

2025 PUBLIC ACCOUNTABILITY QUESTIONNAIRE

This Questionnaire Covers Calendar Year 2025.
Please return your response to starshine.chun@afslaw.com no later than
June 30, 2025.

OWNERSHIP AND ORGANIZATIONAL STRUCTURE

1. Describe the ownership structure of your GPO and/or its parent or affiliated companies, including details regarding the following:
 - Person(s) or entities that control the majority of voting interests in your GPO;
 - The types of equity holders of your GPO (e.g., publicly-held company, healthcare providers, individuals, for-profit and/or not-for-profit entities);
 - The corporate form of your GPO and/or its parent or affiliated companies – such as corporation, partnership, limited liability company, co-op;
 - Whether the GPO is organized as a for-profit or not-for-profit organization; and
 - Location of corporate headquarters.

Carolinas Shared Services, LLC d/b/a Advocate Health Supply Chain Alliance (“*AHSCA*” or “*CSS*”) is a wholly owned subsidiary of The Charlotte Mecklenburg Hospital Authority (“*CMHA*”), a not-for-profit organization with headquarters in Charlotte, North Carolina. Advocate Aurora Health, Inc., a Delaware nonprofit corporation, (“*AAH*”) and Atrium Health, Inc., a North Carolina not-for-profit corporation, (parent company of *CMHA*, “*AHI*”) entered into a joint operating agreement pursuant to which they created Advocate Health, Inc. (“*Advocate Health*”), a Delaware nonprofit corporation. Advocate Health controls all voting interests, including governance, of *AHSCA*. *AHSCA* is a regional GPO supported by national GPO partner, Premier, Inc., with all *AHSCA* members being rostered in Premier under *AHSCA*’s top parent.

2. Describe the composition of your Board of Directors or other governing body and reflect any changes from the previous HGPII reporting year. Include the following in your response:
 - Number of individuals serving on your Board;
 - Percentage of Board representing GPO customers;
 - Percentage of Board that are employees of the GPO; and

- Percentage of Board members also serving as employees, officers, or directors of a participating vendor.

Our Board is comprised of six individuals, all executives of AHSCA members. None of the Board members are affiliated with a participating vendor.

3. Indicate whether any equity holder of your GPO and/or its parent or affiliated companies is a physician (or an immediate family member of a physician).

No physicians hold equity shares of AHSCA or its parent or affiliated companies. Neither AHSCA nor its parent company is publicly traded.

CONFLICT OF INTEREST

4. Describe the GPO's policies and procedures that address conflicts of interest for:
 - Employees in a position of influence with regard to contracting decisions;
 - Clinical Advisory Members; and
 - Members of the GPO's Board of Directors or other governing body.As part of your response, provide details about reporting requirements for conflicts and provide a copy of written policies.

To maintain the highest standards of integrity and transparency in our healthcare supply chain sourcing activities, AHSCA is committed to identifying and managing potential conflicts of interest. We recognize that unbiased decision-making is crucial for ensuring the delivery of quality healthcare services and products to our patients and communities. To achieve this, we are dedicated to implementing practices and expectations to prevent, identify, and address conflicts of interest that may arise in the procurement process.

Physicians who serve as consultants or have intellectual property interests are essential contributors to our healthcare supply chain decision-making processes. However, we emphasize the importance of clear disclosure and diligent management of potential conflicts of interest in these situations. It is imperative that these individuals, in addition to all employees engaged in sourcing activities, adhere to a stringent code of ethics, and promptly disclose any relevant financial interests. Examples of conflicts of interest include, but are not limited to:

a. Receiving Royalty or License Payments: Physicians or individuals with intellectual property interests receiving payments related to royalties or licenses for products or technologies involved in the healthcare supply chain.

b. Receiving Consulting Fees: Physicians or consultants receiving fees for providing advisory services related to the procurement of healthcare supplies.

c. Receiving Payments for Services Other than Consulting: Physicians or individuals with intellectual property interests receiving payments for services beyond consulting, such as speaking engagements, sponsored research, or other professional services.

