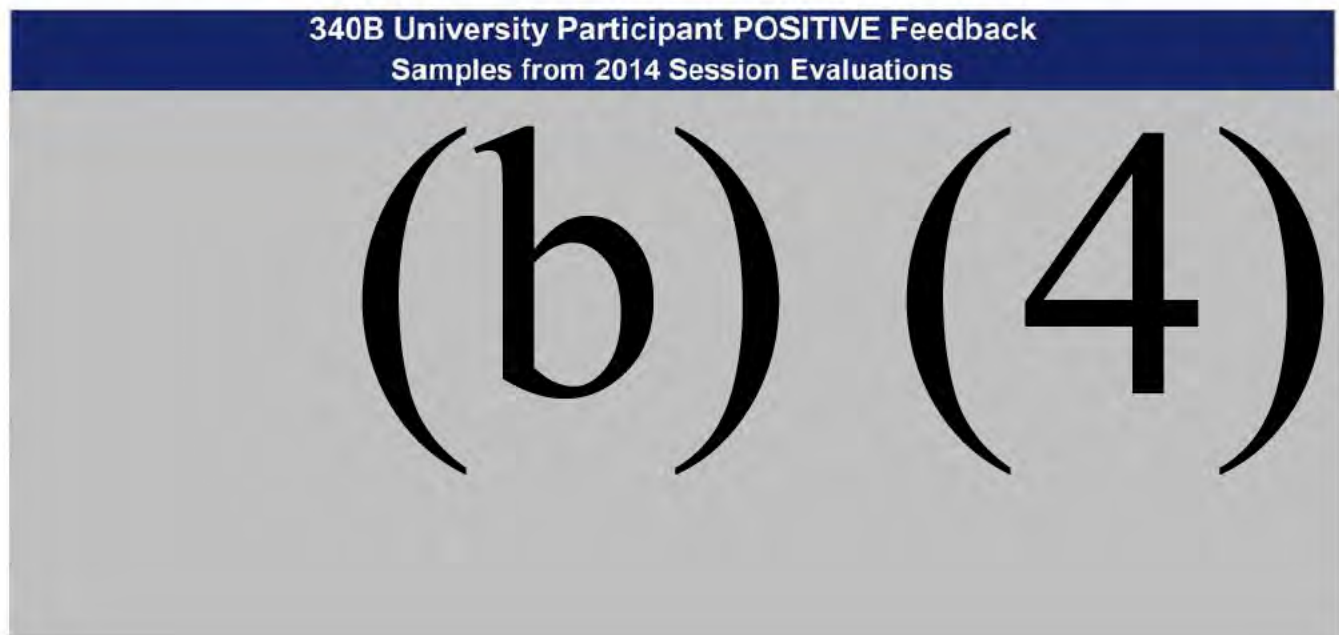


Figure 33: 340B U Participant Feedback Indicates Stakeholder Endorsement



Section B 3: Plan for Providing Value to 340B Stakeholders

HRSA elects to use this program to train HRSA staff, and Apexus has hosted 103 government employees since the inception of 340B University in the fall of 2011.

(b) (4)

Another initiative expected in 2014 is the launch of Apexus' 340B OnDemand series, an online program that will allow Apexus to reach virtually any willing 340B stakeholder with Internet access with a series of narrated modules about 340B-related issues. The content we incorporate into the OnDemand program will allow us to liberate time in our live sessions that had been devoted to didactic teaching of 340B basics. This will enable the live sessions to include even more tool application in place of the content that will be able to be mastered through the OnDemand series. Our live session attendees will then have the advantage of more time interacting with their peers learning to apply 340B-compliant practices in group discussion.

340B University OnDemand

The incredible success of live 340B University sessions was so significant that stakeholder demand quickly exceeded Apexus' capacity to supply live sessions. In 2014, Apexus began a strategy to take 340B education and training to virtually any willing learner, increasing the reach of the program integrity message and impact. 340B University OnDemand offers narrated PowerPoint and video-style learning, complete with self-quizzes for learners to check mastery of their knowledge. 340B University OnDemand was configured to enable Apexus to track exactly who watched each learning module, for how long, and how the learner scored on the knowledge checks. 340B University OnDemand provides limitless access to 340B information: Content, expert speakers, and time does not bind the delivery of information. OnDemand education enables the right person to select the right training at the right time. A sample of 340B OnDemand module is found here:

<https://www.brainshark.com/apexus/vu?pi=zHBzcbT2qzH7Mlz0>

Using current 340B content information gathered from HRSA, Apexus advisory councils, live 340B University sessions, Apexus Collaborative Education Sessions, and the Apexus Answers Call Center, Apexus staff identifies topics that are ripe for education and creates the learning modules internally. Apexus uses the Brainshark® software to create these modules, as it offers advantages over other software platforms that enable Apexus to maximize its resources. Brainshark® allows complete manipulation of content by Apexus staff, requiring minimal training for Apexus staff to operate the system. This allows the content experts to manipulate and organize the material into seamless presentations, which keeps the content accurate and untouched by those unfamiliar with the content. Brainshark® is so nimble that Apexus is able to modify modules within minutes to keep the content consistent with HRSA policy clarifications. As a result,

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identified best practices and lessons learned can be turned around from information gathered from the front line 340B program users and made available to every stakeholder in the country with Internet access, all in a matter of days.

The current and future modules in development are outlined in Figure 34. In 2015, a learning management system will be established to enable learners to work toward certification in basic 340B knowledge (b) (4) or a certification as masters of 340B knowledge (b) (4) (b) (4)

Figure 34: 340B OnDemand Curriculum is Extensive and Organized

340B OnDemand Live 340B University Curriculum to E-Learning	
Course Title	Content Components
The Top Five: 340B Basics	Intent of 340B Program Major 340B Stakeholders How to Participate in 340B How 340B PVP Supports Stakeholders Program Rules and How to Follow Them
Implementation: Operations and Inventory	Contract Pharmacy GPO Prohibition Rural Hospitals In-House Pharmacy
Medicaid / Duplicate Discounts	Win-Win Partnerships for Medicaid How to/Rationale
Audits and Dispute Resolution	HRSA Audits Manufacturer Audits Self-Audits/Self-Audit Tool Corrective Action Plan
340B OnDemand Tools and Resources	
340B for ...	C-Suite Medicaid Pharmacy Directors All Internal Staff
Website Tutorials	340B PVP Public and Secure sites HRSA/OPA Registration HRSA/OPA Recertification
Tools	Entity Tools 340B Compliance Self-Assessments Sample Policy and Procedure Corrective Action Plans
Industry Standards	HIBCC/HIN/340B WAC Activity Code Manufacturer/Distributor Issues

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Also noteworthy in Figure 34 are the 340B OnDemand Tools and Resources modules designed to assist stakeholders with training on the use of 340B PVP systems. For example, Apexus participants will watch modules to instruct them in the use of the Apexus website, Apexus secure reporting, secure contract pricing search, use of tools, and FAQ search.




340B University Tools

Perhaps the most impactful aspect of the Apexus 340B education strategy is the 340B program integrity tools that appear on the Apexus website for all stakeholders to use. Apexus has prepared more than 50 unique 340B University tools, categorized by content area and entity audience, to ensure that stakeholders have every opportunity to apply 340B knowledge to their real-world situations. A list of the tools, and a description of each, are given in Figure 35.

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Figure 35: 340B U: Tool Guide Demonstrates the Comprehensive Tools Available



340B University Tool Guide

A Summary of Tools and Resources

Purpose: The purpose of the 340B University Tool Guide is to provide a link to the most recent version of the tools, as well as a short description of each tool. Find the most recent version of our tools online:
<https://www.340bpvp.com/340b-university/tools-and-resources/>

Tool	Description
Standard Operating Procedures	
CHC 340B Comprehensive Policy and Procedure Manual	Provides an example of a 340B Policy and Procedure Manual that exhibits high program integrity, to assist participating Community Health Center (CHC) leaders in the preparation of a unique, site-specific, manual that supports placing compliant guidance/policy into practice
DSH 340B Comprehensive Policy and Procedure Manual	Provides an example of a 340B Policy and Procedure Manual that exhibits high program integrity, to assist participating Disproportionate Share Hospital (DSH) leaders in the preparation of a unique, site-specific, manual that supports placing compliant guidance/policy into practice
RURAL HOSPITAL 340B Comprehensive Policy and Procedure Manual	Provides an example of a 340B Policy and Procedure Manual that exhibits high program integrity, to assist participating Rural Hospital (Critical Access (CAH), Sole Community (SCH), and Rural Referral Center (RRC)) leaders in the preparation of a unique, site-specific, manual that supports placing compliant guidance/policy into practice
HEMOPHILIA TREATMENT CENTER 340B Comprehensive 340B Policy and Procedure Manual	Provides an example of a 340B Policy and Procedure Manual (P&P Manual) that exhibits high program integrity, to assist participating Hemophilia Treatment Center (HTC) leaders in the preparation of a unique, site-specific, P&P Manual that supports placing compliant guidance/policy into practice
FP Comprehensive 340B Policy and Procedure Manual	Provides an example of a 340B Policy and Procedure Manual (P&P Manual) that exhibits high program integrity, to assist participating Family Planning Entity leaders in the preparation of a unique, site-specific, P&P Manual that supports placing compliant guidance/policy into practice
Compliance Self-Assessment	
All Entities 340B Compliance Self Assessment Vendors	Enables 340B participating entity leaders to quickly assess the basic level of 340B program integrity contract pharmacy vendors will help the entity achieve, in select areas
CHC 340B Compliance Self Audit Process	Provides a sample internal audit process to assist participating Community Health Center (CHC) leaders in conducting a 340B data and transaction compliance self-assessment, to promote program integrity
CHC 340B Compliance Self Assessment Policy	Enables participating Community Health Center (CHC) leaders to determine a basic level of compliance for selected areas of their 340B pharmacy operations

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340B University Tool Guide

A Summary of Tools and Resources

Tool	Description
DSH 340B Compliance Self Audit Process	Provides a sample internal audit process to assist participating Disproportionate Share Hospital (DSH) leaders in conducting a 340B data and transaction compliance self-assessment, to promote program integrity
DSH 340B Compliance Self Assessment Policy	Enables participating Disproportionate Share Hospital (DSH) leaders to determine a basic level of compliance for selected areas of their 340B pharmacy operations
RURAL HOSPITAL 340B Compliance Self Assessment Self Audit Process	Provides a sample internal audit process to assist participating Rural Hospital (Critical Access (CAH), Sole Community (SCH), and Rural Referral Center (RRC)) leaders in conducting a 340B data and transaction compliance self-assessment, to promote program integrity
RURAL HOSPITAL 340B Compliance Self Assessment Policy	Enables participating Rural Hospital (Critical Access (CAH), Sole Community (SCH), and Rural Referral Center (RRC)) leaders to determine a basic level of compliance for selected areas of their 340B pharmacy operations
FP 340B Compliance Self-Assessment Policy	Enables participating Family Planning (Title X grantee) leaders to determine a basic level of compliance for selected areas of their 340B pharmacy operations
Other Tools	
340B Split Billing Comparison Chart	Spreadsheet allowing entities to rank important characteristics of split billing software and compare programs' alignment with entity priority characteristics
340B University Notes	Brief (1-2 page) summaries of 340B-related issues; contains over 50 different topics
340B Compliance for the C-Suite	Front/back summary of 340B Compliance issues relevant to executive leadership
340B and Medicaid	Front/back summary of Medicaid points of compliance
All Entities Getting Started with 340B Compliance	Provides a high-level summary of major points of 340B compliance; 340B eligible entity leadership may review this guide to provide an overview of requirements prior to the decision to register in the 340B Program
All Entities 340B Glossary of Terms	Defines terms used in the 340B Program
All Entities Self-Reporting Non-Compliance	Provides a comprehensive template that may be used entities to self-report 340B non-compliance to OPA and Manufacturers
Example Unbundled Trial Balance Sheet	Used when a hospital needs to document 340B clinic eligibility of separate clinics that are rolled up into one line on Worksheet A of the most recently filed cost report; the entity should submit a Trial Balance/unbundled listing that corresponds to the entity's Worksheet A listing
New Worksheet A	Example Medicare Cost Report Worksheet A, where entities locate reimbursable outpatient clinics (typically fall between lines 50-118)

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A Summary of Tools and Resources

Tool	Description
Worksheet C	Example Medicare Cost Report Worksheet C
Worksheet E	Example Medicare Cost Report Worksheet E
Worksheet S	Example Medicare Cost Report Worksheet S
Worksheet S-2	Example Medicare Cost Report Worksheet S-2
Policy to Practice: Physician Contracts	A sample entity approach, in place at a 340B hospital entity, regarding physician contracts and the 340B Patient Definition
Policy to Practice: Referrals	A sample entity approach, in place at a 340B entity, regarding referrals and the 340B Patient Definition
Summary: Orphan Drugs	Front/back summary of the Orphan Drug Regulation
Minimizing Unnecessary WAC Exposure	Strategies that hospital leaders subject to the GPO Prohibition (DSH, PEDs, CAN) have used to help minimize unnecessary WAC exposure
340B Acronym Guide	Defines common acronyms used in the 340B Program
Integrity Action Items (Hospitals subject to the GPO Prohibition)	A checklist of action items to conduct in order to promote 340B program integrity, specific to hospitals subject to the GPO Prohibition
Integrity Action Items (Hospitals subject to the Orphan Drug Exclusion)	A checklist of action items to conduct in order to promote 340B program integrity, specific to hospitals subject to the Orphan Drug Exclusion
Integrity Action Items (Non-hospitals)	A checklist of action items to conduct in order to promote 340B program integrity, specific to non-hospital entities
GPO Prohibition and Wholesaler Non-GPO Account Load Options	A tool to help hospitals subject to the GPO Prohibition understand which accounts their contracts can be loaded to

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HRSA, the Apexus advisory councils, 340B University faculty and attendees, and Apexus Answers all are sources of information for tool topic creation. Apexus then works with experts in a particular field to create practical and engaging tools. Apexus devotes time to live 340B University sessions in which the faculty gives an overview of a particular tool; then the tool is discussed in large or small group settings. These sessions are among the most engaging for attendees, and are consistently ranked high for attendee satisfaction. Apexus monitors the utilization of the tools by reviewing use statistics available through Coremetrics. This analysis enables Apexus to expand tools receiving high utilization and evaluate and reframe tools with lower utilization.

Apexus envisions that in the future, our tools will have the ability to support incorporation as part of a "corrective action education" plan for entities that have been audited and are required by HRSA to develop corrective action plans. Our vision includes the potential for HRSA to access our educational offerings to develop a customized education component (including 340B University live, OnDemand, and Tools) for each corrective action plan, based on the findings unique for the entity.

Apexus Answers Call Center

Apexus operates a high-quality call center staffed by (b) full-time employees (FTEs) who respond to approximately 1,500 inquiries a month via phone calls, email, and live chats. Apexus has always operated a basic customer service call center for its participants but, in late 2011, different types of 340B stakeholders began to recognize the knowledge that Apexus leadership offered. These stakeholders increasingly looked to Apexus leadership for detailed and trusted compliance guidance, as the Apexus staff members were regarded as accessible 340B experts. At the same time, HRSA was ending its call center, which was managed by a different contractor. Apexus recognized the priority that HRSA was placing on program integrity, and wanted to support HRSA's efforts. Apexus' response was to begin to put the resources in place to establish a call center capable of handling numerous inquiries, and in October 2012, Apexus Answers was formally launched.

Apexus Answers is responsible for two primary benefits to HRSA:



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(b) (4)

The cornerstone of the Apexus Answers Call Center is the quality, consistency, and HRSA alignment of responses. To accomplish this task, two factors are necessary:

(b) (4)

Each new FAQ is an opportunity for consistency and HRSA alignment of response, as well as efficiency of the call center to provide that response. A select group of FAQs appears on the Apexus website to enable stakeholders to have access to this consistent information at their fingertips. Per HRSA's direction, additional FAQs are available by contacting the call center directly, as certain topics require a complete history of the entity and situation in order to properly apply a particular policy. A summary of the categories of FAQs and the number of FAQs in each category appears in Figure 36. Details regarding how Apexus maximizes its resources and assists HRSA in learning about specific inquiries for HRSA to make general FAQs that help a larger audience appear in Figure 37.

Figure 36: 2012 Total Active Frequently Asked Questions, by Category Indicates the Volume, Organization, and Comprehensive Nature of the FAQs

FAQ Category	Total
340B Database Technical Assistance	(b) (4)
340B Price/Drug	
340B PVP	
340B University	
Contract Pharmacy	
Eligibility/Registration	
Medicaid	
Policy/Implementation	
Recertification	
Total	

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Figure 37: FAQ Creation from Call Center Inquiries

Specific Issue Presented to Call Center	Resulting HRSA FAQ generally applicable to broader audience
(b) (4)	

The FAQs form the basis of all call center responses, so it is critical that the FAQs are accessible to the call center staff, stakeholders, and HRSA. HRSA modifies these FAQs as policy is clarified, and Apexus (b) (4)

(b) (4)

Apexus carefully documents the status of all FAQs and requests for assistance from HRSA in answering inquiries. Apexus Answers call center staff are trained in all areas of 340B-related inquiries, but the front-line staff focuses on handling inquiries that are supported by FAQs. Approximately 15 percent of inquiries are not answerable by FAQ and must be escalated to either Apexus leadership, consultants with specific expertise who are retained by Apexus for call center support, and/or HRSA. Apexus and HRSA

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meet regularly to discuss challenging situations and opportunities for new FAQ development.

The outcomes of the call center on elevating program integrity have been profound:

- Call center users report improved program integrity as a result of their Apexus Answers experiences.
- HRSA receives timely, efficient, and organized presentation of solutions to marketplace challenges and opportunities for new FAQ creation.

(b) (4)

Apexus Collaborative 340B Educational Sessions

Apexus produces live 340B University events that are attached to other existing meetings, but we also take the opportunity to incorporate our leadership into existing live meetings. In 2014, Apexus speakers presented HRSA-aligned messages of program integrity at live meetings, webinars, and conference calls to audiences nationwide. This presence extends beyond our 340B University reach and allows us to customize material to reach often a very specific audience. The demand is great for our presence as a collaborator with these stakeholder meetings, as demonstrated by the requests we receive on a daily basis to have our leadership present at such sessions. Apexus staff work with these organizations to meet specific requests—for example, by providing a live speaker at an event. The common thread continues to be that when Apexus is part of the program, 340B integrity is improved.

In the future, Apexus plans to maximize its resources to improve program integrity by leveraging live-streaming technology. This will enable the appropriate Apexus speaker to provide expertise to many more meetings and, in many cases, reduce the expense and lost work time associated with travel. Although this solution will not be ideal for every circumstance, it would enable a few resources to be stretched further, reaching more stakeholders and having a long-lasting impact on program integrity.

(b) (4)

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(b) (4)

Technical Assistance to HRSA

(b) (4)

Pharmacy Flash

Apexus uses the emailed *Pharmacy Flash* monthly newsletter (See Figure 38) to reach (b) (4). Two years of historical *Pharmacy Flash* editions are available online to provide a repository of information for reference. The *Pharmacy Flash* has transformed over time from a brief way for 340B leaders to stay current, to a focused and trusted integrity-promoting news vehicle.

The *Pharmacy Flash* contains critical updates and information for a variety of stakeholder groups, including Apexus Announcements, Events and Webinars, Featured Articles, Integrity Tip of the Month, Government Policy updates, Industry News, and FAQs. The Integrity Tip of the Month, Featured Article, and FAQs are gathered from input from HRSA, 340B University attendees/faculty, and Apexus Answers; these pieces of information are important touch points each month for pharmacy leaders to keep their fingers on the pulse of 340B program integrity.

