

Member input: our approach

At Vizient[™], we operate a clinically integrated, member-led sourcing process which ensures that our strategies, products, services, programmatic offerings and national contract portfolio collectively provide members with industry leading value.

About Vizient

Vizient, the largest member-driven health care performance improvement company in the country, provides innovative data-driven solutions, expertise and collaborative opportunities that lead to improved patient outcomes and lower costs. Vizient serves a diverse membership and customer base which includes academic medical centers (AMCs), pediatric facilities, community hospitals, integrated health delivery networks and nonacute health care providers representing almost \$100 billion in annual purchasing volume.

Member input into the Vizient contracting process

Our high-integrity, competitive contracting process follows the principles of the ABA Model Procurement Code and involves participating member organizations to the greatest degree possible. We award agreements to suppliers whose quality products, service records, broad-based clinical acceptability, and pricing translate into the greatest overall value to members.

The purpose of this overview is to provide potential candidates for a Vizient contracting council, task force or expert panel with a general understanding of:

- · Our contracting council system purpose and structure
- The composition of contracting councils and task forces
- Criteria for participation on a contracting council, task force, or expert panel
- · Our recruitment and selection process
- Expectations Vizient has of its contracting council, task force or expert panel participants
- The Vizient facilitator's role

Purpose and structure

A key component of our competitive contracting process is the input we collect from members. While contracting councils provide input before, during and at the point of final approval of the contracting process, contracting expert panels provide market intelligence and member preference information prior to issuance of the request for proposal (RFP) and in advance of councils establishing the final evaluation criteria and weightings.

By giving as many members as possible a voice in Vizient contracting outcomes, we help ensure that our contracts meet the needs of the greatest majority of our members. The direction members provide through the following channels serves as the foundation for Vizient contracting and program decisions:

Contracting councils

These discipline-specific councils follow ABA Model Procurement Code principles to evaluate bids and determine contract awards. Each council participant will have responsibility for:

- Determining RFP strategy and the minimum requirements for the product category
- Approving minimum requirements for RFPs
- · Setting financial and nonfinancial decision criteria
- · Assigning relative weights to decision criteria
- Scoring RFP responses according to the weighted decision criteria
- Determining final awards from potentially acceptable suppliers on the final scorecard
- Approving all contract extensions
- Identifying and evaluating products for consideration as innovative technology
- Assisting in resolving any vendor grievances in categories where the council provided input on the contracting process

Contracting task forces

Vizient will convene these ad hoc entities to address specialized categories when a deeper level of expertise is needed beyond that of a discipline-specific council. Task forces will be dedicated to the oversight of individual initiatives in lieu of a contracting council.

Contracting advisory councils

These councils will provide strategic insight and input relative to specific programs, classes of trade, and functional areas. Examples are the Supplier Diversity Advisory Council and the Environmental Advisory Council.

Contracting expert panels

These discipline-specific panels will work in parallel with each contracting council to capture the "voice of the member" from a broad representation of the membership. Panel participants will share their expertise virtually through pre-RFP surveys as well as Member Preference Surveys. The information obtained will be used to develop bid criteria and as additional input for the member preference nonfinancial score on the RFP scorecard, thereby directly impacting the outcome of the award.

Composition of contracting councils and task forces

Each discipline-specific contracting council or task force comes together to assist in the contracting process and provide strategic direction for Vizient contracts and programs. Each Vizient council is composed of 21 to 25 individuals representing the most engaged health care organizations within our membership. To ensure that each member segment is fairly represented, Vizient will carefully evaluate applications to ensure that council makeup is balanced with the diversity of the broad Vizient membership base, including AMCs, pediatric facilities, acute care facilities, nonacute care facilities, size diversity, geographic distribution, etc.

Advisory councils

- · Alternate Site Advisory Council
- Clinical Pharmacy Advisory Council
- · Environmental Advisory Council
- Long Term Care and Home Health Advisory Council
- · Oncology Pharmacy Advisory Council
- Supplier Advisory Council
- Supply Chain Data and Insights

Contracting councils

- Anesthesia/Critical Care Services Contracting Council
- · Capital, Facilities and Construction Contracting Council
- Cardiovascular Contracting Council
- Clinical and Supply Contracting Council
- · Diagnostic Imaging Contracting Council
- · Food Contracting Council
- · Information Technology Contracting Council
- Laboratory Contracting Council

- Operational Services Contracting Council
- Orthopedic Contracting Council
- Pediatric Contracting Council
- Perioperative Contracting Council
- Pharmacy Business Contracting Council
- · Respiratory Contracting Council
- Wound Management Contracting Council

Each contracting council will be complemented by a parallel contracting expert panel of the same name (e.g., Laboratory Expert Panel).