Our organization is committed to providing regular training and communication to all stakeholders involved in GPO activities and supply chain sourcing, with a specific focus on the unique considerations associated with physicians and intellectual property interests. By fostering a culture of ethical conduct and accountability, we aim to ensure that the procurement decisions prioritize patient health, safety, and well-being and are free from undue influence.

We understand the vital role that a transparent and ethical supply chain plays in delivering quality healthcare services. Through these measures, we strive to uphold the trust placed in us by patients, healthcare providers, and the community and to demonstrate our unwavering commitment to unbiased decision-making in the healthcare supply chain.

Physician Payment & Sunshine Act

- Manufacturers of Drugs, Devices, Biologicals and Medical Devices report payments to CMS (Centers for Medicare and Medicaid Services)
- Manufacturers and Group Purchasing Organizations (GPOs) must disclose information on Ownership or Investment Interests by Physicians
 - All physician participants in subgroup meetings must submit conflict of interest information to AHSCA.
 - Physician interests are reviewed on Open Payments Advocate Health Code of Conduct

Advocate Health Code of Conduct

All AHSCA employees must comply with the Advocate Health Code of Conduct. Advocate Health teammates, board members and medical staff members are prohibited from:

- Gaining personal enrichment through access to confidential information from Advocate Health including but not limited to buying or selling stock or other securities based on information obtained as a result of employment with Advocate Health.
- Misusing their position in a way that results in personal gain.
- If employed by Advocate Health, engaging in an activity that competes with or compromises the interests of Advocate Health.

Disclosure of Conflicts of Interest

Advocate Health teammates, board members and medical staff members (1) must exercise good judgment and engage in ethical behavior to protect themselves and the organization from inappropriate actions resulting from conflicts of interest, and (2) may not use their positions to obtain benefits directly or indirectly for themselves, immediate family members or any other person with whom they have a personal relationship.

Conflict of Interest

Review Advocate Health's Code of Conduct [linked here](#)

Confidentiality Statement

Review Advocate Health's Enterprise Value Analysis Confidentiality Statement [linked here](#)

5. Describe actions the GPO takes to avoid conflict of interest issues for members of the Board of Directors (e.g. disclosure and/or prevention of equity investments in participating vendor relationships and acceptance of gifts/meals/travel/entertainment paid for by vendors).

All Board of Directors members are required to submit a conflict of interest statement and must be compliant with the Vendor relationships & interactions policy pursuant to the Advocate Health Code of Conduct Policy.

Vendor Relationships & Interactions

Relationships with external parties are an important aspect of daily business operations. It is our policy to select suppliers based on impartial factors such as price, quality, performance, customer service, patient safety and reputation. All Stakeholders have a responsibility to make decisions and maintain vendor relationships that affect Advocate Health based on our health care mission and in the best interests of our patients, not personal gain. We also are committed to complying with the Anti-Kickback Statute in all interactions and to eliminating situations where inappropriate vendor influence would result in increased costs, unfair competition, or treatment decisions that are not based solely on patient care interests. Our selection of consultants, contractors, suppliers and vendors will be made on the basis of objective criteria, including but not limited to quality, technical experience, price, delivery, service and maintenance of adequate supply sources.

- We do not offer or accept kickbacks in exchange for doing business.
- Any solicitation on behalf of Advocate Health must be done by or in conjunction with one or more of the Advocate Health foundations. Please contact the appropriate foundation for guidelines.

- Teammates may attend a vendor sponsored free educational event that relates to their job but must pay for any associated travel, lodging and entertainment, unless otherwise approved by the Compliance & Integrity Department.
- Regardless of where they are located, we expect our vendors and contractors to have the same sense of integrity and compliance we do. They are expected to comply with our standards and policies, federal requirements and the law.
- Teammates may not accept free meals from vendors unless it's a business-related meal or provided during an educational event that provides continuing education credit to attendees. Vendors are otherwise prohibited from bringing free food into Advocate Health facilities.