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Figure 38: The *Pharmacy Flash* Provides an Efficient Communication Platform for Apexus to Reach Stakeholders



The vision for the *Pharmacy Flash* includes altering the delivery mechanism from an emailed newsletter to a dynamic website. This will allow Apexus to push news updates in real time to followers via a variety of media (e.g., Twitter, LinkedIn, Facebook, email).

Contract News

Contract News is a bi-weekly e-newsletter sent to all 340B PVP participants to apprise them of what is new in Apexus contracting and distribution agreements. It includes topics such as contract announcements and updates, product additions, distribution updates and price changes. This communication update is restricted to PVP participants only.

Direct Email Communiques with HRSA Updates

HRSA relies on Apexus to share announcements and updates through email to 340B PVP participants. We provide (b) (4) for these messages.

Other Apexus Communication Channels

Apexus maintains an active presence on social media (Twitter, Facebook, LinkedIn); this is critical to be able to reach stakeholders, often by group, with targeted messaging or newsworthy items. In addition, Apexus relies on Salesforce membership data to construct group emails with timely 340B updates. HRSA continues to rely on the ability of Apexus to efficiently communicate information to stakeholders through its communication channels and, ultimately, to support 340B program integrity.

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340B Manufacturer Workgroup Participation

Apexus serves as an advisor to the drug industry-led 340B Manufacturer Workgroup, along with HRSA. Participation in this workgroup is critical for Apexus to stay informed on industry issues, as well as to bring truth and perspective to this group. The workgroup was organized to create a forum for HRSA, its 340B Prime Vendor, and drug manufacturers to jointly discuss operational challenges they encounter with the 340B program. Current examples of the issues the work group addresses include topics such as properly identifying 340B eligible covered entities in processing of chargebacks and minimizing duplicate discounts with Medicaid. The workgroup has improved communications between HRSA and the manufacturers and helped to improve program integrity.

Apexus 340B Implementation Managers

For several years, Apexus has been providing training and education for 340B implementation managers around the country, through relationships with various consulting organizations and GPOs. Apexus recognizes the importance for these “feet on the ground” to have current and accurate 340B information, as one 340B implementation manager may take program integrity messages to hundreds of clients. Covered entities are often short on resources and look to the 340B implementation manager to provide critical advice regarding program compliance. These implementation managers have relationships with Apexus leadership and access to the Apexus Answers Call Center, and Apexus routinely conducts webinars and live training sessions that are customized to this educating this audience. Apexus values the contributions implementation managers make to 340B programs around the country, and Apexus made the decision to hire two of its own pharmacist 340B implementation managers in 2014. Apexus 340B implementation managers will be trusted professionals that can deliver HRSA-aligned compliance messages to a large audience.

The implementation managers will spend at least 50 percent of their time traveling and will use the time spent at entities not only to help them apply 340B University compliance tools and conduct integrity risk analysis, but also to gather information to bring back to apprise Apexus and HRSA regarding current 340B operational practices. The 340B implementation managers will teach at 340B University, conduct regional workshops promoting 340B integrity on targeted topics, support the Apexus Answers Call Center by responding to escalated inquiries and identifying new topics for FAQs, develop 340B integrity tools, work with the Apexus contracting team to identify new products for contracting, and help inform HRSA of current 340B practices in the field.

The Apexus 340B Residency Rotation: Training the Next Generation of Pharmacy Leaders

Apexus has launched its 340B Residency Rotation, which is a postgraduate year 2 (PGY2) opportunity for pharmacy residents to spend approximately four weeks working with the Apexus leadership team. The resident receives training in operational, financial, regulatory, and supply chain management, as well as 340B compliance. The goal of the residency experience is twofold: (1) to educate new pharmacists in 340B-related issues,

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preparing well-versed, competent leaders who will manage 340B operations in the safety-net across the nation, and (2) to enable Apexus to have a fresh and current perspective from recent graduates on the services Apexus offers, in the hope of maximizing the value Apexus offers to its participants.

Apexus' first resident participated in several opportunities that supported both these goals. Apexus plans to build on the success of our first resident, and aims to build the capacity to host one resident per month moving forward.

State Medicaid Agency Initiatives

Apexus receives frequent requests to provide education and assistance to Medicaid agencies, manufacturers, and entities around the specific issue of duplicate discount prevention and Medicaid. Due to the high turnover in Medicaid agency staff and complexities inherent to the HRSA Medicaid Exclusion File, state Medicaid agencies are challenged to stay current with 340B policy. When Medicaid agencies do not have an understanding of 340B entities and how the state's policies affect entities, it is problematic for stakeholders. For example, entities suffer from inadequate reimbursement from Medicaid on 340B drugs, and entities and manufacturers may also suffer if the Medicaid agencies do not have policies in place to prevent duplicate discounts.

Apexus has chosen to fill the need in the marketplace to promote 340B program integrity by serving in an education and facilitation role. Apexus has contracted with a former Medicaid pharmacy director, and uses that consultant to begin conversations between entities and Medicaid agencies. Apexus has made it clear that our role is to provide unbiased, factual information, as well as data analysis when necessary. One particular area of focus for these discussions is to provide information and data to encourage win-win reimbursement discussions between entities and Medicaid. If entities use 340B for Medicaid, Medicaid saves money. If the state gives entities incentives to use 340B for Medicaid with enhanced reimbursement, the entities can better serve their patients. This win-win reimbursement strategy is currently being actively discussed with five states, but it is a slow process that may take years for the stakeholders to take action.

In the past two years, Apexus has participated in discussions in 19 states. Additionally, due to demand from all stakeholders, Apexus will offer its first Medicaid 340B University in August 2014. The attendees are expected to include approximately 30 state Medicaid pharmacy directors, and faculty that include 340B entities, HRSA leadership, Apexus leadership, and manufacturers. The agenda will be customized to the interests of this audience and be focused on promoting 340B program integrity in this emerging area of the marketplace.

Apexus has also begun to develop a 340B OnDemand module targeted to 340B entities regarding Medicaid, and a slightly different module using the same content but aimed at Medicaid pharmacy directors. These modules are expected to be released in the fall of 2014.

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- b. Plan for stakeholder education and support to provide technical assistance and training in alignment with 340B requirements, including number of stakeholders receiving such education and support

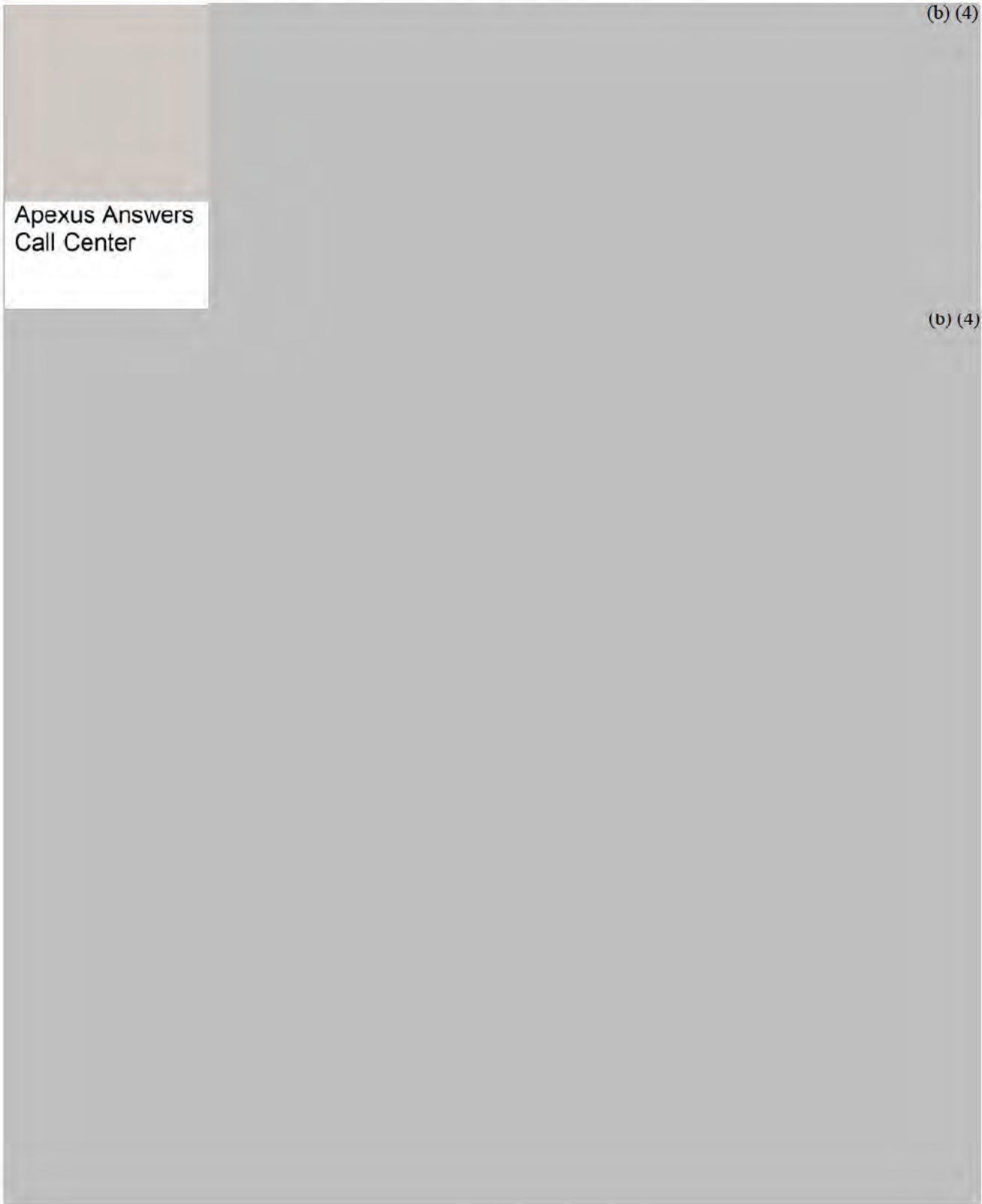
Apexus Response:

The plan for education and support to provide technical assistance and training in alignment with 340B requirements includes maintaining existing initiatives discussed in the preceding section, as well as the new initiatives summarized in Figure 39.

Figure 39: Plan for New Education and Support Initiatives

Area	Description of <u>new</u> education and support initiatives	Estimated number of stakeholders receiving education and support per calendar year
340B University		(b) (4)
340B University OnDemand		
340B University Tools		

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(b) (4)

Apexus Answers
Call Center

(b) (4)

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Technical Assistance to HRSA	Apexus plans to continue its regular meetings with HRSA and responsiveness to HRSA requests in the future.	N/A
<p><i>Pharmacy Flash</i></p> <p style="font-size: 48pt; font-weight: bold;">(b) (4)</p> <p style="text-align: right;">(b) (4)</p>		
340B Manufacturer Workgroup	Apexus plans to continue its regular involvement as an advisory member in the future.	N/A
Apexus 340B Implementation Managers	Apexus plans to hire two pharmacist 340B implementation managers, tasked with being the “feet on the ground” to visit different 340B entities and assist them as they attain 340B compliance. The 340B implementation managers will teach at 340B University, conduct regional workshops promoting 340B integrity on targeted topics, support the Apexus Answers Call Center by responding to escalated inquiries and (b) (4) (b) (4) develop 340B integrity tools, work with the Apexus contracting team to identify new products for contracting, and help inform HRSA of current 340B practices in the field.	5,840
Apexus 340B Residency Rotation	Apexus plans to build the capacity to host 1 resident per month in the future.	120 (one resident per month going back and educating at least 10 people at the resident’s main site)

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State Medicaid Agency Initiatives	Apexus plans to continue supporting entities and states as they work toward win-win reimbursement partnerships, Medicaid-focused 340B University, and Medicaid-focused 340B On-Demand modules.	~1,000
Total		Approximately 44,000

Apexus has maximized resources to improve service and value to 340B operations and program integrity in the areas of information technology and stakeholder compliance training. Apexus has established cutting-edge systems and services to respond to the common need among 340B stakeholders: a desire for accurate, timely, accessible, and trusted 340B-related data and information. These systems and services directly benefit HRSA and 340B stakeholders, and the ultimate result is powerful support for 340B program integrity. Apexus expects its plan for maximizing resources to further strengthen program integrity in the future, as Apexus continues to lead the marketplace and address compliance challenges with innovative solutions.

Section B 4: Plan for Providing Value to 340B Stakeholders

4. Efforts to Retain and Expand Participation 20%

This factor includes:

- a. Plan for retaining the member entities and their current distributors served by the previous HRSA Prime Vendor Agreement and increasing the participation of covered entities in the 340B Prime Vendor Program

Apexus Response:

Retention of Current Members

As the current Prime Vendor, Apexus represents (b) (4) percent of all 340B covered entities registered sites and what is estimated to be (b) (4) percent of all 340B purchase volume for the entire 340B program. Apexus' current authorized distribution agreements were recently renewed prior to the preparation of this solicitation and, assuming that Apexus is re-awarded the 340B Prime Vendor contract, all existing customers will be assured of no disruption in their current services. Apexus has spent the past 10 years developing the relationships and securing contracts with the majority of national, regional, local, and specialty distributions (See Section B.1) to ensure optimal access to 340B discounted drugs, pharmaceuticals, and supplies for its diverse group of participants. Apexus' breadth of distribution solutions and partners far exceeds any other purchasing program in the health care supply chain industry, with Apexus serving the entire diversity of 340B safety-net providers.

Increasing Participation: Membership—Automated Enrollment and Updates

Apexus has continued to increase the percentage of eligible 340B covered entities enrolled in the PVP by directly marketing the value of the 340B PVP to newly registered and yet-to-register sites. Apexus' membership team is responsible for sending electronic welcome letters along with promotional material discussing the value of the PVP to eligible 340B covered entities. The membership team does this on a quarterly basis once HRSA updates its database with newly eligible covered entities. It is important to note that 100 percent will never be attainable in the 340B program because many covered entity sites registered with the 340B program either do not order drugs directly or have yet to establish a pharmacy.

The invitation letter sent to covered entities encouraging their enrollment directs them to the Apexus website at 340BPVP.com (See Figure 40). The website enables the registered 340B covered entities to self-enroll their sites. Enrollees can save their enrollment data should they need to complete the process in stages. Enrollees authenticate submission of the participation agreement through an electronic signature process. The website's e-signature processes meet the guidelines set forth in the federal Electronic Signatures in Global and National Commerce Act (ESIGN Act) and the Texas Uniform Electronic Transaction Act (UETA).

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Figure 40: Website Page: Membership Enrollment

Home Partnering 340B University Resource Center News About Us Register Event Calendar

Register

Participation

INSTRUCTIONS FOR COMPLETING ONLINE APEXUS 340B PRIME VENDOR PROGRAM PARTICIPATION AGREEMENT

In order to complete this participation agreement, you must be actively registered with HRSA's Office of Pharmacy Affairs.

[Find your 340B ID Number\(s\) »](#)

There are three sections to the participation agreement:

- Terms and conditions language (read)
- Electronic signature section (authorized agent to electronically accept)
- Participant profile section (about your hospital/clinic)

In most cases, the online enrollment process should take approximately 10-15 minutes. Please make sure to fill out all required fields and once completed that you click on the submit button. Without submitting, we will not receive your information.

If you require additional information or assistance, please contact Apexus Answers at (888) 340-2787 or ApexusAnswers@340bpvp.com

[Begin the enrollment process »](#)

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1.888.340.2787
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[Chat Live](#)

(b) (4)

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(b) (4)

Increasing Member Value through the Website

(b) (4)

On the public section of the 340BPVP.com site, all 340B stakeholders have access to an event calendar, a suite of informational tools that are continually updated, archived publications, and more. Some examples include:

- 340B University information
- Knowledge tools to promote 340B compliance and integrity, including subjects such as GPO Prohibition, orphan drugs, or policy and procedure processes
- OnDemand tutorials
- *Pharmacy Flash* newsletter, providing industry news
- Institute for Safe Medication Practices (ISMP) newsletter
- HRSA Peer-to-Peer Webinar Information

Open Model for Distribution

Apexus has successfully negotiated agreements with national and regional distributors, enabling Apexus PVP participants to retain their current distributors or any other business relationships to efficiently access the program. Further, Apexus offers participants a choice of distributors to provide as much value to the members as possible;

(b) (4)

(b) (4)

If an entity currently uses a distributor that is not a PVP contracted distributor, Apexus is willing to extend an agreement to that distributor provided that the distributor is willing and able to comply with key terms and conditions of the Apexus 340B Authorized Distributor Agreement (Appendix I).

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See Section B.1 of this solicitation response to view a list of the distributors on contract through the 340B PVP and to learn more about the key advantages and value delivered to participants using Apexus' AD agreements.

b. Demonstrated commitment to excellent customer support

Apexus Response:

Each of the Apexus products or services listed in this section were developed to support our 340B PVP participants and demonstrate Apexus' commitment to providing excellent customer support.

Apexus Answers Call Center

Apexus operates Apexus Answers, a toll-free high-quality call center staffed by (b) (4). The customer service phone number is 888.340BPVP or 888.340.2787, staffed between the hours of 8:00 a.m. and 5:00 p.m. CT, with voicemail operations to address after-hours calls. In an average month, Apexus Answers responds to more than (b) (4) inquiries via phone calls, email, and live chats. The nature of the call determines whether the call can be answered at the time it is initiated or whether it needs to be escalated to an Apexus team member or HRSA for further research. Additionally, a separate customer service number is available to handle calls specifically related to technical issues with the PVP website.

All calls are appropriately logged and monitored to ensure timely follow-up. Apexus demonstrates a culture of customer service. Daily call center operations are monitored for effectiveness and completion of calls. Quality review processes are in place to evaluate the effectiveness and diligence of the staff in responding to the customer inquiries. In addition to tracking the daily operations of the customer service line, key performances are measured and reported within a dashboard report for all customer inquiries handled by the technical support team. Figure 41 gives an example of the dashboard report tracking key performance indicators.

Figure 41: Key Performance Indicators for Call Center

Key Performance Metrics
Total Interactions Offered
Average Speed of Answer (ASA)
Total Interactions Handled
Abandon Rate (Calls)
Service Level
Email Average Handle Time (h:mm:ss)
Survey Response Rate
Customer Satisfaction Rating

Section B 4: Plan for Providing Value to 340B Stakeholders

The Apexus Answers Call Center is a key driver of success for Apexus in connection to overall customer service and satisfaction. Quality, consistency, and HRSA alignment of responses is our focus. As indicated on the HRSA website, HRSA and its contracted 340B Prime Vendor are the only sources of information related to the 340B program that are verified and endorsed by HRSA.

Quarterly Customer Satisfaction Survey

A satisfaction survey is conducted quarterly, with each 340B PVP participant having an opportunity once a year to respond to the survey. The quarterly surveys (b) (4)

(b) (4) The survey has been designed to provide feedback regarding overall satisfaction of Apexus as the Prime Vendor, along with general features of the program, which include the following:

- Contracts on pharmaceuticals and other products
- Apexus staff
- Apexus Answers Call Center
- Website, including catalog, tools, and FAQs
- *Pharmacy Flash*
- Semi-monthly *Contract News* briefs
- Social media postings (LinkedIn, Twitter, YouTube)
- Education (340B University, OnDemand library)
- Other available resources

In each of the past five years steady progress with satisfaction scores was made, with a majority of participants rating their overall satisfaction with Apexus as either "completely satisfied" or "satisfied." Participants also frequently provided additional remarks about their appreciation for the service received from the Apexus team. An overall satisfaction performance threshold is established each year by Apexus management and the Advisory Board. (b) (4)

(b) (4)

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Figure 42: Overall Satisfaction with 340B Prime Vendor Program



Section B 4: Plan for Providing Value to 340B Stakeholders

Issues that are brought to light in the survey are addressed with the respondent during a follow-up call from the appropriate Apexus staff. The survey results and responses are used by the Apexus staff to make continual improvements to the PVP operations and systems as part of its annual strategic planning. Apexus will continue to conduct electronic PVP participant satisfaction surveys to maintain a benchmark for participant expectations and to assess our progress in meeting those expectations.

