

PHN SERVICES VACCINE GROUP PURCHASE INFORMATION

We are writing to inform you **how our PHN Services vaccine group purchase contracts are structured**. Members of PHN Services vaccines group purchasing can choose to participate in our group purchase contracts. Currently, PHN Services has contract agreements with Sanofi, Merck, and Pfizer. Together, our current contracts offer our members discounted pricing for the full schedule of CDC recommended vaccines.

If members prefer to purchase and use alternate vaccines, they can choose not to participate in our vaccine contracts. In many cases, however, a member can only receive discounted contract pricing if the quantity purchased through PHN Services by all members as a group meets or exceeds a certain percentage of the total purchases by the group of all vaccines in that category. The more often we meet these ordering thresholds, therefore, the better we all do.

Members must comply with applicable terms and conditions of our vaccine contracts in order to benefit from discounted pricing. **PHN Services will remove member practices from our group purchase contracts if they are in violation of the terms for contract participation**. Further, we receive periodic vaccine utilization reports from manufacturers. PHN Services does not endorse practices ordering competing products. Doing so jeopardizes group pricing for all our participating PHN Services members.

We now have almost 1600 physicians in several states participating in our vaccine contracts- we thank you for participation and support. It's a simple equation: **the more success we have in contract volume participation and compliance, the better the vaccine pricing we receive**. And that makes an important difference to your practice's bottom line.

PHN Services receives modest contract administration fees from contracted manufacturers, which are used for CME programs, practice management seminars, AAP web programs and other support programs for our members. **PHN Services delivers more than great pricing. We help improve your practice performance**. This is a nationally unique and innovative model, highlighting the value of working together.

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