6. Describe the GPO's policies and procedures that address activities, including other lines of business of the GPO and/or its affiliates (including non-GPO services and strategic investments) that might constitute conflicts of interest to the independence of its purchasing activity. [1]

All vendors pursuing award for products or services offered through AHSCA is governed by the Enterprise Value Analysis Council (EVAC). All EVAC members and AHSCA employees facilitating awards are required to disclose any conflicts of interest pursuant to policy. While AHSCA staff facilitate these meetings, all decisions to award contracts are made via vote from weighted voting of AHSCA members that are not employed by AHSCA. All supplier bids are scored objectively through a multitude of criteria including pricing & quality assurance; SCM, logistics, & risk management; vendor capabilities & business continuity; sustainability & compliance; and financial impact.

Decisions and management of non-GPO services and strategic investments for Advocate Health and affiliates occur independently from AHSCA employees and facilitators.

7. Describe other lines of business or investments of the GPO and its affiliates. We are interested in hearing about new as well as nontraditional GPO services that your company and its affiliates are involved with.

In addition to traditional GPO services, AHSCA also provides:

- Comprehensive Clinical Value Analysis services to bring evidence-based, patient-centered decision making to members, including quality, cost, outcomes, social responsibility, and other relevant factors to the sourcing process.
- Member Services including onboarding, maintenance, education, contract monitoring, issue resolution, and savings tracking.
- Through our relationship with Premier, access to business intelligence tools such as contract management, benchmarking, product education, and other value adds.

¹ Business concerns, organizations, or individuals are affiliates of each other if, directly or indirectly, (1) either one controls or has the power to control the other, or (2) a third party controls or has the power to control both. (See 48 CFR, Section 9.403 (2007): Securities Act, Sec. 16, 15 USC 77p(f)).

Parent company, Advocate Health, provides on its company website information related to investments and non-group purchasing businesses including, but not limited to hospital services, home care, and academic medicine & research.

8. What policies or guidelines does the GPO have to address potential conflicts of interest with regard to other lines of business engaged in by the GPO and/or its parent or affiliated companies?

All AHSCA employees and AHSCA voting members are required to follow the AHSCA confidentiality statement, as well as the Advocate Health Code of Conduct, including conflict of interest reporting and vendor interaction policy described therein. The Advocate Health Code of Conduct applies to all lines of business within parent company and affiliates.

MONIES FROM VENDORS

9. Describe the GPO's policy with respect to the receipt of sponsorship funds, grants for research or other educational programs, or any other source of non-administrative fee revenue from vendors. What policies does the GPO have to guard against any potential conflict of interest relating to such payments?

AHSCA follows Advocate Health's Code of Conduct, Vendor relationships & interactions policy.

- We do not offer or accept kickbacks in exchange for doing business.
- Any solicitation on behalf of Advocate Health must be done by or in conjunction with one or more of the Advocate Health foundations. Please contact the appropriate foundation for guidelines.
- Teammates may attend a vendor sponsored free educational event that relates to their job but must pay for any associated travel, lodging and entertainment, unless otherwise approved by the Compliance & Integrity Department.
- Regardless of where they are located, we expect our vendors and contractors to have the same sense of integrity and compliance we do. They are expected to comply with our standards and policies, federal requirements and the law.
- Teammates may not accept free meals from vendors unless it's a business-related meal or provided during an educational event that provides continuing education credit to attendees. Vendors are otherwise prohibited from bringing free food into Advocate Health facilities.

Non-administrative fee revenues resulting from contract negotiations (i.e., rebates) are clearly outlined in contract documents and fully distributed to members through AHSCA Member Services in accordance with regulatory requirements and AHSCA operating practices.

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All other offers of sponsorship funds, grants for research or other education programs are not entertained by AHSCA, and would be referred to Advocate Health's Compliance, Foundation, Institutional Review Board, or all three.

10. Does the GPO and/or its parent or affiliated companies accept vendor fees relating to conference sponsorship or exhibit booth space? What policies does the GPO have to guard against a potential conflict of interest relating to vendor participation in industry trade shows, and donations in general?

Yes, as part of Advocate's Code of Conduct policy, teammates may attend a vendor sponsored free educational event that relates to their job but must pay for any associated travel, lodging and entertainment, unless otherwise approved by the Compliance & Integrity Department. Teammates may not accept free meals from vendors unless it's a business-related meal or provided during an educational event that provides continuing education credit to attendees.