340B University and Ongoing Education

Education is a major emphasis for Apexus when driving customer value and support. Apexus' 340B University (fully discussed in section B.3 of the solicitation response) is an eight-hour, live, in-depth educational program designed to meet the practical needs of the 340B PVP participants and other program stakeholders. The 340B University program is different from other attempts at 340B education in the marketplace in that it presents a combination of stakeholder perspectives, but always aligns with HRSA policy.

In 2014 Apexus will launch Apexus' 340B OnDemand, an online series that will reach any willing 340B stakeholder with Internet access with narrated modules about 340B-related issues. The content we incorporate into the OnDemand program will allow us not only to liberate time in our live sessions that had been devoted to didactic teaching of 340B basics, but also to augment the sessions for specific audiences, such as the hospital executives, compliance officers, nurses, and discharge planners. Furthermore, this will enable the live sessions to include even more tool application driving compliance and program integrity in place of the content that will be able to be mastered through the OnDemand series.

Publications—Pharmacy Flash and Contract News (See section B.3.a.)

Monthly distribution the PVP *Pharmacy Flash* Newsletter to all stakeholders, which includes updates from the 340B PVP, HRSA announcements, access to the Institute for Safe Medical Practices (ISMP) Medication Safety Alert! Newsletter, and other industry-related news items of interest specific to the 340B stakeholders. Similar updates are provided within the announcements section of the *Contract News* update which is distributed solely to PVP participants since it communicates timely information regarding new contracts and confidential pricing.

- c. [Plan for establishing a customer consultation group\(s\) made up of selected representative member entities and organizations which support and promote the interests of covered entities to assist in the implementation of the 340B Prime Vendor Program and provide ongoing advice](#)

Apexus Response:

Customer Advisory Councils—Consultation Groups

(b) (4)

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(b) (4)

Apexus also establishes ad hoc councils as necessary to address identified short-term projects. Ad hoc working groups of participants have been formed to address the following projects in 2013 and 2014:

(b) (4)

(b) (4)

Section B 4: Plan for Providing Value to 340B Stakeholders

Hospital Advisory Council

The Hospital Advisory Council represents the largest subgroup of the PVP participants—in excess of \$5 billion in 340B program purchases. Formerly known as the DSH Advisory Council, it is the oldest and most established of the working groups, originally convened in September 2000. Today, the Hospital Advisory Council represents critical access, rural referral, children's, freestanding cancer, sole community, and disproportionate share hospitals. As the dominant council, the council comprises pharmacy leaders with broad geographic representation and affiliations. Representatives have access to multiple inpatient group purchasing organizations (GPOs), allowing Apexus to emphasize the PVP goal of remaining GPO neutral in the marketplace. Members of the council represent providers that are primarily medical teaching sites, large integrated delivery networks, or independent hospitals within a community and provide support to both large and small outpatient pharmacy operations. Most council representatives have significant experience in pharmaceutical contracting, purchasing, negotiations, and 340B pharmacy operations. Additionally, many council participants are actively serving on pharmacy and therapeutics committees within their safety-net institutions and are responsible for the overall policies and procedures for 340B program management and compliance. Some council members also serve as faculty of the 340B University.

(b) (4)

Community Health Center Advisory Council

(b) (4) advisory council for Apexus is the CHC Advisory Council. Community health centers serve the primary health care needs of more than 22 million patients in more than 9,000 locations across America. (b) (4)

(b) (4)

Title X Family Planning Clinic Advisory Council

For more than 40 years, Title X family planning centers have provided high-quality, cost-effective family planning and related preventive health services for low-income women and men. In 2005, Apexus created a Title X FPC Advisory Council to meet the needs of this small, but vital, safety-net provider group. (b) (4)

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(b) (4)



Hemophilia Treatment Center Advisory Council

The fourth council for Apexus is the Hemophilia Treatment Center Advisory Council, which is composed of leaders of hemophilia treatment centers (HTCs) that have blood factor delivery programs under Section 340B of the Public Health Service Act. (b) (4)

(b) (4)



Key Relationships with National Organizations

Apexus' collaboration with many national organizations representing subgroups of 340B eligible entities is another example of success behind the increasing engagement of the 340B PVP. We have worked closely with the following organizations along with HRSA to support appropriate 340B educational programming at regional and national meetings and, in many cases, specifically to promote the value of the PVP:

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(b) (4)

- Alliance for Integrated Medication Management (AIMM)
- American Hospital Association (AHA); multiple state chapters

(b) (4)

- American Pharmacists Association (APhA)
- American Society of Health System Pharmacists (ASHP); multiple state pharmacy associations

(b) (4)

- Hemophilia Alliance (HA)
- HRSA-sponsored conferences for grantees (All Grantees Meeting, others)
- National Association of Community Health Centers (NACHC); multiple state primary care associations

(b) (4)

- National Association of Public Hospitals (NAPH)

(b) (4)

- National Family Planning and Reproductive Health Association (NFPRHA)
- National Pharmacy Purchasing Association (NPPA)
- National Rural Health Association (NRHA)

(b) (4)

- University Healthsystem Consortium (UHC)

(b) (4)

Additionally, because of our long-standing relationships with pharmaceutical manufacturers, distributors, government pricing consulting firms, 340B consulting firms, 340B software vendors, and other stakeholders, Apexus is sought after to serve as the leader for communication and education pathways for 340B program information and integrity solutions.

Section B 4: Plan for Providing Value to 340B Stakeholders

340B University Faculty

A key to the success of 340B University is to promote the interests of covered entities supported by an extensively vetted faculty, who represent all stakeholder perspectives. 340B University faculty actively practice in various 340B pharmacy operations and can speak to attendees as peers. Apexus leadership invests time in selecting and instructing these faculty members to deliver the 340B guidance shared by HRSA as the gold standard. Faculty members include HRSA staff, 340B entities and contract pharmacies from the HRSA Peer-to-Peer Program, suppliers, wholesalers, and consultants. Our faculty offer more than 100 years of collective experience. 340B University faculty are diverse and by rotating the faculty we ensure that each program is fresh and contains a balanced perspective from different stakeholders.

HRSA's Peer-to-Peer Program

Apexus is able to consult and partner with HRSA's recognized best practice sites in developing the 340B University educational content and tools for stakeholder use. Apexus also partners with the Peer-to-Peer Program in providing national webinars to all stakeholders regarding HRSA's interpretation of policy and how to manage 340B pharmacy operations.

- d. Proposed performance standards for covered entity enrollment, distribution services, drug price negotiation, stakeholder reeducation and support, data confidentiality, inclusion of other optional services and catalog items, and reports to HRSA

Apexus Response:

Apexus has established performance standards, reporting metrics and processes for all aspects of the day-to-day work of the Prime Vendor. These include the following:

Section B 4: Plan for Providing Value to 340B Stakeholders

Figure 43: Performance Standards

Performance Standards	Goal/Metrics
(b) (4)	

Section B 4: Plan for Providing Value to 340B Stakeholders

(b) (4)



Section B 4: Plan for Providing Value to 340B Stakeholders

(b) (4)

- e. Offerors shall demonstrate their ability to handle rapid expansion of services. This should include a description of all planned subcontractual relationships, including the dates they have been or are planned to be effective and operational

Apexus Response:

Apexus has demonstrated its ability to handle rapid expansion of services in its role as the 340B PVP. Apexus is always responsive to participants and HRSA urgent needs during (b) (4)

Examples of Apexus' responsiveness are listed in this section.

GPO Prohibition—WAC Accounts

(b) (4)

Section B 4: Plan for Providing Value to 340B Stakeholders

Call Center Implementation

In fourth quarter of 2012, Apexus was notified that HRSA would be canceling its contract with another vendor and moving its call center and database to be managed by Apexus.

(b) (4)



Ad Hoc Inquiries from HRSA

(b) (4)



Section B 5: Organizational Experience and Capabilities

5. Organizational Experience and Capabilities 15%

This factor includes:

- a. The experience, qualifications, and percent of effort for professional personnel assigned directly to work for the 340B Prime Vendor Program. This group should include all professional personnel and the Prime Vendor Principal Point of Contact and Agreement Director (which may be the same person). Experience and qualifications shall be demonstrated by providing a curriculum vitae/resume of the offeror's proposed personnel.

Apexus Response:

Apexus has a team of (b) full-time staff members, with a more than 160 years of combined 340B experience. All Apexus staff identified in the organizational chart in Figure 44 are 100 percent dedicated to the 340B Prime Vendor Program (PVP) operations. Apexus' staff members are trained and experienced to support hospitals, grantees, manufacturers, distributors, consultants, and other stakeholders associated with the 340B program (See Figure 45). Areas of focus include the following:

- Advanced knowledge of supply chain management
- Understanding of covered entities' grant requirements
- Understanding of large and small hospital outpatient pharmacy operations
- Knowledge of government pricing programs
- Knowledge of 340B rules and regulations
- Successful supplier contract and negotiation strategies
- Knowledge of inventory management techniques and challenges
- Use of effective marketing and education strategies
- Use of participant and vendor feedback tools and surveys to improve performance and outcomes

Section B 5: Organizational Experience and Capabilities

Figure 44: Organizational Chart

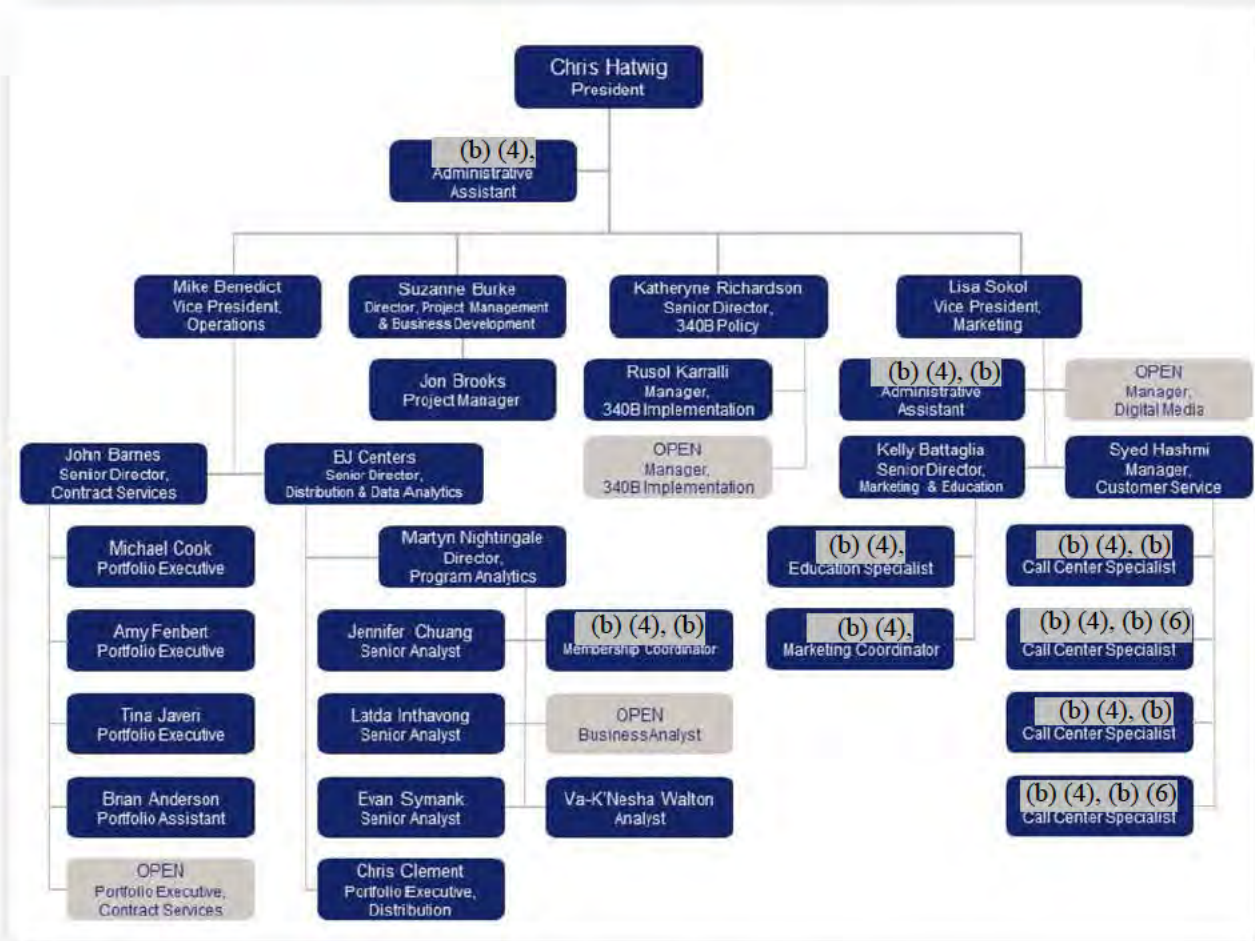


Figure 45: Relevant Experience

Employee	Title	Relevant Experience	Years	Allocation to Apexus
Chris Hatwig	President (340B PVP Point of Contact and Agreement Director)	Health care supply chain, pharmacy operations, 340B expert	29	(b) (4), (b) (6)
Mike Benedict	Vice President, Operations	Health care supply chain, pharmacy operations, 340B expert	25	

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Lisa Sokol	Vice President, Marketing and Customer Service	Health care supply chain, public relations, corporate communications, marketing and education	31	(b) (4), (b) (6)
Katheryne Richardson	Senior Director, 340B Program & Policy Analysis	340B policy expert, education, pharmacy consulting	20	
Suzanne Burke	Director, Project Management & Business Development	340B program management, managed clinical health care, supply chain and GPO operations	25	
John Barnes	Senior Director, Contract Services	340B contracting, health care pharmacy operations, inventory management	26	
BJ Centers	Senior Director, Distribution & Data Analytics	Health care supply chain, distribution, analytics, GPO and federal contracting	25	
Martyn Nightingale	Director, Program Analytics	GPO and 340B analytics	18	
Kelly Battaglia	Senior Director, Marketing & Education	340B marketing and events, training and development, and sales operations	15	
Michael Cook	Portfolio Executive	Health care supply chain, pharmacy operations, 340B contracting expert	31	
Amy Fenbert	Portfolio Executive	340B and pharmacy contracting, health care supply chain, hospital/ retail/GPO	24	
Tina Javeri	Portfolio Executive	340B and pharmacy contracting, long-term care pharmacy operations	20	
Chris Clement	Portfolio Executive	Distributor and generics contracting and monitoring	15	
Rusol Karralli	Manager, 340B Implementation	Field-based staff to provide direct support to customers in managing compliant 340B pharmacy operations	5	
Jon Brooks	Project Manager	Health care IT	20	
Brian Anderson	Portfolio Assistant	Health care finance and auditing	5	

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Jennifer Chuang	Senior Analyst	340B analytics, health care software training	5	(b) (4), (b) (6)
Latda Inthavong	Senior Analyst	Health care supply chain analytics	10	
Evan Symank	Senior Analyst	340B analytics	4	
Va-K'Nesha Walton	Senior Analyst	340B analytics and GPO supply chain	10	

(b) (4), (b) (6)

Bios of Apexus Team Members (complete curricula vitae are available upon request)

Christopher A. Hatwig, MS, RPh, FASHP, President

Christopher Hatwig, President of Apexus, has been responsible for strategic design and leadership of the HRSA 340B PVP since 2004. Mr. Hatwig is a nationally recognized subject matter expert in the areas of 340B, government drug pricing programs, and safety-net pharmacy practice. He is focused on the alignment of the 340B PVP with HRSA's Office of Pharmacy Affairs to educate stakeholders and improve the integrity and value of the 340B Drug Pricing Program for the nation's safety-net providers. Under his leadership, Apexus (HPPI at that time) was able to build the first successful 340B Prime Vendor model for HRSA that was capable of serving all eligible covered entities. The 340B PVP is a voluntary program, but now serves 83 percent of all 340B eligible covered entities and represents more than 96 percent of the 340B program purchases made by its participants. Mr. Hatwig provided the leadership and skills required to enable Apexus to secure the first sub-ceiling discounts on branded pharmaceuticals under the 340B PVP. Under Mr. Hatwig's leadership, the Apexus team collectively represents the 340B covered entities' purchasing volume in negotiating distribution and pharmaceutical agreements that provide improved access to discounted medications. In 2013, the program generated sub-ceiling savings of over (b) million, or an average savings of (b)

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percent below the federal 340B ceiling price on its contracted products.

Beyond contracting and program savings, under Mr. Hatwig's leadership, Apexus is recognized as the only source of information related to the 340B program that is verified and endorsed by HRSA. Mr. Hatwig conceptualized the 340B University at a time when there was a need for greater clarity and understanding of HRSA's interpretation of the program guidelines for all stakeholders. It was designed to provide direct support to HRSA in implementing its integrity initiatives. The 340B University held its first session in the fall of 2011. To date, almost (b) (4) stakeholders from across the country have participated in this live, in-depth, educational program designed to meet the practical needs of the 340B PVP participants and other program stakeholders. Further, when HRSA was discontinuing its call center managed by a different contractor, Mr. Hatwig secured additional resources within Apexus to ensure continuation and expansion of the service for all stakeholders. The call center was taken over by Apexus in October 2012 and is now handling up to 1,500 inquiries each month.

Prior to his experience at Apexus, Mr. Hatwig was Director of Ambulatory Pharmacy Services and Value Analysis Programs at Parkland Health and Hospital System in Dallas for 13 years, managing one of the nation's largest and more progressive ambulatory pharmacy programs serving low-income and uninsured patients. Additional responsibilities included handling Parkland's network of ambulatory pharmacies, which processed more than (b) (4) million prescriptions annually within a (b) (4) million operating budget. During his tenure at Parkland Hospital, the hospital played a leadership role in testifying before congress in support of the PHS Act, which established the 340B Drug Pricing Program.

Mr. Hatwig received his BS in Pharmacy from the University of Arkansas and completed residencies in hospital pharmacy and hospital pharmacy administration at the University of Wisconsin, culminating in a master's degree in hospital pharmacy. Mr. Hatwig is a Fellow of the American Society of Health-System Pharmacists (ASHP), the Academy of Managed Care Pharmacy, and the American Pharmacists Association (APhA). He is frequently consulted on how to maximize the benefits of the 340B program. He routinely makes national and regional presentations related to the 340B Drug Pricing Program, ambulatory pharmacy services, drug cost containment strategies, and 340B policy and procedure discussions for non-pharmacy audiences, to name a few.

Mike Benedict, RPh, MS, Vice President, Pharmacy Operations

Mike Benedict brings a wealth of leadership expertise and senior level business acumen to his role of Vice President of Pharmacy Operations at Apexus. In this executive position, Mr. Benedict is responsible for managing all third-party contractual relationships with suppliers, distributors, and other support entities. He is also responsible for information technology, analytical reporting, and systems and Prime Vendor data integrity and membership services. He is a faculty leader and facilitator for 340B University and is actively responsible for the leadership of Apexus' customer/advisory councils. Mr. Benedict is recognized as a subject matter expert in pharmacy practice management for safety-net providers.

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Before joining Apexus, Mr. Benedict was the Vice President of Health Enterprises Pharmacy Services, where he developed services for member hospitals including onsite and remote staffing services, 340B services, medication safety, and revenue cycle consulting services. Additionally, he has provided more than 25 years of pharmacy leadership in areas as diverse as disproportionate share hospitals, critical access hospitals, community health centers, school based clinics, jails, colleges of pharmacy, ambulatory pharmacy, and clinical services management.

Mr. Benedict received his BS in Pharmacy and his MS in Hospital Pharmacy Administration from The Ohio State University. He completed residencies in hospital pharmacy and hospital pharmacy administration at Mount Carmel Medical Center in Ohio. Mr. Benedict is an active member of ASHP.