Criteria for participation

Criteria for participation on a contracting council or task force

Individuals interested in serving must:

- Possess subject matter expertise in the contracting council or task force's scope of operation
- Apply for selection through a fair and transparent recruitment process
- Hold nontransferable membership (substitutes are not permitted)
- Hold minimum tenure of one year with organization and one year in current role
- Have Vizient (and/or Provista or Children's Hospital Association) as their primary group purchasing organization (GPO)
- Maintain a minimum of 100% participation in calls and in-person meetings
- Attend Vizient funded in-person meetings approximately two times per year
- Attend eight to ten one- to two-hour conference calls per year
- Invest additional time as needed to develop bid criteria and score RFPs
- Respond in a timely manner to all email requests, surveys or requests for information
- · Serve on no more than one council at one time
- Understand that organizations may not have more than one representative on any individual council or task force

- Serve a continuous three-year term which may be extended to six years if selected as vice chair, then chair
- Understand that councils are member-led with chair and vice chair selected from the council membership
- Execute a nondisclosure agreement and an annually refreshed conflict of interest questionnaire
- Participate in training and orientation prior to participation as a member

Criteria for participation on an expert panel

Individuals interested in serving on an expert panel must:

- Possess subject matter expertise within the contracting panel's scope of influence
- Join via the application process, self-identifying as an expert in areas of interest
- Have Vizient (and/or Provista or Children's Hospital Association) as their primary GPO
- Maintain a minimum of 90% participation in pre-RFP surveys to remain in good standing
- · Serve on no more than four expert panels at one time
- As desired, take advantage of online educational sessions, including continuing education units
- Serve for an unlimited term, as long as good standing is maintained
- Execute a nondisclosure agreement and an annually refreshed conflict of interest questionnaire
- Participate in training and orientation prior to participation as a panel participant

Recruitment and selection process

Vizient conducts a focused recruitment campaign for contracting council and expert panel members each fall. Candidates self-nominate for council service and panelist positions by completing the online council application and panel registration form. Applicants will be asked to indicate their personal areas of expertise and time availability, and council applicants must also submit a resume. Candidates may nominate themselves for service at any time during the year.

Applications for open council seats will be reviewed by the facilitator and shared with the chair and vice chair. A pool of final candidates may be contacted by the facilitator, chair or vice chair for a phone interview. Candidates will be appointed to discipline-specific councils based on their knowledge, skill, scope of responsibility, tenure, class of trade, size, geographic location and experience. Priority will be given to Vizient's most engaged members. Selections will be made to ensure a balanced composition representing the diversity and breadth of our member organizations and classes of trade

Expectations of contracting council, task force and expert panel participants

To ensure that all member organizations benefit from their engagement with Vizient, participants in all contracting councils, task forces, and expert panels are required to follow basic guidelines for courteous, respectful and productive interaction among council peers and Vizient staff. Participants must:

- Demonstrate a realistic understanding of roles and responsibilities
- Represent the best interests of Vizient through sharing experiences and knowledge
- · Demonstrate objective and fact-based judgment
- Collaborate effectively with other participants of the group
- Make the group's goal a higher priority than any personal objective
- Be willing to openly share information, perceptions and feedback
- · Challenge ideas, not individuals
- Support the group's decisions

- Advance our performance by directly confronting important issues
- Demonstrate leadership that contributes to the success of the group
- · Respond constructively to feedback from others
- · Maintain confidentiality of information shared
- Adhere to all participation guidelines set forth herein

Role of the Vizient facilitator

A Vizient staff member will be assigned to assist the chair and vice chair in leading each contracting council, task force and expert panel. The primary responsibility of the facilitator is to ensure that the group has appropriate information related to current and ongoing work. The facilitator will partner

with the chair and vice chair of each council to perform the following functions:

- Oversight of the contracting council, task force or expert panel
- Recruitment and selection of new participants in collaboration with vice chair and chair
- · Providing direction for the group
- · Timely communication and follow-up with participants
- Participation in various Vizient meetings
- · Creating and disseminating online surveys
- Ensuring member feedback is fully incorporated into the sourcing process