All such sponsorships are entirely voluntary, and a vendor's participation shall have no bearing on GPO's contracting decisions.

11. Describe any services or products the GPO or its affiliates provide to vendors on a fee-for-service basis (e.g. data, claims processing, etc.).

AHSCA offers sales tracings to vendors on a fee-for-service basis, as specified in agreements with said vendors.

12. Does the GPO make annual disclosures of administrative fees received from vendors for contracting activities with respect to the member's purchase of products and services (e.g. safe harbor reports)? If this document is publicly available, provide an electronic link to this information.

Yes, in accordance with the GPO Safe Harbor regulation, AHSCA makes annual disclosures to each member of the amount of administrative fees received from vendors for contracting activities with respect to that member's purchase of products and services.

13. Does the GPO disclose to members all payments other than administrative fees the GPO receives from any vendor in the course of the GPO's group purchasing activities (e.g. booth space, educational grants, marketing fees, honoraria, etc.) whether from the purchasing activity of those members or not? Describe your disclosure practices.

Yes, AHSCA provides such disclosures as applicable as compliant with GPO Safe Harbor rules. AHSCA represents that, to the best of its knowledge, it (a) meets, and at all times during the term of this Agreement shall continue to meet, the definition of a group purchasing organization ("GPO") set forth in the GPO safe harbor, 42 CFR 1001.952(j), and (b) complies, and at all times during the term hereof shall continue to comply, with the other obligations of a GPO under the GPO safe harbor.

14. Describe the GPO's policy with respect to returning administrative fees to an ineligible vendor.

Administrative Fee payments made in error to AHSCA for the sales volume of facilities not rostered as Members during the calendar quarter or portion thereof, shall be documented and communicated to the Vendor by AHSCA. The Administrative Fee amount paid in error shall be decremented from the subsequent calendar quarter's Administrative Fee amount by the Vendor. If the subsequent calendar quarter's Administrative Fee amount is not decremented to adjust for the previous quarter's payment error, then AHSCA shall charge a processing fee with the following conditions:

For an Administrative Fee payment error totaling less than \$500, AHSCA shall retain the entire amount up to \$500 relating to the erroneous facility as a processing fee.

For an Administrative Fee payment error totaling \$500 or more, AHSCA shall retain \$500 or 20%, whichever is greater, of the amount relating to the erroneous facility as a processing fee and refund any remainder to the Vendor.

MEMBER FEES

15. Does the GPO pay fees or offer equity to members upon the signing or re-signing of a participation agreement with the GPO or the joining or renewal of membership in the GPO program?

No, GPO members are not offered equity or fees for signing or resigning a participation program with AHSCA.

BID AND AWARD/CONTRACTING ISSUES

16. Does the GPO have a publicly-available description of its bid and award process? If so, provide a link and written description of your bid and award process. If not, describe how it may be obtained.

Yes, the CVA process can be found on our website [linked here](#). Category bid events kick off 10 months prior to a category expiry. Specific bid instructions are released to suppliers at the time of the sourcing event.

Clinical Value Analysis

AHSCA supports its members through a robust Clinical Value Analysis (CVA) program that serves as the clinical interface between supply chain staff, clinicians, and organizational leaders. The CVA Team utilizes a systematic and objective process to evaluate the quality, safety, and value of supplies used to diagnose and treat patients. Specifically, the CVA process is led by CVA Facilitators focused on the following:

- Facilitates the work of the Product Enhancement/Product Standardization (PEPS) Teams and other ad-hoc Physician/Clinicals Teams, as needed, to drive both value and compliance.
- Evidence-based, patient-centered, customer-focused, structured rationale that includes all key stakeholders in the decision-making process.
- Goal-oriented approach ensuring the right product functions as designed.
- Ensures that products purchased will support quality patient care in a fiscally responsible manner.
- Drives standardization and utilization of products that maintain or improve the safety and quality of patient care.
- Coordinates with local regional and member clinical and CVA teams

Utilizing the processes outlined above, the AHSCA CVA Team annually reviews and supports a significant volume of contracts, projects/category initiatives, and new product requests alongside the AHSCA Contracts Team. The CVA team is comprised of a Director of CVA/PPI, three CVA Managers, and several CVA Facilitators who are all registered nurses of various clinical backgrounds with over 350 years of combined nursing experience.