Lisa Sokol, Vice President, Marketing and Customer Service

Lisa Sokol is an experienced business professional who brings vast knowledge and expertise to her position of Vice President, Marketing and Customer Service for Apexus. In this role, Ms. Sokol oversees marketing strategy and execution, brand awareness, customer communication, public relations, and education. In addition, she is responsible for the 340B University and the Apexus Answers Call Center.

During her career, Ms. Sokol honed her skills in various high-level positions focusing on corporate strategy, supporting tactics and flawless execution as well as comprehensive project management for various customer service and marketing initiatives. Prior to joining Apexus, Ms. Sokol served as Associate Vice President, Corporate Communications for FOJP Service Corporation, one of the largest insurance and risk management organizations in the country. Her health care background and experience have been obtained by holding executive positions within the group purchasing and supply chain industry for more than 25 years, most recently with Greater New York Hospital Association Ventures (GNYHA Ventures), an affiliate of Premier, Inc.

Ms. Sokol is a member of the American Marketing Association and Public Relations Society of America.

Katheryne Richardson, PharmD, Senior Director of 340B Program and Policy Analysis

Katheryne Richardson is Senior Director of 340B Program and Policy Analysis for Apexus. Dr. Richardson is responsible for the identification, management, and resolution of policy issues with HRSA, developing content and tools for 340B University, and providing communications governance for the Apexus Answers Call Center.

Having served HRSA and 340B program stakeholders for more than 14 years, Dr. Richardson is an authority in the areas of education and technical assistance for the 340B program and pharmacy practice management. Her ability to analyze complex situations quickly and provide accurate responses in one-on-one as well as large group settings makes her a sought-after faculty leader for 340B University and other speaking engagements. Dr. Richardson serves as the Apexus liaison on policy-related issues to HRSA, resulting in the creation and maintenance of more than 500 FAQs regarding

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340B compliance. Dr. Richardson also provides oversight for quality assurance processes for response content provided via Apexus Answers Call Center, and leads the team responsible for the escalation protocols established by the call center.

Prior to joining Apexus, Dr. Richardson worked with Pharmacy Services Support Center, a former contractor with HRSA, delivering 340B education and technical assistance. Dr. Richardson's clinical experience involves retail and hospital (DSH) pharmacy; her prior work involvement includes the Food and Drug Administration's Center for Biologics Evaluation and Research, the National Institute of Health Clinical Center Outpatient Pharmacy, the Centers for Disease Control and Prevention's Division of Healthcare Quality Promotion, the Department of Defense, and Management Sciences for Health.

Dr. Richardson received her BS and Doctor of Pharmacy degrees from the University of Kentucky, graduating summa cum laude. Dr. Richardson is a registered pharmacist in Florida and Virginia, and a member of ASHP.

Suzanne Burke, Director, Project Management and Business Development

Since 2006, Suzanne Burke, Director of Project Management and Business Development, has supported Apexus' IT initiatives for the 340B program. In her current position, Ms. Burke leads the strategic IT initiatives through IT governance, program management, and budget management.

Ms. Burke is deeply rooted in health care, specializing in information technology for more than 20 years. A certified project manager, Ms. Burke's background involves managed health care, clinical management, supply chain management, and the 340B drug program. Her areas of expertise include system implementation, software development, and business process re-engineering, as well as IT governance and program and project management. She successfully managed the implementation of several "cloud" software applications ahead of schedule and under budget to improve call center and contract operations for Apexus (Salesforce, Ariba, and Emptoris).

Prior to her arrival at Apexus, Ms. Burke was the Manager for Information Systems at Provista, where she was responsible for the management of application development, vendor management, and enterprise-wide application design and implementation from 1998 to 2003. Promoted to Director of Information Systems in 2003 for both Provista and Novation, Ms. Burke was primarily accountable for the planning, development, and management of strategic supply chain IT management solutions. Her responsibilities included strategic IT planning/control of a (b) (4) budget, IT governance, project management operations, project portfolio management, management of application development, system implementation, IT operations, and vendor management. Ms. Burke has similar work experience with additional health care industry leaders, including HCA, Cigna, and Baylor Healthcare.

John Barnes, MBA, CPM, Senior Director of Contract Services

With more than 25 years of experience in health care procurement, John Barnes brings a high-level expertise to his role as Senior Director of Contract Services for Apexus in the

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pharmaceutical, medical, surgical, and capital supply chain business segments. In this position, Mr. Barnes is responsible for developing market-competitive contracts for branded and generic pharmaceuticals and ancillary products, as well as peripheral services for more 340B covered entities enrolled in the 340B Prime Vendor Program.

Mr. Barnes honed his skills and sharpened his business acumen at various not-for-profit organizations, including Kaiser Permanente in California and Baylor Hospital and Parkland Health & Hospital System in Texas. At Parkland, he spent 15 years advancing his career through various assignments in inventory management, purchasing, and value analysis, served as chairperson of the product review and standardization committee, and facilitated the medical capital technology assessment committee.

Mr. Barnes has extensive experience in the U.S. pharmaceuticals industry, employing analytics and data management for designing and evaluating pricing strategies, developing financial models, and understanding drug pricing data sources as they relate to the 340B safety-net marketplace.

Mr. Barnes received his Bachelor of Business Administration degree from Northwood University and obtained an MBA from Northwood University's Richard DeVos Graduate School of Management. He is also a certified purchasing manager (CPM) through the Institute for Supply Management.

BJ Centers, Senior Director, Distribution and Data Analytics

BJ Centers is a recognized and reputable name in the health care-related industries with a vast array of knowledge, expertise, and experience in establishing and facilitating strong business relationships. For Apexus, he is responsible for the overall management of both the operations staff and analytics teams of the 340B PVP. He is held accountable for negotiating distribution contracts, analyzing impact, and managing all PVP distributor relationships. In addition, he directs value-added contracting strategies, including the Manufacturers Refund Program (MRP) and the Apexus Generic Portfolio (AGP).

Mr. Centers is adept at developing, mentoring, and leading pharmaceutical sales teams and managing drug facilities, operations, and supply chain best practices. He has a comprehensive background in negotiating national contracts and is a committed leader of the Continuous Quality Improvement (CQI) process and business culture.

Martyn Nightingale, Director of 340B Program Analytics

Martyn Nightingale is responsible for managing the analytics team for Apexus. In his current role, he directs his team to focus on the quality and accuracy of all data received from both internal and external sources, turning these data into meaningful reports for stakeholder needs and requirements.

Mr. Nightingale's background in information technology spans more than 27 years, with nearly 17 years specific to health care suppliers and providers. He has supported Apexus' applications since their inception, providing an in-depth knowledge of the 340B and Prime Vendor programs and initiatives.

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Before joining Apexus, Mr. Nightingale was employed by VHA, a nationally recognized network of community-owned health care systems, working in its technology development department and managing a team that was responsible for supporting several business units in managing their IT needs.

A native of England, Mr. Nightingale studied computer programming at a school near London.

Kelly Battaglia, Senior Director, Marketing and Education

Kelly Battaglia has a proven record of accomplishment as a strategic and innovative marketer, with emphasis on training and development, in the health care industry. As Senior Director of Marketing and Education, Ms. Battaglia is responsible for the company's digital marketing strategy, education and awareness, as well as the development and optimization of 340B University and 340B University OnDemand.

Ms. Battaglia's background in adult learning and on-demand communication technology has added tremendous value to the marketing team of Apexus. She was an early adopter and creator of web-based key messaging and branding templates, which will help augment the Apexus digital footprint in the future.

Before joining the Apexus leadership team, Ms. Battaglia held the position of Director of Marketing at MultiPlan, the nation's oldest and largest independent PPO network. Ms. Battaglia has also served in various marketing and communication roles with recognized industry leaders, including VHA Inc., where she was the Manager of Integrated Marketing Communication.

Ms. Battaglia received her BA in Economics from the University of Dallas, and her master's degree in Liberal Arts from Southern Methodist University. Ms. Battaglia is an active member of the American Marketing Association and the International Association of Business Communicators. Ms. Battaglia is also on the Board of Directors for the nonprofit Consumer Credit Counseling Service of Greater Dallas.

Michael Cook, PharmD, Portfolio Executive

Michael Cook joined Apexus in 2011 and currently serves as a Portfolio Executive for Contract Services. In his position, Dr. Cook negotiates and enforces contract terms for 30 plus contracts with brand, generic, and pharmacy service companies, as well as providing Level II 340B expertise to Prime Vendor Program participants through Apexus Answers. Additionally, Dr. Cook is accountable for the interface with the hospital advisory council, directing contracting activities. With his clinical knowledge, Dr. Cook is responsible for negotiating agreements with pharmaceutical manufacturers in both 340B and non-GPO areas to provide savings for covered entities.

Prior to joining Apexus, Dr. Cook held the position of Director of Pharmacy at Citizens Memorial Hospital. Dr. Cook provided oversight of pharmacy operations to health care systems that included an inpatient hospital, employee pharmacy, long-term care

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facilities, and clinics. During his time at Citizens Memorial Hospital, Dr. Cook improved processes for 340B purchasing, contract compliance, and inventory management. He also improved processes for medication safety and security through optimization of automation.

Dr. Cook received his BS in Pharmacy from Southwestern Oklahoma State University and his Doctorate of Pharmacy from Texas Tech University. Dr. Cook is an active member of ASHP and the American College of Clinical Pharmacy.

Amy Fenbert, Portfolio Executive

Amy Fenbert joined Apexus in 2012 as Portfolio Executive for Contract Services, managing the negotiation and administration of the branded and generic drug portfolio and specialty distribution agreements. Ms. Fenbert is responsible for maintaining the supplier relationship and handling the finance and forecasting of the contract portfolio to ensure budget adherence. Ms. Fenbert also serves as the primary liaison between the company's suppliers, distributors and other peripheral intermediaries and is the facilitator for the Title X/Family Planning Advisory Council.

Prior to joining Apexus, Ms. Fenbert worked for Premier, Inc., from 2005 to 2012 in various operations and contracting positions. During her tenure with this organization, Ms. Fenbert handled supplier education and training and served as the Contract Facilitator for Sourcing and Contract Management, ensuring tight governance of the contract administration process. Ms. Fenbert also managed member communication regarding program offerings, pricing changes, and managed product portfolios. Ms. Fenbert also spent 10 years working as a pharmacy technician, where she mastered IV and medication protocols.

Ms. Fenbert attended the University of Toledo and received her BS in Biology.

Tina Javeri, RPh, Portfolio Executive

As a Portfolio Executive at Apexus, Tina Javeri maintains 30-plus branded and generic supplier contracts. Ms. Javeri is a registered pharmacist with significant experience in managing pharmaceutical contracts through bidding or negotiating strategies, enforcing contract terms and conditions and conducting pharmacy product assessment and market research.

Ms. Javeri has more than 21 years of expertise in various segments of the pharmacy industry, such as long-term care, home infusion and compounding pharmacy. Her wide range of experience also includes eight years of service in the U.S. Navy, working in military hospitals and emergency rooms with direct patient care such as performing minor surgical procedures, administering vaccines, starting IVs, and dispensing medications. She was stationed at Great Lakes Naval Hospital, Illinois, and Pearl Harbor Medical Clinic and Camp H.M. Smith, Hawaii.

Ms. Javeri received her BS in Pharmacy from Drake University in Iowa. She is an active member of the Indian Pharmacist Association, ASHP, Texas Pharmacy Association, and the National Home Infusion Association.

Section B 5: Organizational Experience and Capabilities

Chris Clement, Portfolio Executive

Chris Clement is a recent addition to the Apexus team, bringing 13 years of in-depth wholesaler knowledge in his role as Portfolio Executive. As a generics expert in the health care industry, Mr. Clement is responsible for monitoring price competitiveness among contract portfolios and communicating directly with distributors.

Prior to joining Apexus, Mr. Clement built his career with AmerisourceBergen as a subject matter expert on the generic pharmaceutical marketplace, and field sales coach, trainer, analyst, and escalation contact. Mr. Clement provided leadership and guidance on multiple business transformation projects and consulted on the design of the company's proprietary SAP portfolio substitution module. His diverse background in the wholesaler industry gives him unique insight into the generics marketplace and in understanding the distributor/PVP relationship.

Rusol Karralli, PharmD, MS, Manager, 340B Implementation

Rusol Karralli recently joined Apexus as a 340B Implementation Manager. Dr. Karralli is responsible for educating administrators, directors of pharmacy, clinicians, and hospital executives on the value of the 340B program and Apexus, as its 340B Prime Vendor. She also educates stakeholders regarding 340B regulations, procedures, and operations to ensure compliance and program integrity. Specific areas of involvement include field-based customer support for 340B participants to identify targets of contracting growth opportunity through the prime vendor.

Dr. Karralli received a Doctor of Pharmacy and a Master of Science in Pharmacy Administration from the University of Houston. She completed residency rotations in hospital pharmacy and hospital pharmacy administration at Memorial Hermann Health System in Houston, TX.

Additional Support Services with Allocations to Apexus

(b) (4)

(b) (4), (b) (6)

Section B 5: Organizational Experience and Capabilities

Contractors and Consultants to Apexus



Figure 46 Apexus Contractors/Consultants

Apexus Contractors	Background/Experience
(b) (4)	

Section B 5: Organizational Experience and Capabilities

(b) (4)



Apexus' Advisory Board

Apexus has established an advisory board of independent experts with diverse backgrounds in health care supply chain management, pharmaceuticals, managed care, and 340B provider operations (See Figure 47). The Apexus Advisory Board members volunteer their time and provide Apexus' management with direction in establishing Apexus' strategic plan and priorities on an annual basis. The board supports Apexus by:

(b) (4)



Section B 5: Organizational Experience and Capabilities

Apexus Advisory Board meetings are held

(b) (4)

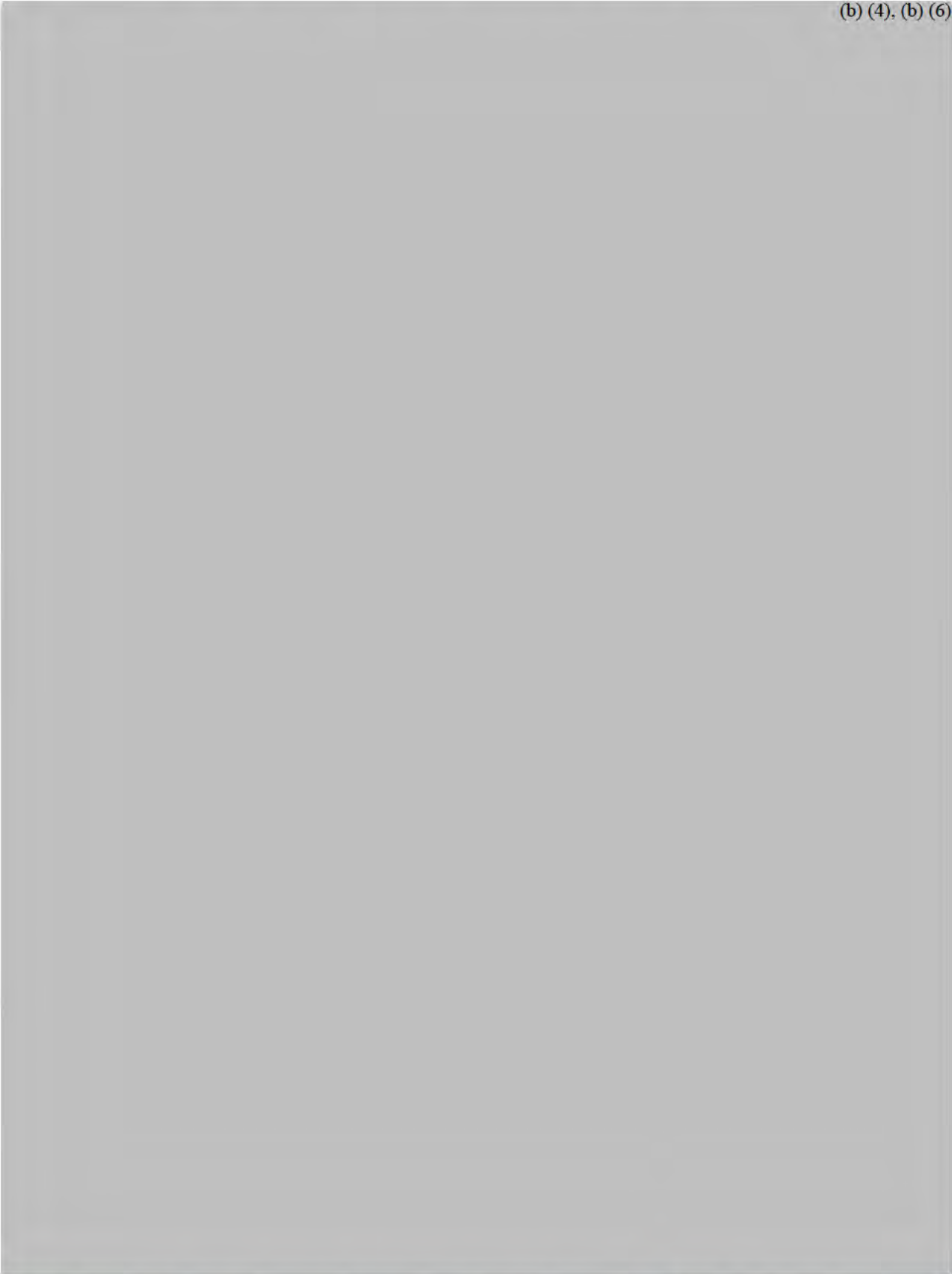
(b) (4)

Figure 47: 2013–2014 Apexus Advisory Board

Apexus Advisory Board Member	Background/Experience
(b) (4), (b) (6)	

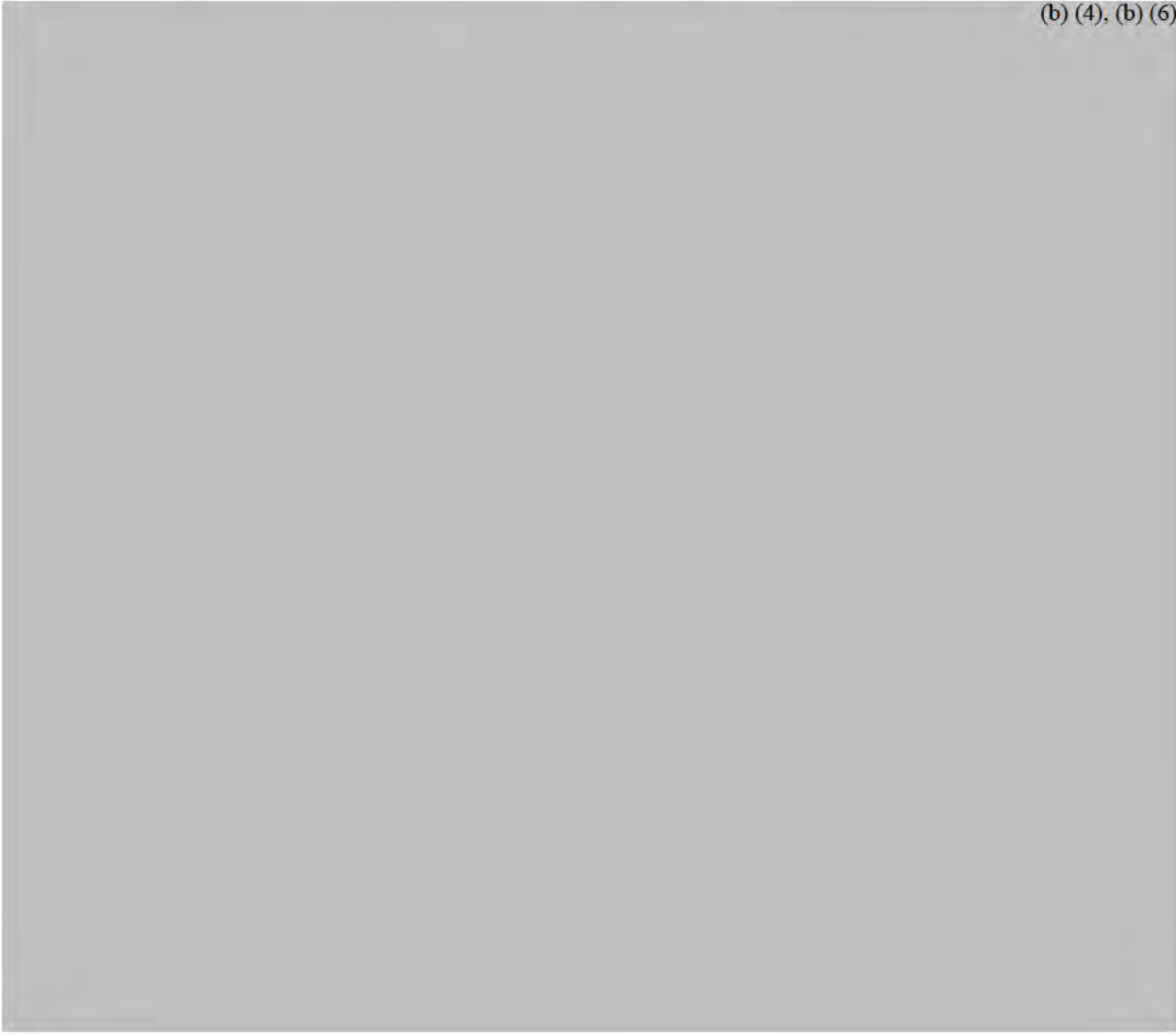
Section B 5: Organizational Experience and Capabilities

(b) (4), (b) (6)



Section B 5: Organizational Experience and Capabilities

(b) (4), (b) (6)



- b. Experience in providing prime vendor or similar services.

Apexus Response:

Experience as Prime Vendor

Apexus has now served for more than 10 years as the Prime Vendor, supporting an ever-increasing level of participation for all safety-net providers. We have established a successful single prime vendor model that works to develop optimal value to covered entities, HRSA, manufacturers, and distributors. Apexus is a dedicated and committed partner to HRSA and dedicates its resources to managing the 340B PVP. No other offeror can claim such experience or can demonstrate such a track record.

Section B 5: Organizational Experience and Capabilities

Apexus has been able to continuously reinvest in resources as a self-funded model. Apexus secures additional staff, or the development of new services, as required. The 340B PVP has become what it is today based on 10 consecutive years of investment and building of relationships with HRSA, pharmaceutical manufacturers, pharmacy distributors, and other stakeholders. There is no quick recipe for success that can be followed to emulate the services delivered today under the HRSA partnership with Apexus. Apexus has the dedication, the focus, and the relationships required to ensure the continuation of a successful 340B PVP and to expand on its existing service offerings in the next five years. Apexus has active contracts with national, regional, and local authorized distributors, giving entities choices. Apexus also possesses the expertise to negotiate discounts with branded and generic manufacturers and to address their complex government pricing inquiries. More recently, Apexus has become a leader in educating and training all 340B stakeholders on how to manage compliant 340B program operations. Apexus is a trusted and reliable partner of HRSA in its administration of the 340B Drug Pricing Program and its efforts to improve program integrity.

- c. Organizational structure, mechanism to service geographically dispersed entities, mechanism to effectively negotiate prices with large numbers of manufacturers, and physical plants and equipment

Apexus Response:

In the sections Distribution Services (B.1), Negotiation Services (B.2), and Organizational Experience and Capabilities (B.5) of this solicitation response, it has been established that the Apexus team possesses significant and proven experience in negotiating discounts for distribution services, sub-340B discounts on brand and generic drugs, sub-WAC discounts, and additional discounts on other value-added products and services accessed by the PVP participants.

Apexus has proven the ability to address the needs of all subgroups of covered entities through the direction of our customer/advisory councils that provide direct and ongoing feedback into the programs contracting strategy and portfolio of discounted products and services. Over the past several years, Apexus has pursued and maintained benefits by recruiting and negotiating with suppliers to provide additional discounts for hospitals (injectable oncolytics), health centers (diabetes meters/strips), Title X family planning clinics (oral contraceptives), hemophilia treatment centers (Factor VIII products), and, most recently, sub-WAC contracting related to the GPO Prohibition, (b) (4)
(b) (4)

A more thorough discussion of the Apexus contracting philosophy, strategies, and advisory councils can be found in Sections B.2 (b) (4) and Section B.4 (b) (4)

Section B 5: Organizational Experience and Capabilities

- d. In the case of a proposal that involves the participation of two or more organizations (including subcontractors), offeror shall include letters of intent which describe the relationship among the participants, including the authority of the lead organization to manage 340B Prime Vendor operations as a whole. If the proposal envisions the participation of other organizations in the future, it must address how they will be accepted and function within the overall concept.

Apexus Response:

Partnering for Enhancements

(b) (4)

Section B 6: Value of Additional Products and Services

6. Value of Additional Products and Services 5%

This factor includes:

- a. Lower cost products and services utilized by member entities other than covered outpatient drugs (e.g. vaccines, prescription vials, etc.)

Apexus Response:

Apexus provides additional value to 340B Prime Vendor Program (PVP) member entities by contracting for products and services that are outside of the 340B covered outpatient drug arena. Often, at the request of our council members, we learn of a need, and then find solutions to provide members access and discounts for optional products and services through our value-added portfolio.

One of the most successful programs in this portfolio has been the vaccine portfolio. Vaccines are categorized as biologicals, and therefore are not covered outpatient drugs. Apexus has provided substantial value through vaccine contracts for more than 10 years.

Apexus is able to save 340B PVP members the time and effort involved in additional contracting relationships by offering best-market pricing on other products such as prescription vials, diabetic meters and supplies, apothecary products, and other products used and sold by ambulatory pharmacies. In the women's health and Title X arena, Apexus contracts provide best-market pricing on items such as condoms and over-the-counter test kits.

Through Apexus strategic supplier contracts, ambulatory pharmacies (b) (4)

(b) (4)

- b. Other actions or services that bring additional value to 340B stakeholders and the Government

Apexus Response:

340B University

Answering a need to provide 340B education to help entities implement and maintain compliance, Apexus created 340B University, an in-depth educational program designed to meet the practical needs of the 340B PVP participants and other program stakeholders. Topics covered include 340B Basics, Pricing, Implementation, 340B and Medicaid, and Audit.

Section B 6: Value of Additional Products and Services

Learning Objectives

- Describe the history, intent, and statutory principles of the 340B program.
- Outline the process for addressing 340B policy and the maintenance of integrity of the 340B program participation.
- Describe the role of the manufacturer, distributor, Prime Vendor, and entity in 340B pricing integrity.
- List methods to optimize the value of the 340B PVP's products, services, and tools.
- Identify the roles and responsibilities of 340B implementation and monitoring that may be managed by a pharmacy technician.

Target Audience

- Pharmacists
- Pharmacy technicians
- C-Suite
- Compliance officers
- Finance staff
- Contracted pharmacies
- Industry: manufacturers, distributors, consultants
- HRSA, CMS and other government entities

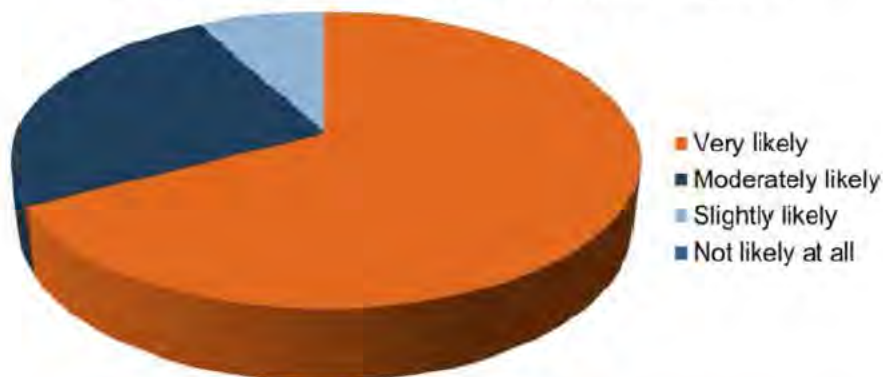
Almost 4,000 stakeholders have been reached at 25 different sessions of 340B University, in 16 cities across the country. That number is expected to top 5,000 by the end of 2014. (For more information about 340B University, please see section B.3)

340B OnDemand

In January 2014, Apexus surveyed its 340B University participants and found that 89 percent said they would be "very likely" or "moderately likely" to participate in 340B education offered online. Results are displayed in Figure 48 below. 340B University participants also responded with the 340B topics that are of interest to them.

Figure 48: Request for 340B OnDemand

89% of January 2014 University Attendees are Very Likely or Moderately Likely to Participate



Section B 6: Value of Additional Products and Services

Figure 49 shows the first module of 340B OnDemand, *The Top Five: 340B Basics*, was released in July 2014, with seven more modules to be completed by the end of 2014.

Figure 49: Top Five 340B Basics



<https://app.brainshark.com/apexus/TopFive340BBasics>

For delivery, Apexus is using the Brainshark cloud tool, which takes advantage of the power of the Internet to deliver education on demand. Because 340B is an organizational program, not just a pharmacy program, the educational content and website tutorials will include the 340B University live curriculum, along with advanced content for all stakeholders.

The online modules are developed with the adult learner in mind, and adhere to best practices in instructional design. Our robust, secure infrastructure is functional, scalable, reliable, and user friendly. The 340B OnDemand portal is organized by audience, and allows learners to self-enroll into the curriculum. Because guidance changes frequently, our modules are easy to update, and the new content will be available the next time someone accesses 340B OnDemand. Continuing education credits are planned for 2015.

Tools for Implementation and Compliance

Apexus provides 340B program integrity tools on the Apexus website for all stakeholders to use. Apexus has prepared more than 50 unique 340B University tools, categorized by content area and entity audience, to ensure that stakeholders have every opportunity to apply 340B knowledge to their real-world situations. Some sample tools include the following:

- Standard Operating Procedures
- Audit Preparedness
- 340B and Medicaid
- Minimize WAC Exposure
- Integrity Action Items

Section B 6: Value of Additional Products and Services

Many tools are entity-type specific, and are continually updated. For more information, please see Section B.3.a.

Cooperation with HRSA Peer-to-Peer Program

Apexus collaborates closely with the staff at the HRSA 340B Peer-to-Peer Program. Collaboration includes the following:

- Invitations to serve as faculty at 340B University, chiefly in these sessions:
 - Audit
 - In-House Pharmacy
 - Rural Hospitals.
- Apexus staff provides assistance with articulation of HRSA guidance with content review of webinar presentations.
- Apexus staff provides live chat and answers during webinars.

AIMM Collaborative for Patient Safety

Apexus has teamed up with the Alliance for Integrated Medication Management Collaborative (AIMMc) to assist 340B PVP members with their efforts to ensure that medications are used safely and effectively. The AIMMc is a powerful, team-based action learning collaborative that focuses on the integration of comprehensive medication management integrated into team-based care models.

For the past several years, AIMM has been working to expand and accelerate the scope of the Patient Safety and Clinical Pharmacy Services Collaborative (PSPC). The PSPC began in 2008 with funding from HRSA. As AIMM assumes the lead role in convening partners and teams in this transformative work, the name of the collaborative will transition from PSPC to the AIMM Collaborative. AIMM promotes a model of care that expands patient-centered, integrated team-based care to ensure that medications are used safely and effectively.

(b) (4)

HIBBC/HIN Collaboration

Apexus has worked with the Health Industry Business Communications Council (HIBCC), a nonprofit health care labeling standards organization, to create the Health Industry Number (HIN) activity codes for WAC accounts, to help entities comply with the GPO Prohibition rule. The HIN enumerates the ship-to locations of all types of health care facilities, including 340B entities and their contract pharmacies. WAC account records are represented as location records in the HIN facility database. In other words, it gives manufacturers insight into the specific address to which the drug is being delivered.

HINs are not required for an entity to participate in 340B, but the use of HINs facilitates business transactions of trading partners (manufacturers and distributors), resulting in

Section B 6: Value of Additional Products and Services

340B program integrity and transparency. HINs have specific enumerations that identify 340B entities and their contract pharmacies. Apexus created an OnDemand education module to help HIBCC educate entities about HINs and the WAC activity codes (Figure 50). This is a prime example of Apexus offering a value-added service to help support program integrity and operations in the marketplace.

Figure 50: 340B OnDemand—HIN



<https://www.brainshark.com/apexus/TopThreeHIN>

Manufacturer Refund Program

Apexus provides a value-added service to manufacturers, called the Manufacturer Refund Program (MRP), which facilitates the transfer of covered entity refunds from the supplier to the entity. Manufacturers sometimes have restatements in average manufacturer price (AMP) and, thus, 340B ceiling pricing. When this occurs, and the restatements show that the entity would have paid less over the applicable period had it purchased the listed products at the recalculated ceiling prices, the manufacturers must offer refunds to entities. The MRP process takes the cash payment from the manufacturer and redistributes it to covered entities through the use of distributor credits. If the covered entity does not have an active distributor account, Apexus will work with the covered entity to issue direct checks.

Shareback Program

In support of Apexus' commitment to bringing added savings and value to our 340B Prime Vendor Program participants, we created the Shareback Program, an annual voluntary distribution of funds by Apexus to eligible 340B PVP participating entities.

A participating entity is eligible for the shareback if it meets two criteria:



Shareback funds are applied as distributors credit to the participants' 340B PVP accounts.

Section B 6: Value of Additional Products and Services

Site Visits and Implementation Assistance

Launching in the third quarter of 2014, Apexus is bringing on board experienced, well-trained pharmacists to provide field-based support for 340B entities. These implementation leaders will work with 340B stakeholders in support of program optimization, compliance, and education. They will support self-audit practices to ensure compliance and 340B program integrity, and will participate in developing tools and resources for participating hospitals and clinics.

The implementation team will work closely with hospital executives, administrators, directors of pharmacy, and clinicians to support compliant 340B pharmacy operations while identifying strategies to maximize 340B program savings through medication use strategies. (b) (4)

(b) (4) the team members will also provide a closed-loop process providing valuable lessons learned from the field to Apexus staff.

HRSA Dashboard

(b) (4)

Apexus is committed to continually improving this data to assist HRSA with its insights into the program, in support of 340B program integrity. For more information about the HRSA Dashboard, please see section B.3.a.

Media Analysis

To help Apexus stay informed about 340B media coverage, we receive a weekly media analysis from the (b) (4) The 340B media analysis document includes a coverage overview of traditional media, including consumer and trade articles, as well as blog posts. There is a barometer of tone, as well as a list of the main drivers and spokespeople featured. (b) (4)

(b) (4)

Apexus Response: The terms and conditions in HRSA's Draft 340B Prime Vendor Agreement are generally acceptable to Apexus, subject to reasonable and mutually agreed upon modifications.

ATTACHMENT B
DRAFT HRSA 340B PRIME VENDOR AGREEMENT

THIS HRSA 340B PRIME VENDOR AGREEMENT (the "Agreement") is entered into by and between the Health Resources and Services Administration ("HRSA"), an agency of the U.S. Department of Health and Human Services ("HHS"), and _____, with primary mailing address _____.

WHEREAS, HRSA, Office of Pharmacy ("OPA"), administers the Drug Pricing Program established by Section 340B of the Public Health Service Act, as amended (42 U.S.C. 256b) ("340B Program");

WHEREAS, HRSA is the HHS agency with the delegated authority to sign the Pharmaceutical Pricing Agreement ("PPA") between participating drug manufacturers and HHS, as specified by Section 340B in order for manufacturers to provide covered outpatient drugs at or below the 340B ceiling price;

WHEREAS, HRSA is responsible for the establishment of a prime vendor program as mandated by Section 340B(a)(8) ("340B Prime Vendor Program"), under which the prime vendor (the "340B Prime Vendor") will develop, maintain and coordinate a program capable of distribution facilitation and other activities in support of the 340B Program;

WHEREAS, HRSA wishes to establish the 340B Prime Vendor Program via this agreement;

NOW THEREFORE, in consideration of the mutual promises contained in this Agreement, HRSA and _____ agree as follows:

1. 340B Prime Vendor Status and Responsibilities. Independently and not as an agent of the Federal Government, _____ will perform the 340B Prime Vendor services set forth in Section 1 and adhere to the other provisions set forth in this Agreement, in exchange for being designated by HRSA as the 340B Prime Vendor for the duration of this Agreement.

1.1 Distribution Services for all covered outpatient drugs shall be provided to member entities. In addition, other value-added catalog items may be offered to member entities. HRSA, in cooperation with other HHS components, will maintain a list of covered entities and their sites authorized to purchase covered outpatient drugs at or below 340B prices, as defined in Section 340B(a)(4). This list will be made available to the 340B Prime Vendor as a searchable database. For purposes of the 340B Program, covered entities are organizations that participate in the 340B Program and are listed on HRSA's public

Attachment B: Draft HRSA 340B Prime Vendor Agreement

database; whereas member entities are those 340B covered entities that participate in the 340B Prime Vendor Program.

- 1.1.1 Supply of covered outpatient drugs sufficient to their needs shall be available to meet the orders of member entities.
- 1.1.2 Equipment shall be provided by wholesaler-distributor sub-contractors, consistent with normal business practices, to each member entity, at no cost to the member entity, and appropriate for electronic order entry and inventory control. Maintenance of such equipment and appropriate training in its use shall be provided. A contact person with all related contact information must be provided in the event that additional instruction is necessary.
- 1.1.3 Fill Rate: Wholesaler-distributor sub-contractors shall provide next-day delivery for items ordered consistent with standard business practices, with the understanding that items ordered on a Friday shall be delivered on the succeeding Monday, with a fill rate that meets or exceeds current commercial standards in the drug distribution industry. The fill rate shall be individually calculated on a monthly basis for each member entity and a fill rate report will be provided to a member entity upon request.
- 1.1.4 Delivery is routinely required daily, Monday through Friday, to the delivery point established by the member entity facility's representative. Multiple delivery sites may be needed by member entities. Delivery shall be between the hours of 8:00 AM and 4:00 PM.
- 1.1.5 Emergency Delivery Service shall be provided by wholesaler-distributor sub-contractors, twenty-four (24) hours per day, seven (7) days per week. Delivery shall occur within six (6) hours of receipt of emergency order by the wholesale-distributor sub-contractor or be deemed a failure. Such failures will be included in fill rate calculations. Emergency delivery of covered drugs required in less than six hours in life threatening situations may be procured from other than the wholesaler-distributor sub-contractor, and will be exempted from this fill rate standard.
- 1.1.6 Back-Ordered Item: Member entities shall be notified, as soon as possible, of any manufacturer back ordered or canceled items. This shall free the member entity to seek the product from another source.
- 1.1.7 Substitution: The wholesaler-distributor sub-contractors may make brand or generic product substitutions within a therapeutic category only if the member entity concurs. Following notification by the chief pharmacist or designated representative of the member entity, the wholesaler-distributor sub-contractor shall honor all decisions regarding substitution.