17. Describe the GPO's requirements for how products or services are published so they are accessible to potential vendors. If a bidder is not awarded a contract, is that bidder able to review the decision criteria used to evaluate the bid? Include in your response a general description of the GPO's criteria for vendor selection.

AHSCA does not publish bid calendars to the supplier community publicly. Contract expiries are centrally managed on a contract index accessible to all members through our Member Services team and through Premier's online portal, Supply Chain Advisor.

Identification of applicable Vendors to be solicited in the RFI/RFP process:

- CVA and/or clinical/physician end users provide Sourcing with a list of desired Vendors based upon EVAC team feedback.
- Premier's Supply Chain Advisor (SCA) tool is reviewed for additional Vendors in an applicable product category

The AHSCA contracting team communicates to vendors that do not receive an award. Criteria used to drive the decision process are shared with vendors upon request. AHSCA or member specific data, and specific competitive information would not be shared. Member feedback that was used to drive the final award can also be shared in a blinded format upon request.

AHSCA also utilizes Premier agreements for national contracts. Premier's bidding process can be found on their website.

18. Describe the GPO's policy with regard to the use of single, sole, dual, and multi-source procurement and provide an example or two to support use of these contracting tools.

Sole Source: Category awarded to one manufacturer. Highly committed contract with market share and/or volume requirements which must be met per the provisions of the contract. Drives standardization and highly competitive pricing and/or incentives. Executed terms and conditions between AHSCA and manufacturer (either through AHSCA terms or national Premier contract activation).

Dual Source: Category awarded to two manufacturers. Market share is awarded between two vendors without specific market share awarded to one or both manufacturers. Drives standardization and competitive pricing and/or incentives. Executed terms and conditions between AHSCA and manufacturer (either through AHSCA terms or national Premier contract activation).

Multisource: multiple suppliers awarded category. Contracts may or may not have a market share or revenue commitment. Pricing aligns to market intelligence and/or national contract tiers. Executed terms and conditions between AHSCA and manufacturer (either through AHSCA terms or national Premier contract activation)

19. Does the GPO permit bundling of unrelated products or services from the same vendor or from different vendors? If so, under what circumstances would the GPO consider bundling to be appropriate?
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No, AHSCA contracts should not have bundling of unrelated products with the same vendor, nor bundling of unrelated products across different vendors. Suppliers may offer value add loyalty or overlay rebates which consider spend across multiple categories with the same supplier, but award decision on any individual category is considered independently from such value adds.

20. Describe the process for contracting for clinical preference items. Describe the GPO's policy guiding the appropriate length/term of contracts for clinical preference products.

Clinical preference item categories are handled similarly to commodity or services categories but may include additional subject matter expert (SME) ad hoc Clinical Value Analysis members to weigh in on bid structure and recommendations to voting members. The standard term length for most AHSCA contracts is 3 years unless economic or market conditions require longer-term agreements in the best interest of members.

ADMINISTRATIVE FEES

21. What is the GPO's practice regarding the amount of administrative fees accepted? If there is a written policy, please provide an electronic link or copy of the GPO's policy regarding these fees.

Vendors offer administration fees in response to AHSCA's bid events based on the value they assign to the agreement. To comply with Safe Harbor, any admin fee exceeding 3% requires disclosure to GPO members.

22. Describe the conditions in which the GPO accepts administrative fees beyond 3 percent, requiring specific (not blanket) disclosure under the Federal Regulatory Safe Harbor provisions?

AHSCA will accept admin fees beyond 3% when deemed appropriate based on market conditions. Should this occur, AHSCA Member Services provides disclosure to GPO members in compliance with Federal Regulatory Safe Harbor provisions.

23. Describe the range of administrative fees accepted and examples of the types of contracts (without specifying specific proprietary information) that have administrative fees greater than 3 percent.

AHSCA will accept admin fees beyond 3% when deemed appropriate based on market conditions. Should this occur, AHSCA Member Services provides disclosure to GPO members in compliance with Federal Regulatory Safe Harbor provisions.