Attachment B: Draft HRSA 340B Prime Vendor Agreement

- 1.1.8 **Expiration Date:** Any product bearing an expiration date/shelf life requirement shall have not less than six (6) months remaining upon delivery to the member entity. Notwithstanding the preceding sentence, products that are manufactured with less than a six (6) months expiration date/shelf life shall be delivered with the best available date.
- 1.1.9 **Returns:** The wholesaler-distributor sub-contractors shall be responsible for accepting returns, in accordance with applicable laws and regulations, for credit, at no charge to the member entity under the following conditions: (1) products shipped in error; (2) products damaged in shipment; (3) products with concealed shipping damages; (4) products that do not conform to the requirements in Section 1.1.8 above, unless otherwise authorized by the Chief Pharmacist of the member entity or designated representative; (5) recalled products, regardless of level of recall; (6) outdated products that were purchased from the wholesaler-distributor sub-contractor, are returnable to the manufacturer at a credit rate allowed by the manufacturer and are unopened; and (7) products which are no longer needed if they were purchased from the wholesaler-distributor sub-contractors, returnable to the manufacturer, and are unopened. Returned products shall be credited to the ordering member entity account.
- 1.1.10 Reports shall be provided to member entities, upon their request, such as standard industry drug purchasing shall be provided quarterly and utilization reports, as needed.
- 1.1.11 Annually convene customer consultation groups which are made up of select representative members which promote and support the interest of covered entities to assist in the implementation of the 340 B Prime Vendor Program. Provide feedback to HRSA on success of the program..
- 1.2 **Price Negotiation Services:** The 340B Prime Vendor shall directly provide price negotiating services in accordance with standard business practices with the purpose of providing all member entities the most advantageous sub-ceiling prices.
- 1.3 **Billing:** The 340B Prime Vendor agrees that the member entity shall be responsible for all payments for products and services provided by wholesaler-distributors. Under no circumstances will HRSA be responsible for such payments. The 340B Prime Vendor will not charge member entities a fee for enrollment or participation in the 340B Prime Vendor Program.
- 1.4 **Member Entity Contracts:** All 340B Prime Vendor contracts with member entities shall contain no terms and conditions that are inconsistent with the terms and conditions of this Agreement, the PPA, and Section 340B or its implementing regulations or guidelines.
- 1.5 **Implementation Plan:** The 340B Prime Vendor shall develop an implementation plan that addresses at minimum the following areas:

Attachment B: Draft HRSA 340B Prime Vendor Agreement

- 1.5.1 Communication – The 340B Prime Vendor must contact all covered entities to inform them of the new 340B Prime Vendor Agreement, how to participate in the 340B Prime Vendor Program, and the advantages of participation, within thirty (30) days of the effective date of this Agreement.
 - 1.5.2 Delivery – The 340B Prime Vendor must begin delivery of covered outpatient drugs to the member entity at or below the 340B ceiling price, within thirty (30) days after a covered entity has joined the 340B Prime Vendor Program.
 - 1.5.3 340B Program Policies and Guidelines – The 340B Prime Vendor must ensure that staff representatives and all subcontractors are knowledgeable in the policies and guidelines of the 340B Program and the 340B Prime Vendor Program. To facilitate the collection of purchasing volume data for all covered entities, agreements with sub-contractors must include provisions protecting the confidentiality of the covered entities' drug purchasing information.
- 1.6 Stakeholder Education and Support: The 340B Prime Vendor shall provide training and education opportunities to all 340B stakeholders. The 340B Prime Vendor and its wholesale-distributor sub-contractors shall also provide or make available toll-free customer service lines for all 340B stakeholders. Through this mechanism, the 340B Prime Vendor shall provide technical assistance to all stakeholders and shall promptly respond to inquiries within 3 business days. Information provided to stakeholders shall be verified and coordinated with OPA in order to maximize the value to stakeholders in meeting compliance requirements per HRSA policy.
- 1.7 Value to 340B Stakeholders: The 340B Prime Vendor shall provide a summary of and strategic plan of activities improved and level of support in the 340B Program the plan shall be included in the quarterly report
- 1.8 Reports: The 340B Prime Vendor shall provide:
- 1.8.1 Quarterly reports and an annual summary report to the HRSA Staff or Prime Vendor Coordinator including the following elements: (1) a summary of accomplishments for the previous quarter and program plans for the next quarter, including changes from previous reports; (2) selling prices to member entities for the current quarter, including changes from previous reports; (3) a drug distribution performance report for the previous quarter, including changes from the previous reports that includes fill rates, member entity total dollar sales, and other data, as prescribed by HRSA; (4) the results of sub-ceiling price negotiations, including changes from the previous reports; (5) other catalog products and services by selling price and changes from last report; (6) a summary of wholesaler audits conducted, including any findings and corrective action; (7) 340B purchases per covered entity at the drug level; (8) resource investment demonstrating additional value to the 340B Program and program integrity; (9) pricing discrepancy reports based on evaluation of pricing data in the market and (10) implementation plan .

Attachment B: Draft HRSA 340B Prime Vendor Agreement

This information shall be provided or made accessible electronically in a mutually agreed upon format with an appropriate security protocol.

1.8.2 Pricing integrity and discrepancy reporting: The 340B Prime Vendor shall work with HRSA to develop mechanisms to assess and validate pricing data and submit a quarterly Pricing Integrity and Discrepancy report.

1.9 Deliverables. The 340B Prime Vendor shall provide the following reports:

Deliverable Implementation Plan	Quantity 1	Due Date Within Thirty (30) days of Effective date of Award
Quarterly Report	1	Each quarter after agreement is signed
Plan to provide value to 340B Stakeholders	1	Each quarter after agreement is signed
Annual Report	1	One month after the end of the calendar year
Pricing Integrity and Discrepancy Report	1	Each quarter after agreement is signed
Standard industry drug purchasing and utilization report	1	Each quarter after agreement is signed
Plan to provide value to 340B Stakeholders	1	Each quarter after agreement is signed

1.9 Standards of Performance: The 340B Prime Vendor shall adhere to the following performance standards:

Performance Element	Performance Standard	Method of Surveillance
Distribution services		
Drug price negotiation		
Value Provided to 340B Stakeholders		
340B Prime Vendor		

Attachment B: Draft HRSA 340B Prime Vendor Agreement

Participation (including education/support)		
Value Added Products and Services		
Reports		

* These fields will be populated at time of award based upon the standards negotiated with the winning offeror. Higher standards will be considered in determining which offeror is of greatest advantage to the Government and will help in determining who receives an award

1.10 Incorporation of Proposal: The 340B Prime Vendor shall, in meeting the requirements of this Agreement, perform work in accordance with its proposal dated ____, which is hereby incorporated by reference into this Agreement. If there is any conflict between the provisions of the proposal and the provisions of this Agreement, the provisions of this Agreement shall control.

2. Promotion. HRSA will disseminate information about the 340B Prime Vendor Program to covered entities and encourage their participation in the 340B Prime Vendor Program.

3. HRSA Prime Vendor Coordinator. HRSA will designate a HRSA Prime Vendor Coordinator to provide guidance to the 340B Prime Vendor on how to improve services for covered entities. HRSA shall notify 340B Prime Vendor in writing when the HRSA Prime Vendor Coordinator has been designated. HRSA may change the Prime Vendor Coordinator at any time and will notify the 340B Prime Vendor in writing if such a change occurs.

4. No Expectation of Payment. The 340B Prime Vendor agrees that any services provided pursuant to this Agreement are provided without any expectation of payment from HRSA or any third party acting on HRSA's behalf, and the 340B Prime Vendor agrees that it will not seek reimbursement for performing such services. HRSA will have no financial liability to the 340B Prime Vendor. Nothing in this Agreement shall be deemed to be a commitment or obligation of Federal funds.

5. Term and Termination. This Agreement is effective upon execution by both parties and shall continue for five (5) years, unless terminated as set forth in this paragraph. This Agreement may be terminated by: (a) mutual written agreement of the parties, at any time; (b) HRSA, for the Government's convenience, at any time; (c) HRSA, if the 340B Prime Vendor has defaulted, 30 or more days after written notice of the default; or (d) HRSA, if the 340B Prime Vendor is unable to perform its obligations under this Agreement due to insolvency, bankruptcy, or other extraordinary business or financial situations. Any termination of this Agreement will be at no cost to HRSA.

6. Retention of Records and Auditing. The 340B Prime Vendor shall retain all records relating to compliance with this Agreement, including purchase transactions for

Attachment B: Draft HRSA 340B Prime Vendor Agreement

member entities and work papers developed for price negotiations, for 5 years after the term of this Agreement ends. These records shall be made available for examination by authorized HHS employees, including staff of HRSA and the Office of the Inspector General, or their designees.

7. Site Visits. HHS staff shall have the right to visit the premises of the 340B Prime Vendor and its wholesaler-distributor subcontractors during normal business hours, and to inspect relevant documents for the purpose of verifying vendor cost and ascertaining compliance with the terms of this Agreement. HHS staff shall give the 340B Prime Vendor or its wholesaler-distributor subcontractors at least 24 hours advance notice of any site visit. The 340B Prime Vendor must ensure that the substance of this clause is included in any agreements with its wholesaler-distributor subcontractors. HRSA will review, on an annual basis, the 340B Prime Vendor's performance and its ability to meet the requirements of the Agreement.

8. Compliance with Laws and Regulations. The 340B Prime Vendor represents and warrants that as of the date and for the duration of this Agreement, the 340B Prime Vendor and its wholesaler-distributor subcontractors have obtained, and will maintain, all necessary Federal, State and local licenses and permits required to conduct business in all applicable jurisdictions, and will comply with all applicable Federal and State laws and regulations. The 340B Prime Vendor shall provide timely written notice to HRSA of actions brought against the 340B Prime Vendor by any governmental agency, professional licensing or regulatory agency, or private party.

9. Rights in Data. HRSA shall have unlimited rights in data first produced in the performance of this Agreement and data delivered under this Agreement. The terms "unlimited rights" and "data" shall be given the same meanings as are given to those terms in the Federal Acquisition Regulation clause 52.227-14, Rights in Data--General (May 2014). In addition to the data specified elsewhere in this Agreement to be delivered, HRSA may, at any time during performance of this Agreement or within a period of 5 years after the term of this Agreement ends, order any data first produced or specifically used in the performance of this Agreement.

10. Indemnification and Hold Harmless. The 340B Prime Vendor shall indemnify and hold HHS harmless from any and all claims, losses, liabilities, costs and expenses (including, without limitation, attorneys' fees) arising out of the negligence or intentional acts or omissions of the 340B Prime Vendor, its employees, officers and directors, and its agents and wholesaler-distributor subcontractors, in performance of this Agreement. This obligation will apply during the term of this Agreement and thereafter.

11. Disputes.

(a) Application. The provisions of this section are distinct from the informal dispute resolution guidelines published in Manufacturer Audit Guidelines and Dispute Resolution Process, 61 Fed. Reg. 65412, December 12, 1996, the latter of which do not apply to this Agreement.

Attachment B: Draft HRSA 340B Prime Vendor Agreement

(b) Applicable Law. This Agreement is subject to 41 U.S.C. chapter 71, Contract Disputes. Except as provided in 41 U.S.C. chapter 71, all disputes arising under or relating to this Agreement shall be resolved under this clause. In interpreting 41 U.S.C. chapter 71, the term "claim" shall be given the same meaning as given to that term in Federal Acquisition Regulation clause 52.233-1, Disputes (May 2014).

12. Confidentiality.

(a) Confidentiality: The 340B Prime Vendor shall guarantee strict confidentiality of all information or data provided by the Government, member entities, or covered entities, relating to the 340B Program (including the 340B Prime Vendor Program). All 340B Prime Vendor staff and any subcontractor or consultant staff that are provided such information or data, including access to databases, shall sign a confidentiality agreement, and HRSA must approve the template for the confidentiality agreement. A copy of the signed agreement for each relevant staff member shall be submitted to the Prime Vendor Coordinator prior to receipt of relevant documents.

(b) Disclosure of information or data covered by this Confidentiality provision may only be made: after the 340B Prime Vendor receives prior written approval from HRSA; as permitted by the confidentiality agreement; or as required by a court order, law, or regulation, in which case the 340B Prime Vendor must give HRSA sufficient notice of the required disclosure to allow HRSA to obtain a protective order. If the 340B Prime Vendor is uncertain with regard to the proper handling of information or data under this Agreement, it must obtain a written determination from HRSA.

(c) The obligations in this Confidentiality provision shall apply during the term of this Agreement and thereafter.

13. Employee Conflicts of Interest. The 340B Prime Vendor shall maintain written standards of conduct governing the performance of its employees and subcontractors engaged in the administration of this Agreement. No employee, officer or subcontractor nor any member of his or her immediate family shall solicit nor accept gratuities, favors, or anything of monetary value from manufacturers or wholesalers. However, the 340B Prime Vendor may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The substance of this provision must be included in any subcontracts.

14. Miscellaneous.

(a) Authority to Bind. HRSA represents that the party or parties signing below on its behalf is or are authorized to bind HRSA to this Agreement. The 340B Prime Vendor represents and warrants that the party signing below on its behalf is authorized to bind the 340B Prime Vendor to this agreement.

Attachment B: Draft HRSA 340B Prime Vendor Agreement

(b) Governing Law. This Agreement shall be governed by Federal law. To the extent any term of this Agreement is inconsistent with Federal law or regulation, the applicable Federal law or regulation shall govern.

(c) Assignment. The 340B Prime Vendor may not assign this Agreement, or any of its rights and responsibilities under this Agreement, without the prior, written consent of HRSA, which may be withheld for any reason or for no reason at all.

(d) Amendment. Changes to substantive terms and conditions of this Agreement may be effected only by a written bilateral modification to the Agreement signed by both parties. Changes that are merely administrative and do not affect substantive terms and conditions to the Agreement may be made on a unilateral basis by HRSA. HRSA shall provide written notification of said changes to the 340B Prime Vendor.

(e) Relationship Between Parties. Nothing in this Agreement is intended to create an employment or agency relationship between the parties. Neither party shall be deemed to be an employee or agent of the other.

(f) Communications and Deliverables. Any written notice or communication pursuant to or regarding this Agreement shall be in writing. All notices, communications, or deliverables should be sent to the following:

Notice to HRSA:

Health Resources and Services Administration
5600 Fishers Lane, Room
Rockville, MD 20857
Attention: HRSA Prime Vendor Coordinator and HRSA Contracting Officer
(e-mail included at time of award)

Notice to 340B Prime Vendor:

Attention:

(g) Waiver. The waiver or failure of either party to enforce the terms of this Agreement shall not constitute a waiver of that party's rights under this Agreement with respect to any other violation.

(h) Force Majeure. Neither party shall be considered to have failed in the performance of this Agreement if such failure arises out of causes beyond the control and without the fault or negligence of the party failing to perform. The 340B Prime Vendor shall not be excused from strict compliance with this Agreement due to errors, omissions or failures by its subcontractors.

(i) Integration and Severability. This Agreement constitutes the entire agreement and understanding between the parties with respect to the subject matter hereof, and supersedes all prior agreements and understandings with respect to such

Attachment B: Draft HRSA 340B Prime Vendor Agreement

subject matter. If any provision is waived, illegal, invalid, or unenforceable, the legality, validity, and unenforceability of the remaining provisions shall not be affected.

(j) Counterparts. This Agreement may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which together shall constitute one agreement.

IN WITNESS WHEREOF, the duly appointed representatives of the parties have executed this Agreement as of the date(s) provided below.

[Entity Name] (340B Prime Vendor):

HRSA:

By: _____
Printed: _____
Title: _____
Title: _____
Title: _____
Date: _____

By: _____
Printed: _____
Title: Contracting Officer _____
Title: _____
Title: _____
Date: _____

HRSA:

By: _____
Printed: _____
Title: _____
Title: _____
Title: _____
Date: _____

Appendix I

Outpatient Drug Distribution Services

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Top Five Distributor Summaries

(b) (4)

Top Five Distributor Summaries

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Top Five Distributor Summaries

(b) (4)

Top Five Distributor Summaries

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2008 Annual Report



2008 Annual Report

340B Prime Vendor



2008 Annual Report

340B PVP - 2008 Annual Report

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Executive Summary

This 2008 Annual Report of the 340B Prime Vendor Program (PVP) sets forth an analysis and evaluation of the current achievements and successes the program in its fourth year of operation under Apexus (formerly HPPI's) management. The past twelve months marks the first full calendar year the PVP has been operating as Apexus, a wholly owned subsidiary of Provista. (b) (4)

(b) (4)

The report finds the prospects of the PVP in its current position are very positive with steady increases in membership, supplier contracting, and participant savings. In 2008,

(b) (4)

(b) (4)

This annual report demonstrates important insights into the experiences and successful outcomes this unique program brings to the safety net hospital and clinic covered

2008 Annual Report

entities. The research draws attention to the fact that the PVP continues to meet HRSA's contractual obligations and demonstrates upward mobility and growth year after year. As the Obama Administration pursues its health care agenda for future state, it is anticipated that the PVP will continue to meet evolving changes and challenges presented in 2009 and beyond.

Market Conditions

2008 Key Accomplishments

(b) (4)

Sincerely,

Christopher A. Hatwig, M.S., R.Ph. FASHP
Vice President
Apexus/340B Prime Vendor Program

Apexus Mission and Strategic Plan

Mission

Apexus leverages its unique purchasing power and expertise to deliver value which helps eligible health care and public service organizations to access unmatched savings and optimize performance.

2009 Key Areas of Focus

(b) (4)

In June of 2007, Apexus, a subsidiary of Provista was created. The primary role of Apexus is the management of the 340B Prime Vendor program for HRSA. Apexus has

(b) (4)

(b) (4) In 2008, Apexus has been tasked with developing new business opportunities by way of leveraging its unique purchasing power and expertise to deliver value and savings to healthcare and public service organizations. Some of the avenues being explored to accomplish this are:

(b) (4)

(b) (4)

Fiscal Year 2008 Accomplishments

Participation

In 2008, the Prime Vendor continued to show participation growth both from covered entities and suppliers. The charts below display the growth trend by entity type and what percentages of entities have joined the Prime Vendor.



2008 Annual Report

(b) (4)



Sub-340B Savings on Covered Drugs

The growth from participants and our contract portfolio added to the overall savings delivered by the program. The following table outlines the savings generated by the program over the last eight quarters with a breakdown of savings beyond the 340B ceiling price by entity type.

(b) (4)



2008 Annual Report

(b) (4)



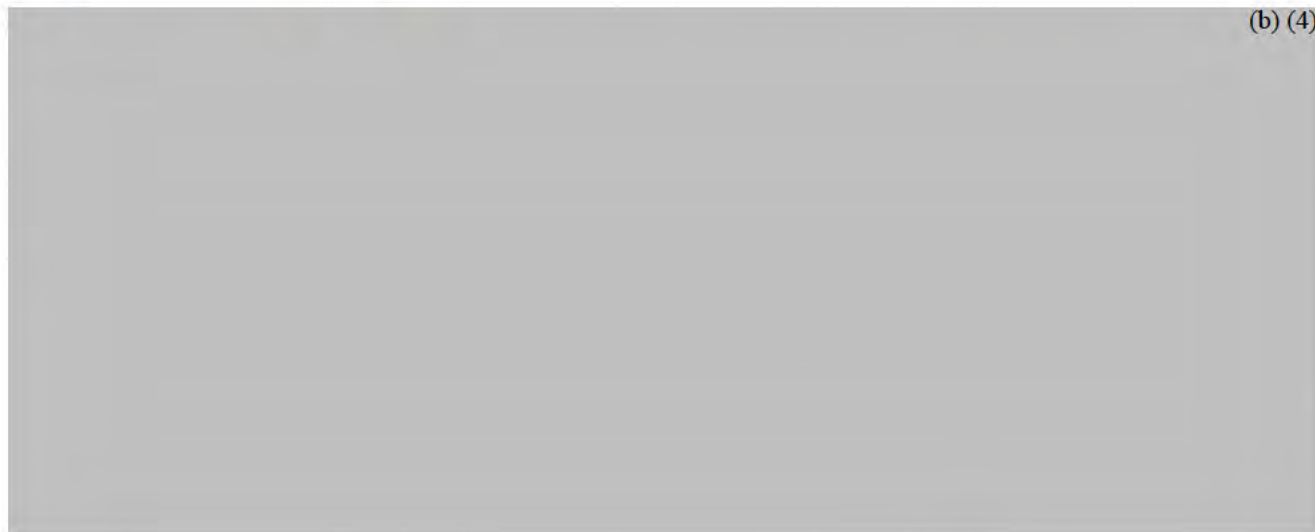
(b) (4)



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Savings

In addition to the savings generated by sub-ceiling discounts, Apexus also delivers value by (b) (4). In 2008, Apexus saved covered entities over (b) million dollars on (b) (4) with an average discount of (b) compared to average GPO pricing.



Distribution Agreements

A key component of the success of the Prime Vendor program is the ease of integration with a site's current distributor agreements. (b) (4)

(b) (4) Below is a listing of all of the PVP distribution agreements.

National Distributors

- AmerisourceBergen Corp.
- Cardinal Health
- McKesson Drug

Specialty

- R&S Sales
- ANDA (pending)
- Smith Medical Partners
- Curascript (Implanon)

Regional Distributors

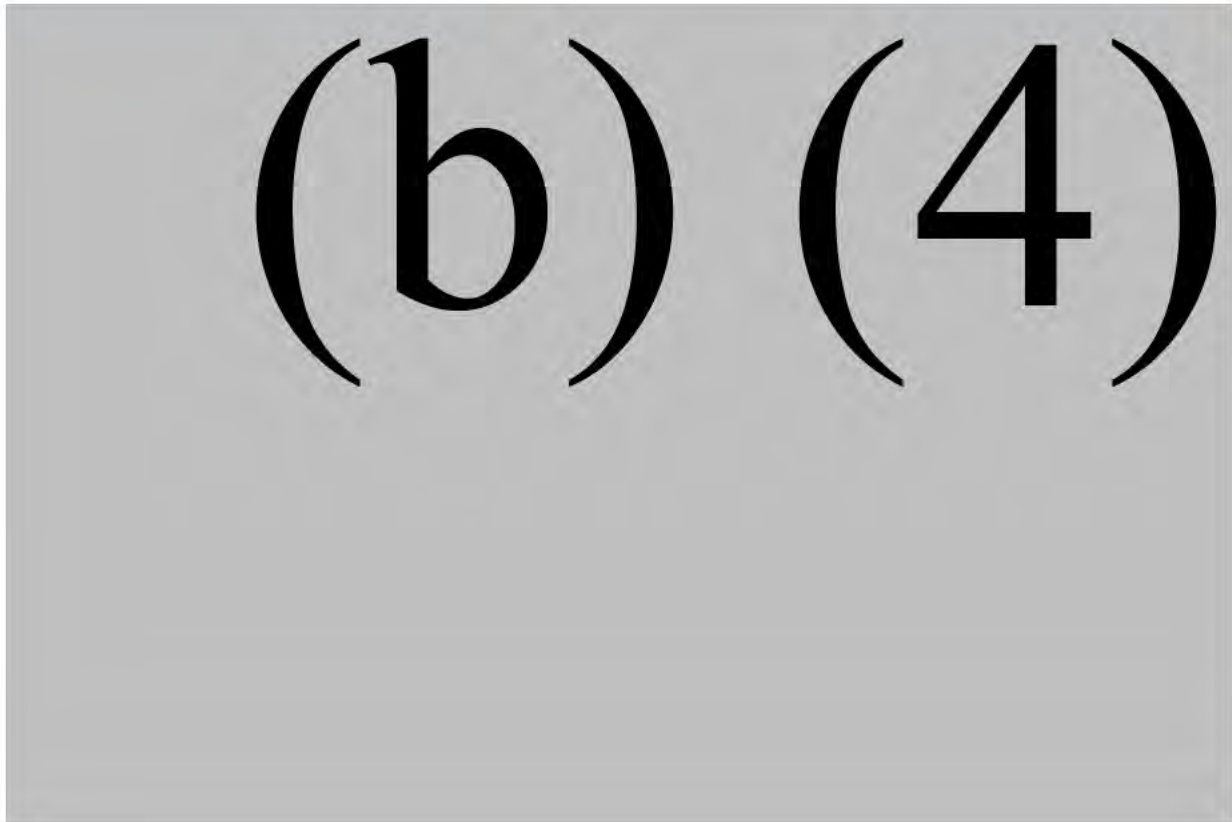
- Capital Wholesale Drug Co.
- H.D. Smith Drug Co.
- Kinray, Inc.
- (b) (4)
- Morris & Dickson, Co., LTD
- Mutual Drug Co.
- Rochester Drug Cooperative
- Dakota Drug

2008 Annual Report

Distribution Agreements

Below is a breakdown of the percentage of PVP participant sales by distributor.

Distributor Name	2008 340B/PVP AD Sales	Percent
(b)	(4)	
Totals	(b) (4)	100.00%



2008 Annual Report

Distribution Agreements

Below is a breakdown of the percentage of PVP participants by distributor.

Distributor Name	Percentage of PVP Participants
(b)	(4)
Totals	100.00%

(b) (4)

2008 Annual Report

Distribution Agreements

Below is a report of distributor annual sales by entity type.

Entity Group	Year	340B Sales Amount
CHC		(b) (4)
DSH		(b) (4)
FP		(b) (4)
HIV		(b) (4)
OTHER		(b) (4)
STD		(b) (4)
TB		(b) (4)

2008 Annual Report

HRSA Quarterly Report Summary

	2007 HRSA Reports - Recap	Q1 2008	Q2 2008	Q3 2008	Q4 2008	YTD
Report Name	Tab	Amount	Amount	Amount	Amount	Amount
Part I						(b) (4)
Part II						
Part III						
Part IV						
Part V						

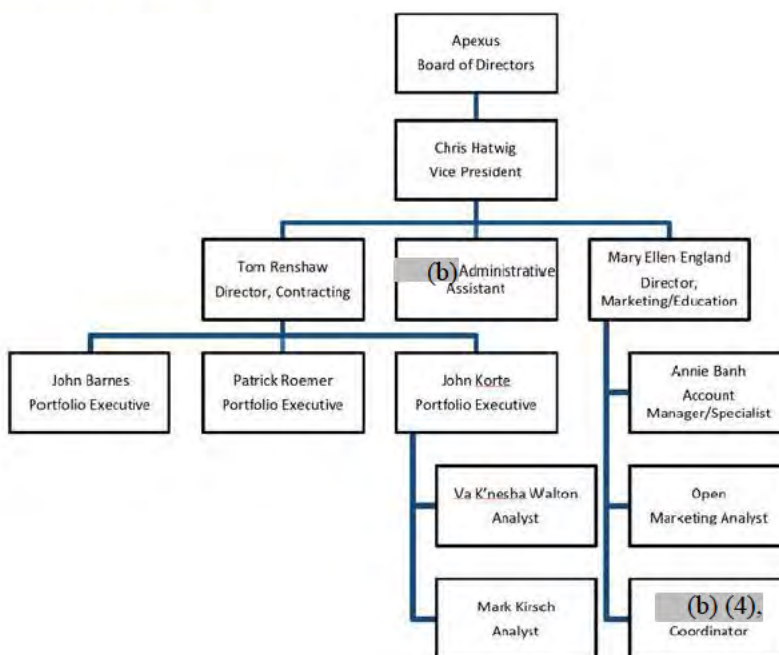
Apexus Shareback



2008 Annual Report

Staffing

Apexus Organizational Chart



Director of Contracting

In January 2008, a new Director of Contracting, Tom Renshaw R.Ph., was hired to [REDACTED] (b) (4). Tom has 20 years of experience in hospital pharmacy at a large DSH hospital. He has worked as both a clinical pharmacist and as an Associate Director during his tenure. In addition to his experience within the hospital, Tom is a Microsoft Certified Solution Developer with extensive IT knowledge. This combination of skill sets is well suited for the job as it is very data intensive and requires a good clinical background as well.

Director of Marketing and Education

In July 2008, a new Director of Education, Mary Ellen England, MS, RD/LD, was hired [REDACTED] (b) (4). Mary Ellen has 15 years of experience in the pharmaceutical industry as well as clinical experience within DSH hospitals as a registered dietician. Mary Ellen's experience in the pharma industry provides invaluable insight into contracting strategies. Her role as an educator brings clarity to many smaller entities that lack detailed understanding of the 340B program and the role of the Prime Vendor within it.

2008 Annual Report

Portfolio Executive

In July 2008, a new Portfolio Executive, Patrick Roemer, PharmD, was hired to focus on (b) (4). Patrick comes to Apexus from a hospital clinical pharmacy background. His recent clinical experiences in a hospital provide good insight into the current problems facing hospitals in today's economic climate. Patrick will utilize this knowledge to help influence contracting decisions and help manage his section of the PVP portfolio.

Presentations & Publications

Apexus is involved in numerous 340B/ PVP presentations throughout the year. The following lists each of the presentations in 2008.

January	340B Coalition Winter Meeting - Exhibited, presented and marketed event to PVP suppliers - Long Beach, CA
February	HIGPA National Pharmacy Forum - Met with pharmacy committee and pharmacy forum steering committee, presented - Atlanta, GA
	Community Clinic Association of Los Angeles County - PVP and PSSC exhibited - Long Beach, CA
	Sparks Regional Medical Center (Ft. Smith, AR) - Presented educational session about the 340B program - Web conference
March	APhA Annual Meeting - PVP and PSSC exhibited, presented - San Diego, CA
	NACHC Policy & Issues Conference - presented, exhibited - Washington, D.C.
	Council Connections Annual Conference - exhibited - San Diego, CA
April	Texas Society of Health-System Pharmacists Annual Conference - Exhibited - Dallas, TX
	Iowa Nebraska PCA Conference - exhibited - Des Moines, IA
	National Family Planning and Reproductive Health Association Conference - help FP Advisory Council meeting, exhibited - Bethesda

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	PSPC Leadership Council - Bethesda, MD
	Mississippi PCA Conference - exhibited - Bay St. Louis, MS
May	Virginia CHC Conference - supplied PVP brochures for attendee packets - Norfolk, VA
	Ohio PCA - Series 1 of 3, 340B Program - Webconference
May	Northwest Regional Primary Care Association Spring Conference - exhibited, presented - Spokane, WA
	West Virginia Primary Care Association - conference call with Lisa Scarberry to discuss PVP marketing on Web site
	Pharmacy Purchasing Outlook - conference call with Francine Morgan to discuss presentation at annual conference in August
June	ASHP Summer Meeting - exhibitor, presenter - Seattle, WA
	New Mexico PCA Annual Conference - exhibitor - Albuquerque, NM
	Ohio PCA - Series 2 of 3, How to Start a 340B Pharmacy Program - Webconference
July	340B Coalition Summer Conference - co-sponsor, exhibitor, presenters - Washington, D.C.
	Florida Association of CHC Annual Meeting - exhibitor - Bonita Springs, FL
August	Ohio PCA - Series 3 of 3, PVP/Optimization - Webconference
	West Virginia PCA Annual Conference - exhibitor, presenter - Wheeling, WV
	Pharmacy Purchasing Networking Conference - exhibitor, sponsor PVP networking lunch, presenter - Las Vegas, NV
September	Medicaid Drug Rebate Program - presenter - Chicago, IL

2008 Annual Report

	<p>NACHC CHI - New Orleans, LA</p> <ul style="list-style-type: none"> • Presenter • Exhibitor • Sponsored networking for PVP suppliers/participants • Participated in PSSC focus group • CHC Advisory Council meeting
October	California PCA Annual Meeting - exhibitor, presenter - Ontario, CA
	Ohio Association of Community Health Centers' 2008 Fall Finance Conference - exhibitor, presenter - Columbus, OH
	NWRPCA CHAMPS - exhibitor - Denver, CO
	HIGPA International Expo - attendee, participated in Pharmacy Committee and Pharmacy Forum Steering Committee meetings - Orlando, FL
	Oklahoma PCA Annual Conference - exhibitor - Oklahoma City, OK
	Community Health Care Association of New York State Annual Conference - exhibitor - White Plains, NY
	PSPC Meeting - attendee - Rockville, MD
November	PharmTA meeting - attendee - Washington, D.C.
December	340B Workshop - host, educational program - Orlando, FL
	ASHP Midyear - exhibitor, round table host - Orlando, FL

Customer Satisfaction

The purpose of our surveys is to gather thoughts on [REDACTED] (b) (4)

[REDACTED] (b) (4)

Objectives

To determine:

[REDACTED] (b) (4)

Response Rate

In Q4 2008, [REDACTED] (b) (4) individuals received a link to an online survey via e-mail. [REDACTED] (b) (4) surveys were completed with a [REDACTED] (b) (4) response rate.

Key Findings by Objective

[REDACTED] (b) (4)

(b) (4)

Customer Satisfaction

(b) (4)

Overall Satisfaction with the 340B Prime Vendor Program

Converted
Mean

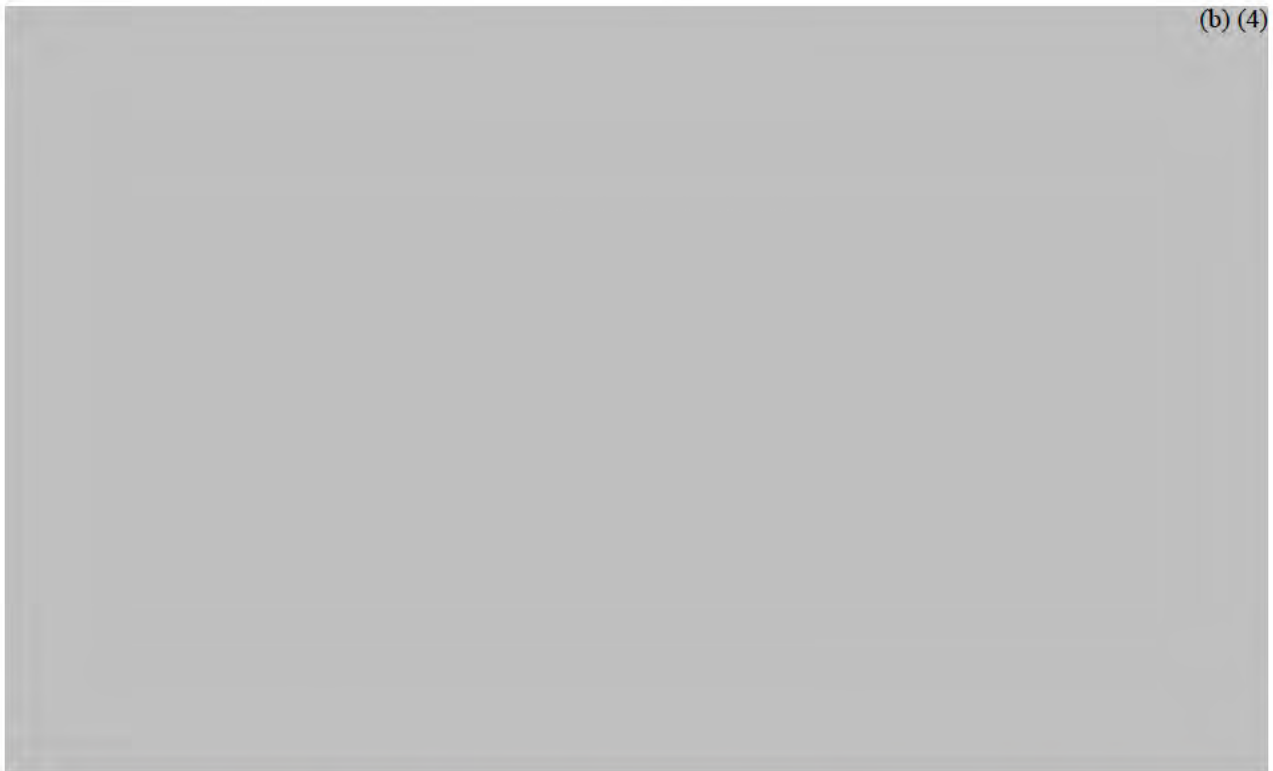
(b) (4)

[Redacted content]

Fiscal Year 2009 Goals



(b) (4)



(b) (4)

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(b) (4)



(b) (4)



Appendix IV

PVP Participant Agreement

Contents

PVP Participant Agreement..... 1

PVP Participant Agreement

APEXUS/ 340B PRIME VENDOR PARTICIPATION AGREEMENT

INSTRUCTIONS FOR COMPLETING AGREEMENT – MANUAL/HARDCOPY PROCESS

1. Make a second copy of this blank 340B Prime Vendor Participation Agreement – Pages 1 and 2
2. Complete the two copies of the Agreement, and submit both as originals with original signatures (person who has signature authority) on page 2
3. Complete the separate Participant Profile sheet (Page 3) for each 340B registered covered entity enrolling in the Prime Vendor Program or attach a separate listing of additional 340B sites.
4. Mail the two (2) original signed agreements including the Participant Profile sheets and any additional attachments you may have to the following address:

Apexus/340B Prime Vendor Member Services
Attn: 340B Prime Vendor
290 East John Carpenter Freeway, 4th Floor
Irving, TX 75062

Please Note: Upon validation of agreement and receipt at Apexus by 15th of the month are activated on the 1st of the following month. All completed agreements received after the 16th of the month are activated on the first of the next full month. Example: **Agreement is received July 1-15... your effective date is ...August 1st**
July 16-31...your effective date is ...Sept 1st

If you require additional information or assistance, please contact our Membership Services at: 1-888-340-2787 or visit our Web Site at www.340bpvp.com.

TERMS & CONDITIONS

Effective September 10, 2004 and as re-awarded as of September 10, 2009, the 340B Prime Vendor contract was awarded by Health Resources and Services Administration (HRSA) to Apexus, LLC, a Delaware limited liability company, to manage the 340B Prime Vendor Program. The 340B Prime Vendor Program managed by Apexus will be referred to hereafter as the "340B Prime Vendor".

This Agreement is made this _____ day of _____, 20____, by and between 340B Prime Vendor and _____ ("Participant Facility").

WHEREAS pursuant to § 340B of the Public Health Service Act ("§ 340B"), the Health Resources and Services Administration (HRSA) established the "340B Prime Vendor" (the "Program");

WHEREAS, the Program allows "covered entities" (as defined in § 340B) to purchase outpatient prescription drugs from suppliers and distributors (collectively, "Vendors") under agreements executed by the Program's Prime Vendor or its authorized designee as approved by HRSA;

WHEREAS, 340B Prime Vendor is authorized to directly or through its agents to execute 340B § Vendor Agreements (hereafter referred to as "340B Prime Vendor Agreements") with Vendors, pursuant to which Program Participant may purchase drugs under the Program ("340B Prime Vendor- Agreements"); and

WHEREAS, Participant is a "covered entity" for purposes of § 340B and wishes to have the option of purchasing outpatient prescription drugs under 340B Prime Vendor Agreements for dispensation to Participant's patients.

NOW THEREFORE, in consideration of the terms and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows.

- A. Participant hereby authorizes 340B Prime Vendor and its agents to act as Participant's contracting agent for purposes of the Program. Subject to Participant's proper and timely completion of any necessary enrollment or declaration forms, 340B Prime Vendor shall notify Vendors that Participant may elect to purchase drugs under 340B Prime Vendor Agreements. Participant recognizes that a particular Vendor may elect not to do business with Participant.
- B. The term of this Agreement shall commence on the date set forth above and shall continue for a period of one year, unless terminated earlier. The term of this Agreement shall automatically renew for additional one year terms, unless terminated earlier. This Agreement may be terminated by either party at will and without cause at

PVP Participant Agreement

any time, provided that the terminating party provides the other party with sixty (60) days prior written notice. [The effective date of program eligibility will be established for each program.]