PRIVATE LABEL PROGRAMS

24. Describe whether the GPO has a private label program and if so, describe the products the private label program covers.

AHSCA does not have a private label program.

25. Describe the GPO's practice regarding administrative fees derived from a private label program.

AHSCA does not have a private label program.

VENDOR GRIEVANCE PROCESS

26. Describe the GPO's policy and process with respect to responding to a vendor's grievance regarding the bid/award process.

For bid events, AHSCA Sourcing team will provide official Award and Non-Award Letters to all participating vendors.

If a vendor has a grievance related to a bid process, the vendor should file a grievance in writing with AHSCA staff. The AHSCA teammate responsible for the transaction (and their leader, depending on the situation) may schedule a call upon request by the supplier to walk through the decision process. Confidential information shall not be shared with suppliers. If the grievance is not resolved to the vendor's satisfaction, the issue may be escalated to AHSCA's Vice President.

27. Did any supplier, since submission of the last GPO's Public Accountability Questionnaire, request an evaluation pursuant to the HGPII Independent Evaluation Process? If so, please provide information regarding the outcome of such evaluation.

No supplier has requested an evaluation.

28. Does the GPO participate in HGPII's Independent Evaluation Process?

Not at this time. This is the second year AHSCA has participated in HGPII.

29. Is the HGPII Independent Evaluation Process displayed on the GPO's public website? If so, please provide an electronic link to this information.

Not at this time.

INNOVATION

30. Describe the GPO's policy and process to evaluate and provide opportunities to contract for innovative products and services.

AHSCA is committed to bringing innovative products and services to our clinicians in a fair, confidential, and timely manner. Suppliers inquiring about adding new products or services to the AHSCA portfolio should reach out to the appropriate AHSCA sourcing team member ([link to Sourcing team category assignments](#)) for consideration with the appropriate EVAC team.

31. Does the GPO have the right to enter into a GPO contract for innovative technology at any time during its bid and award cycle? Describe the process the GPO has for fostering the development of GPO contracts for innovative products.

Yes, at the request of an EVAC member, AHSCA value analysis will investigate and present opportunities on innovative technologies at an EVAC meeting for consideration. If the innovative technology does not conflict with existing AHSCA agreements, and at the discretion of the relevant AHSCA EVAC, supplier may be considered for mid-cycle award.

32. Are GPO members allowed to evaluate products and/or communicate with vendors, regardless of whether a vendor has a contract with the GPO?

Yes, AHSCA allows members to communicate directly with vendors to assess products or services not contracted with AHSCA. The member is responsible for meeting the terms of their AHSCA member agreement.

33. Are GPO members allowed to purchase non-contracted products or services directly from non-participating vendors?

Yes, AHSCA members may purchase non-contracted products or services from vendors that do not contract with AHSCA. The member is responsible for meeting the terms of their AHSCA member agreement.

ENVIRONMENTALLY-PREFERRED PRODUCTS AND SERVICES

37. Have members of your GPO expressed a preference for environmentally-preferred products and services?

Yes.

38. Describe your GPO's approach in identifying and satisfying the desires of your various members for environmentally-preferred products and services. Provide examples of environmentally-preferred products and services within your current portfolio.

AHSCA understands the connection between human and environmental health and is committed to advancing a sustainable and healthy environment for the communities our members serve. As responsible stewards, we engage our members through our EVAC committees to identify environmentally preferred products and services (EPP) for consideration and include EPP attribute scoring as part of our standard RFP questionnaire. AHSCA has many items on contract that support members' sustainability efforts including reprocessed items, medical devices free of PVC, phthalates, and DEHP, and alternatives to single-use items. Additionally, members have full access to Premier's EPP contract portfolio and tools.

39. What challenges, if any, have you experienced in identifying or contracting for working a variety of environmentally-preferred products and services to your members? How have you responded to such challenges?

As EPP reporting requirements are nascent for many suppliers, it is a challenge to obtain third party documentation supporting EPP claims for products. AHSCA encourages suppliers to include such documentation as part of its RFP process.

40. Has your GPO designated someone to:

- Identify your GPO's environmentally-preferred objectives;
- Explore environmentally-preferred products and services; and/or
- Develop initiatives to help educate your members about the value of using environmentally-preferred products and services?

Yes, AHSCA has a dedicated team focused on developing EPP offerings for our members and providing EPP education and training to help enable member systems reach their sustainability goals. AHSCA employs a Supply Chain ESG Manager which is principally focused on directing efforts around sustainable procurement. This role collaborates with cross-functional leaders to implement programs and processes aimed at collecting, monitoring, and reducing Scope 3 (upstream) emissions, resulting from the supply chain. The role will further advance AHSCA's ESG and sustainability strategy to ensure that business practices, products, and services align with Member's social and environmental goals and targets.

41. Please describe your organization's role in educating, advising, and supporting the adoption of Environmentally Preferred Purchasing among your members, including the availability of websites, catalogues, toolkits, or webinars?

AHSCA includes sustainability questions and consideration as part of its standard RFP template. Clinical councils use sustainability criteria along with other information to make recommendations for voting members on award. As a regional GPO powered by Premier, AHSCA members also have full access to Premier's Sustainability & EPP resources through ~~Supply Chain Advisor~~. AHSCA's parent company, Advocate Health, also has dedicated

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resources at the corporate level, and within supply chain, to complete emissions reporting, create EPP and sustainability strategies within supply chain, and provide education for sourcing teammates and contract decision makers.

CODE OF CONDUCT

42. Provide a copy of and an electronic link to your GPO's written code of business ethics and conduct. Describe any changes made to it from the previous HGPII reporting year.

Review Advocate Health's Code of Conduct [linked here](#). Two major updates:

1. the addition of "Interactions with government agencies & officials" section
2. the addition of a definition and some examples of psychological safety

43. Describe whether and in what manner the GPO distributes its written code of business ethics and conduct to all applicable employees, agents, contractors, clinical advisory committees, and others involved in group purchasing activity. How often is the code of conduct provided to employees? Do employees receive annual refresher training on the GPO's ethics and the code of conduct? Describe the content of the training and the method of delivery.

Code of Conduct training and certification is required annually for all AHSCA and Advocate Health teammates and administered by the parent company Advocate Health's Compliance department. The Code of Conduct is also provided to vendors and non-affiliated clinical council members.

COVID-19 Response

44. With the onset of the COVID-19 pandemic many healthcare providers experienced shortages of critical supplies and equipment due to disruptions in the supply chain. In response, how did your organization assist its members in assessing the quality and reliability of supplies? Specifically, what role did your organization play in vetting new and previously unknown supply chain sources, especially within the so-called Grey Market?

Supply disruptions continue to be a major risk for healthcare supply chains across the globe. AHSCA is assisting members in mitigating these risks in several areas:

- Supply resiliency questionnaire and attribute scoring in AHSCA RFI/RFP process
- Enhanced resiliency language in AHSCA contracts including, but not limited to, failure to supply, fill rate, etc.

- Dedicated resources on Clinical Value Analysis team addressing product shortages, clinical crosses, and supplier remediation, ensuring products meet FDA and clinical requirements
- Dual source and secondary contracting in critical product categories, including domestically sourced goods
- Through AHSCA's relationship with Premier, members have full access to Disaster Preparedness and Response resources, including Gray Market Best Practices Guides

45. Please describe your organization's role in advising and supporting federal and state policy makers in managing the healthcare supply chain during the pandemic, including cooperation with federal and state stockpiles?

AHSCA influences state and federal policy through Advocate Health's Government Affairs team. During the COVID-19 pandemic, AHSCA leaders advocated directly to state and federal officials on stockpile strategy. Members directly coordinate national stockpile distribution in accordance with state and federal regulations. AHSCA enhances this process for members by providing clinical cross references and supply shortage resources.

46. As a response to pandemic related challenges and supply chain disruptions, what technology services and IT products did your organization provide to members and their patients? What information and best practices services did you provide to the public?