- C. 340B Prime Vendor is authorized (but not obligated) to enter into 340B Prime Vendor Agreements (which may set forth some or all of the terms and conditions pursuant to which Participant may purchase items from Vendors) on behalf of, and as agent for, Participant. Nothing in such agreements shall, in any way, obligate the Participant to purchase, license or lease any drugs or other items or services from any Vendor. To the extent that Participant takes advantage of such agreements, Participant agrees to comply with the terms and conditions of such agreements. Additionally, Participant represents and warrants that it shall purchase items under 340B Prime Vendor Agreements for its "own use" only and in a manner that complies with applicable laws and guidance, including that such items be dispensed to Participant's patients only. Breach of the foregoing representation and warranty may result in immediate termination of this Agreement.
- D. Pursuant to the terms of certain 340B Prime Vendor Agreements, 340B Prime Vendor may receive fees from Vendors ("Vendor Fees") and furnish certain administrative and promotional services to Vendors. Vendor Fees shall be fixed at three percent or less of the purchase price of the drugs covered by the 340B Prime Vendor Agreement. 340B Prime Vendor shall provide Participant with an annual report setting forth the total dollar volume of Participant's purchases under 340B Prime Vendor Agreements and the Vendor Fees received by 340B Prime Vendor based on such purchases. If Participant has any questions concerning Vendor Fees in general or the Vendor Fee provisions of any 340B Prime Vendor Agreement in particular, Participant may contact 340B Prime Vendor.
- E. Participant represents and warrants that all times during the term of this Agreement, it shall (1) be a "covered entity" for purposes of § 340B and (2) comply with applicable federal, state and local laws. To the extent Participant receives discounts, rebates or any other price reductions as a result of purchases under a 340B Prime Vendor Agreement, Participant may have an obligation under federal or state law to disclose such price reductions to federal or state healthcare programs or other payers. Participant agrees to defend, indemnify and hold 340B Prime Vendor (and its directors, officers, employees and agents) harmless from any and all losses, damages and costs (including, but not limited to, attorneys' fees and expenses) incurred by 340B Prime Vendor on account of (1) any breach of this representation and warranty or (2) any action brought by a third party that is predicated on the reckless or negligent act or omission of Participant.
- F. 340B Prime Vendor, its directors, officers, agents and employees shall not be liable to the Participant for any act, or failure to act, in connection with the 340B Prime Vendor Agreements, including, but not limited to, any failure of a Vendor to furnish the drugs that it has agreed to furnish under any 340B Prime Vendor Agreement. Without limiting the generality of the foregoing, 340B Prime Vendor hereby disclaims and excludes any express or implied representation or warranty regarding any drugs or other items or services purchased under 340B Prime Vendor Agreements.
- G. Participant agrees that it will keep strictly confidential and hold in trust all "confidential information" of 340B Prime Vendor. Participant shall not (1) use such information for any purpose other than to effectuate the purposes of this Agreement or (2) disclose such information to any third party, without 340B Prime Vendor's prior written consent. For purposes of this Agreement, "confidential information" means all information relating to (1) the terms and conditions (including prices, discounts, rebates and the like) of 340B Prime Vendor Agreements, (2) the terms and conditions of 340B Prime Vendor programs, and (3) any other information relating to the business or operation of 340B Prime Vendor that is not readily available in the public domain.
- H. This Agreement may not be transferred or assigned without the prior written consent of both parties hereto, provided, however, that 340B Prime Vendor may assign this Agreement to any affiliate of 340B Prime Vendor without Participant's consent.
- I. Unless Participant's state law requires otherwise, this Agreement shall be construed under and governed by the laws of the state of Texas.
- J. The 340B Prime Vendor is authorized to enroll registered 340B covered entities listed on the HRSA's Office of Pharmacy Affairs Covered Entity Database. Participant hereby authorizes the 340B Prime Vendor to enroll all 340B covered entities into the 340B Prime Vendor Program that share the same HRSA Grant Number as their 340B facility listed on the Participation Profile Enrollment Sheet (Page 3 of this agreement). For purposes of this Section J, a "HRSA Grant Number" is a unique federal identifier assigned by HRSA for each grant issued to a registered 340B covered entity. As the 340B Prime Vendor, Apexus is required to provide HRSA with the Participant's purchase data from 340B Prime Vendor Agreements. Participant authorizes the 340B Prime Vendor to provide such purchase data to HRSA.

PVP Participant Agreement

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and delivered by their respective authorized representatives.

Name of Authorized Signer (Print Name): _____

Title: _____

Authorized Signature: _____

Date: _____

PVP Participant Agreement

PARTICIPANT PROFILE SHEET:

If multiple covered entity sites are eligible, you may attach a separate listing of those sites. However, we must have complete information on those sites such as entity names, addresses, contact names, DEA#'s, 340B ID#, etc...

PV PA Name: (enter your facility name):	
Address:	
City, State, Zip:	
Contact Name (primary):	
Contact Title:	
Contact Email Address: (receive important contract information)	
Contact Phone Number:	
*Pharmacy Contact Name: (alternate contact person within your organization)	
*Pharmacy Contact Title: (Job title of the person named above)	
*Pharmacy Email Address:	
*Pharmacy Phone Number:	
Authorized Pharmacy Distributor: required – must be a distributor listed at http://www.340bpvp.com/agreements/distributors/default.asp	
DEA: (Drug Enforcement Agency Number is requested for sales tracking purposes on outpatient Rx accounts)	
340B ID: As listed on HRSA OPA's public website at: http://opanet.hrsa.gov/opa/Login/MainMenu.aspx	
Group Purchasing Organizations (GPO): List any GPOs you belong to	

CONTRACT PHARMACY INFORMATION: The section below is for hospitals and clinics that have a contractual relationship with a retail pharmacy not owned by the covered entity. Contract Pharmacies must be registered with the Office of Pharmacy Affairs. **If you do not have a contract pharmacy relationship, leave this section blank.**

Contract Pharmacy Name:	
Contract Pharmacy Ship To Address:	
Contract Pharmacy City, State, Zip:	
Contract Pharmacy DEA:	
Contract Pharmacy Contact Person:	
Contract Pharmacy Contact Title:	
Contract Pharmacy Phone Number:	
Contract Pharmacy Email Address:	

* If you wish to add more than 2 contacts, list them on a separate page. Contact persons receive important program information electronically.

Appendix V

Advisory Councils

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Hospital Advisory Council Roster

Alliance	Term	First Name	Last Name	Title	Facility	City/ST
(b) (4), (b) (6)						

Hospital Advisory Council Schedule for 2014

Date	Time	Type
Tuesday, January 28, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, February 25, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, March 25, 2014	10:00am – 11:00am CT	Conference Call
Thursday, April 24, 2014 & Friday April 25, 2014	12:00pm - 5:30pm and all day Friday	April 24 & 25th Dallas
Tuesday, May 27, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, June 24, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, July 15, 2014	10:00am – 11:00am CT	340B Coalition July 14-16 (Wash DC)
Tuesday, August 26, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, September 23, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, October 28, 2014	10:00am – 11:00am CT	Conference Call
Tuesday, November 18, 2014	10:00am – 11:00am CT	Conference Call
Sunday, December 07, 2014	Evening Dinner	Appreciation Dinner at ASHP Mid-Year

Hospital Advisory Council Agenda

Apexus PVP Hospital Advisory Council Meeting Agenda

Tuesday, May 27, 2014 10:00am – 11:00am

Conference Call Number: 1-888-394-8197

Participant Code: (b) (4), (b)

Topic	Leader
(b) (4)	(b) (4), (b) (6)
Open Discussion	All

FQHC Advisory Council Roster

Term	First Name	Last Name	Title	Facility	City/ST
(b) (4), (b) (6)					

FQHC Advisory Council Agenda

Apexus PVP FQHC Council Meeting – Conference Call

Thursday, March 27th, 2014

10:00am – 11:00am Central Time

Conference Call Number: 1-888-394-8197

Participant Code: (b) (4), (b) (6)



Topic	Leader
(b) (4)	(b) (4), (b) (6)
Open Discussion	Committee

Hemophilia Treatment Center Advisory Council Roster

Term	First Name	Last Name	Title	Facility	City/ST
(b) (4)					

Hemophilia Treatment Center Advisory Council Agenda

Apexus PVP Hemophilia Treatment Center Advisory Council Meeting – *In Person*

Sunday, January 26th, 2014: Ritz Carlton Hotel (Phoenix, AZ)

3:00pm – 4:00pm Mountain Time

Conference Call Number: 1-888-394-8197

Participant Code: (b) (4), (b)



Topic	Leader
(b) (4)	(b) (4), (b) (6)
Committee Member Topics	ALL

Family Planning Advisory Council Roster

Term	First Name	Last Name	Title	Facility	City/ST
(b) (4), (b) (6)					

Family Planning Advisory Council Agenda

Apexus PVP Title X Family Planning Advisory Council Meeting – Conference Call

Thursday, May 15, 2014

10:00am – 11:00am Central Time

Conference Call Number: 1-888-394-8197

Participant Code: (b) (4), (b) (6)



Topic	Leader
(b) (4)	(b) (4), (b) (6)

Appendix VI

Code of Business Conduct and Compliance Program

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Appendix VII
Marketing Activities

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Marketing Events 5 Year History 1

Marketing Events 5 Year History

2010	
January	Exhibitor & Speaking Engagement – 340B Winter Coalition Conference, San Francisco, CA
February	Exhibitor – NACHC P&I Conference, Washington, DC
March	Exhibitor – APhA Meeting, Washington, DC
April	Exhibitor – TSHP Conference, Galveston, TX
	Exhibitor – NFPRHA, Alexandria, VA
May	Exhibitor – DSH Clinical Conference, Austin, TX
	AIMM/PSPC Learning Session – Rockville, MD
	NRHA – Savannah, GA
	Exhibitor – NWRPCA, Portland, OR
	Business Review Meeting with HRSA
	Speaking Engagement – Maryland State Health Department
	Exhibitor – NJPCA, Atlantic City, NJ
June	Exhibitor – ASHP Summer Meeting, Tampa, FL
	340B Prime Vendor Update
	Exhibitor – Medication Use in Rural America, Kansas, City, MO
	NRHA – Kansas City, MO
July	Exhibitor & Speaking Engagement – 340B Coalition Meeting, Washington, DC
August	Exhibitor – National Family Planning Conference, St. Louis, MO
	Exhibitor – NPPA Conference, Las Vegas, NV
	Speaking Engagement – West Virginia PCA, Wheeling, WV
	Exhibitor – Ryan White Grantee Meeting, Washington, DC
September	Hemophilia Alliance Advisory Board Meeting – Baltimore, MD
	Exhibitor & Speaking Engagement – NACHC CHI Meeting, Dallas, TX
	Exhibitor – Alabama PCA, Mobile, AL
October	Exhibitor – CHCANYS Clinical Forum and Statewide Conference, Albany, NY
	Exhibitor & Speaking Engagement – PSPC Dallas, Dallas, TX
	Exhibitor – NWRPCA, Denver, CO
December	Exhibitor & Speaking Engagement – ASHP Midyear Meeting, Anaheim, CA

Marketing Events 5 Year History

2011	
February	HIGPA Pharmacy Forum, Phoenix, AZ
	Exhibitor & Speaking Engagement – 340B Coalition Winter Meeting, Coronado, CA
	Speaking Engagement – University of Charleston, Charleston, VA
	Federation of American Hospitals Annual Meeting, Washington, DC
March	Exhibitor – NACHC P&I Conference, Washington, DC
	Exhibitor & Speaking Engagement – APhA Meeting, Seattle, WA
April	Exhibitor – TSHP Conference, San Antonio, TX
June	Exhibitor – Texas DSHS, Austin, TX
	Exhibitor & Speaking Engagement – ASHP Conference, Denver, CO
July	Exhibitor & Speaking Engagement – 340B Coalition Meeting, Washington, DC
August	Exhibitor – Title X Family Planning National Grantee Meeting, Miami Beach, FL
	Exhibitor – NPPA Conference, Las Vegas, NV
	Exhibitor & Speaking Engagement – NACHC CHI Meeting, San Diego, CA
September	340B University, Las Colinas, TX
October	340B University, Irving, TX
November	340B University, Grapevine, TX
December	Exhibitor & Speaking Engagement – ASHP Midyear Meeting, New Orleans, LA
	Apexus Educational Program

Marketing Events 5 Year History

2012	
February	Exhibitor & Speaking Engagement – 340B Winter Coalition Meeting, San Diego, CA 340B University, Las Colinas, TX
March	Exhibitor – NACHC P&I Conference, Washington, DC 340B University, New Orleans, LA
April	Exhibitor – TSHP Conference, Dallas, TX Exhibitor – NFPRHA Conference, Washington, DC
May	340B Workgroup Meeting, Washington, DC NCPDP Technology & Business Conference, Phoenix, AZ AMAG Meeting, New Orleans, LA Exhibitor – NWRPCA Conference, Portland, OR Speaking Engagement – CBI 340B Contraction & Program Integrity Summit, Lake Buena Vista, FL
June	Exhibitor & Speaking Engagement – ASHP Summer Meeting, Baltimore, MD 340B University at ASHP
July	Exhibitor & Speaking Engagement – 340B Coalition Meeting, Washington, DC
August	Exhibitor – Florida Society of Health-System Pharmacists, Orlando, FL 340B University, Grapevine, TX Exhibitor – National Reproductive Health Conference, New Orleans, LA Exhibitor – NPPA Conference, Las Vegas, NV
September	Exhibitor & Speaking Engagement– NACHC CHI Meeting, Orlando, FL
October	Hemophilia Alliance Fall Membership Meeting – Baltimore, MD Exhibitor – National Coalition of STD Directors Conference, Baltimore, MD Speaking Engagement – HDMA Conference, Wilmington, DE 340B University, Grapevine, TX
December	Exhibitor & Speaking Engagement – ASHP Midyear Meeting, Las Vegas, NV 340B University at ASHP 340B University – New England Pharmacy Collaborative, Bedford, NH

Marketing Events 5 Year History

2013	
January	Exhibitor – 340B Winter Coalition Meeting, San Francisco, CA
February	HSCA National Pharmacy Forum, La Jolla, CA
	Hemophilia Alliance Winter Membership Meeting, Austin, TX
	Exhibitor – APhA Meeting, Los Angeles, CA 340B University at APhA
March	GP Summit, Baltimore, MD
	340B University at GP Summit
	Exhibitor & Speaking Engagement – NACHC P&I Conference, Washington, DC
April	Exhibitor – MedAssets Healthcare Summit, Las Vegas, NV
	Exhibitor – TSHP Conference, Austin, TX
	Exhibitor – NFPRHA National Conference, Alexandria, VA
	340B University, Grapevine, TX
May	Exhibitor & Speaking Engagement – NCPDP Annual Conference, Phoenix, AZ
	340B University at Children’s Hospital Association Meeting, Houston, TX
	Exhibitor – NWRPCA Spring Primary Care Conference, Anchorage, AK
June	Exhibitor & Speaking Engagement – ASHP Summer Meeting, Minneapolis, MN
	340B University at ASHP
July	Exhibitor & Speaking Engagement – 340B Coalition Meeting, Washington, DC
	340B University at Coalition
	Exhibitor – Title X Family Planning National Grantee Meeting, Seattle, WA
August	Exhibitor – NPPA Conference, Las Vegas, NV
	Exhibitor & Speaking Engagement– NACHC CHI Meeting, Chicago, IL
	340B University at NACHC CHI
September	Hemophilia Alliance Fall Membership Meeting, Baltimore, MD
	Exhibitor – Reproductive Health Conference, Denver, CO
October	Exhibitor & Speaking Engagement – Healthcare Supply Chain Association Expo, Washington, DC
	Exhibitor – NWRPCA Fall Conference, Seattle, WA
	Exhibitor – ASHP Leadership Conference, Chicago, IL
	340B University at ASHP
November	Exhibitor – California Society of Health-System Pharmacists, Anaheim, CA
	340B University, Grapevine, TX
	Exhibitor – Contraceptive Technology, Atlanta, GA
	Exhibitor – National Coalition of STD Directors Meeting, Albuquerque, NM
December	Exhibitor & Speaking Engagement – ASHP Midyear Meeting, Orlando, FL
	340B University at ASHP

Marketing Events 5 Year History

2014	
January	340B University, Grapevine, TX
February	Exhibitor & Speaking Engagement – 340B Winter Coalition Meeting, San Diego, CA
	Exhibitor – Medicaid Rebate Summit, Washington, DC
March	Speaking Engagement – CBI Strategic Reimbursement Conference, Philadelphia, PA
	340B University at ASHP AmCare Meeting, Dallas, TX
	Exhibitor & Speaking Engagement – NACHC P&I Conference, Washington, DC
	Exhibitor – APhA Meeting, Orlando, FL, 340B University at APhA
	GP Summit, Alexandria, VA
April	Mini 340B University at GP Summit
	Exhibitor – TSHP Conference, San Antonio, TX
	Exhibitor – MedAssets Healthcare Summit, Las Vegas, NV
May	Exhibitor – NFPRHA National Conference, Alexandria, VA
	Speaking Engagement – American Hospital Association, Washington, DC
	Exhibitor & Speaking Engagement – ASHP Summer Meeting, Las Vegas, NV
	340B University at ASHP
June	Exhibitor – NWRPCA Spring Conference, Seattle, WA
	ACU Annual Meeting, Alexandria, VA
	Mini 340B University at ACU
	AIMM Board Meeting, Alexandria, VA
July	Speaking Engagement – CBI's Medicaid & Government Pricing Congress, Lake Buena Vista, FL
	National Leadership Summit, Washington, DC
	Exhibitor & Speaking Engagement – 340B Coalition Meeting, Washington, DC
	340B University at Coalition
	Exhibitor – National Reproductive Health Conference, Orlando, FL
August	Exhibitor – NPPA Conference, Las Vegas, NV
	Speaking Engagement – CBI 340B Manufacturer Mega Summit, Alexandria, VA
	Exhibitor & Speaking Engagement– NACHC CHI Meeting, San Diego, CA
	340B University at NACHC CHI
	Mini 340B University at Medicaid Summit, Cleveland, OH
September	Hemophilia Alliance Fall Meeting, Baltimore, MD
	Speaking Engagement – Medicaid Drug Rebate Program, Chicago, IL
October	340B University – New England Pharmacy Collaborative, Bedford, NH
	Speaking Engagement – HDMA Seminars, Wilmington, DE
	Speaking Engagement – HSCA Expo, Washington, DC
	Exhibitor – ASHP Leadership Conference, Chicago, IL
	340B University at ASHP
November	Speaking Engagement – UHC Annual Conference, Las Vegas, NV
	Mini 340B University at Louisiana Hospital Association Event
December	Exhibitor & Speaking Engagement – ASHP Midyear Meeting, Anaheim, CA
	340B University at ASHP

Appendix VIII

PVP Catalog

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Appendix IX

Letters of Recommendation

Contents

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Letters of Recommendation

Alliance / Advocacy Partners	AACP – American Association of Colleges of Pharmacy
	ACU – Association of Clinicians for the Underserved
	AHA – American Hospital Association
	AIMM – Alliance for Integrated Medication Management
	APhA – American Pharmacists Association
	ASHP – American Society of Health-System Pharmacists
	ASHP Foundation
	Hemophilia Alliance
	ISMP – Institute for Safe Medication Practices
	NASTAD – National Alliance of State & Territorial AIDS Directors
	NFPRHA – National Family Planning & Reproductive Health Association
	SNHPA – Safety Net Hospitals for Pharmaceutical Access
	THOT – Teaching Hospitals of Texas
VHA – Gulf States Region	
Supplier / Service Distributor Partners	(b) (4)

Letters of Recommendation

National Consultants and Law Firms	(b) (4)
Apexus PVP Participants	State of Alabama Department of Public Health
	Carolina Health Centers
	CIBD – Center for Inherited Blood Disorders
	Columbus Regional
	CVHS – Central Virginia Health Services
	El Rio Community Health Center
	Family Planning Council of Iowa
	State of Georgia Department of Public Health
	GLFHC – Greater Lawrence Family Health Center
	LSU Health
	Memorial University Medical Center
	NEPC – New England Pharmacy Collaborative
	Parkland
	Piedmont Health Services
	UNC Hemophilia Program
	University of Cincinnati Medical Center
Wayne Community Health Center Pharmacy	
Zufall Health	

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