AHSCA continues to invest in technology offering to enhance the supplier and member experience. During the COVID-19 pandemic and other shortages (ie. IV solution shortage), weekly calls were established to review critical shortages and triage remediation, and daily inventory reports enabled members to identify areas of critical need, and where conservation practices could be exercised. AHSCA has also invested in several technologies that enhance supply resiliency by measuring supply continuity risk – geopolitical, climate, labor, and other factors, as well as illuminating supply chain bottlenecks through second, third, and fourth tier suppliers in critical categories to help members make more informed decisions on award.

REPORTING POTENTIAL ETHICAL VIOLATIONS

45. Describe the mechanism (e.g., a corporate review board, ombudsman, corporate compliance or ethics officer) for employees to report possible violations of the written code of business ethics and conduct to someone other than one's direct supervisor, if necessary.

AHSCA's business ethics reporting is documented in the Advocate Health Code of Conduct. Two resources are available, depending on the situation.

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- Human Resources: Discrimination, harassment, inappropriate workplace behavior, concerns regarding your job (wage, hours, etc.), disciplinary actions, issues with coworker or supervisor, retaliation for raising HR-related concern
- Compliance & Integrity: Retaliation for raising a compliance concern, fraud, waste, or abuse, inappropriate offering or receiving of gifts, confidentiality and privacy concerns, billing and coding issues, research misconduct (fabrication, falsification, or plagiarism in proposing, performing, or reviewing research, or in reporting research results), other issues related to health care laws and regulations, retaliation for raising compliance & integrity concern

46. What process is used to protect the confidentiality of the reporting employee's identity and what safeguards are in place to mitigate the opportunities for retaliation?

Employees may report violations anonymously if they choose. AHSCA prohibits retaliation for reporting, in good faith, a suspected compliance violation. Forms of retaliation could include being terminated, demoted, suspended, reprimanded, harassed or discriminated against because you reported a concern. Retaliation claims should be reported to the Human Resources or the Compliance & Integrity Department.

47. Describe how the GPO follows up on reports of suspected violations of the code of business ethics and conduct to determine if a violation has occurred and if so, who was responsible. Describe corrective and other actions taken in such circumstances.

AHSCA takes business ethics concerns very seriously. If AHSCA leadership is notified of a business ethics concern by a teammate, member, vendor, HR, or Compliance & Integrity, a thorough investigation is performed and corrective action, if appropriate, is taken. Corrective action may include performance improvement plan, reassignment of work, or termination depending on circumstances.

48. Describe the processes the GPO follows up on, to monitor on a continuing basis, adherence to the written code of business ethics and conduct, and compliance with applicable federal laws.

Teammates are required to complete Code of Conduct training and certification on an annual basis. Teammates failing to certify by the deadline are considered voluntarily terminated from the system. Leadership check ins, performance reviews, internal and external audits, and separation of duties ensure AHSCA is continuously monitoring business ethics and code of conduct are following in compliance with applicable federal laws.

49. Are periodic reports on the GPO's ethics and compliance program made to the GPO's Board of Directors or to a committee of the Board? If so, please state how often and in general, what information is reported? Are periodic reports on the company's

¹ Business concerns, organizations, or individuals are affiliates of each other if, directly or indirectly, (1) either one controls or has the power to control the other, or (2) a third party controls or has the power to control both. (See 48 CFR, Section 9.403 (2007): Securities Act, Sec. 16, 15 USC 77p(f)).

participation in HGPII made to the GPOs Board of Directors or to a committee of the Board? If so, please state how often and in general, what information is reported.

Ethics and compliance violations are reported to the board at periodic meetings as they occur, including investigation, root cause, and remediation plan. No AHSCA compliance issues related to an AHSCA teammate have been reported in the last 12 months.

50. How many of your GPO employees attended the most recent Best Practices Forum? Include the name of the most senior executive who attended.

This will be AHSCA's first year attending the forum. Vice President of Supply Chain William Brewer and AVP GPO Operations Hannah Loveland will both be in attendance in person this year.

51. List the name, title and contact information of the senior manager assigned responsibility to oversee the business ethics and conduct program. Provide the name, title and contact information for the individual(s) responsible for responding to this report.

Michelle Frazier, SVP Compliance & Privacy, oversees the corporate compliance program. To report a potential compliance or privacy issue, you can call the Compliance and Integrity Hotline at 888-847-6331.