COVID-19

Weekly Member & Field Webinar

April 15, 2020

To listen to today's call, dial: 800.931.6428

Questions?

Email- DisasterResponse@premierinc.com

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Agenda

1	**Intro and Overview**	*Andy Brailo, Chief Customer Officer*
2	**Government Overview**	*Blair Childs, SVP Government Relations*
3	**Overcoming the Financial Impact of COVID-19**	*Roger Weems, Advisory Services Market Leader*
4	**Supply Chain Overview** **-PPE Reprocessing** **-Lab** **-Pharma** **-Blood**	*Chaun Powell, GVP Supplier Engagement* *Meg Wyatt, Sr. Dir Diagnostics* *Wayne Russell, VP Pharma* *Chris Godfrey, CEO Bloodbuy*
5	**Conclusion**	

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Initial $30B Distribution of $100B CARES Funding

$30B in payments, not loans, made to providers beginning April 10

- Payment goes to the Taxpayer Identification Number (TIN) that bills Medicare
- Must sign Terms and Conditions by **April 30**
- Cannot bill out of network charges for COVID-19 patient care

Remaining $70 billion

- @ $20 billion being paid based on revenues minus FFS
  - Expected this week
- Funding for hard hit COVID-19 communities
- Funding that recognizes high uninsured, rural states

Remaining $70B TBD
Priorities: rural, Medicaid, uninsured, providers who don't bill Medicare

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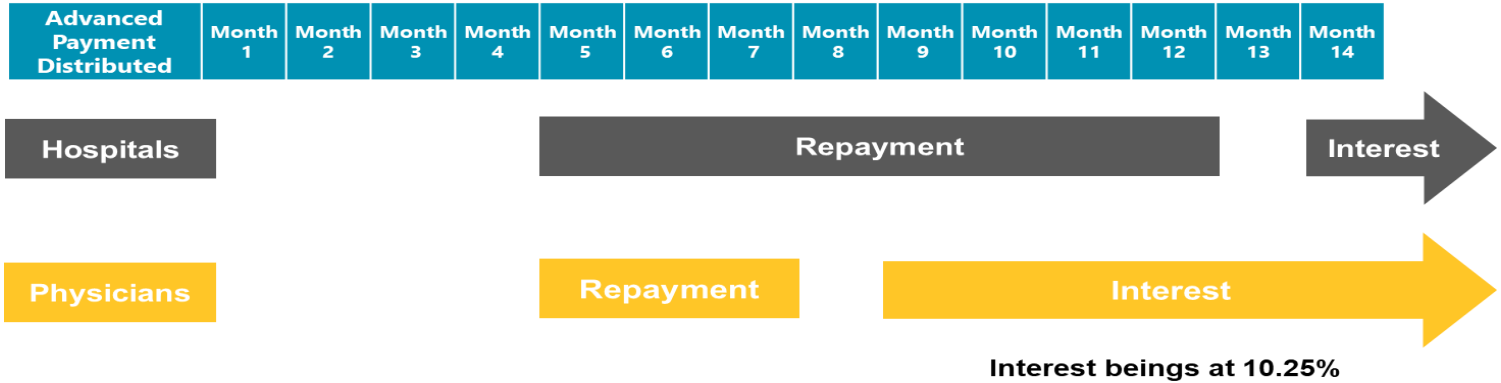
$80+ Billion in Accelerated/Advanced Payment

Eligibility. Provider/suppliers must:

- Have billed Medicare for claims within 180 days immediately prior to the date of signature on the provider's/supplier's request form,
- Not be in bankruptcy,
- Not be under active medical review or program integrity investigation, and
- Not have any outstanding delinquent Medicare overpayments.

Amount.

- Inpatient Hospitals: Up to 100% of 6 months of services
- Critical Access Hospitals: Up to 125% of 6 months of services
- All other provider suppliers: Up to 100% of 3 months of services



- All requests must be submitted to your MAC
- Premier can support you in modeling the financial impact: contact Conor_McFadden@premierinc.com

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COVID 3.5 and 4.0 Legislative Asks

- Add $250 billion to current $350 billion in the SBA *Paycheck Protection Program*
- Extend advanced/accelerated repayment timeline to a minimum of 2 years and reduce interest to 2-3%
- Additional funding for providers:
  - Additional provider support
  - Loan forgiveness of advanced/accelerated payments
- Other:
  - Electronic prior authorization in Medicare Advantage (H.R. 3107)
  - ACO Benchmark Bill (H.R. 5212, S. 2648)
  - Appropriate and expanded home infusion services benefit
  - Federal long-term care pharmacy definition

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Additional Supply Chain Progress in the Past Week

- Private Sector Supply Chain Coalition: ventilator reserve, ventilator drugs, Airbridge
- DEA took additional action to increase controlled substance production quotas for drugs critical to treating COVID-19 and substance use disorders
- HHS agreement with GM and Philips under the Defense Production Act for the manufacturing of ventilators
- FDA clarification that hospitals can consolidate pharmacy services to a single hub
- HHS guidance allowing pharmacists to order and perform COVID-19 tests

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Medicare & State Flexibilities

Vehicles for regulatory flexibilities:

- Legislation: CARES Act, FFCRA, Coronavirus Preparedness and Response Supplemental Appropriations Act
- Interim final rule with comments: released 3/30, effective 3/1
- 1135 blanket waivers: Do not need to apply to utilize
- Enforcement discretion
- Guidance

Expansion of Telemedicine

- Telehealth infrastructure funds
- Paid at same rate as if services were furnished in-person
- Broadens services payable when furnished via telehealth
- Expands sites of service eligible
- Waives originating site requirement
- HIPAA enforcement discretion
- Relaxes requirements around other virtual services

Supporting Surge Capacity

- Allows hospitals to furnish inpatient services outside the hospital
- Waives parts of EMTALA
- Funding for teaching health centers, CHCs
- Expansion sites & physical environment
- Blanket waiver of Stark Law
- Waives certain CAH requirements
- 3-day SNF waiver

Expanding Workforce

- Healthcare workforce programs
- Workforce flexibilities
- Allows greater use of non-physician practitioners
- Relaxes supervision requirements
- Streamlines provider enrollment
- Relaxes credentialing, privileging, certification, training and licensing requirements
- Other provider burden reductions

We are updating daily our ***comprehensive resource*** that you can use to find needed information on these and other recent developments from HHS. Check back regularly for the latest updates.

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Flexibilities for Value Models– ACOs, Bundles, CPT+, etc.

COVID Mitigation to Date

- MSSP: Mitigates financial losses by the total number of months in the public health emergency (e.g. $100k in losses, 6 months public health emergency, losses owed will be $50k)
- CJR: Episodes triggered during the public health emergency are capped at target price

Additional Needs

- Provide an option for no reconciliation in 2020 to all APM Participants
- Extend MACRA Bonuses at least one year
- If 2020 is a no reconciliation year, provide what would have otherwise been paid in savings/reconciliation to providers as an APM Incentive

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Adapting to the current environment I Margin improvement requires a different pace and focus

COVID-19 DRIVEN SITUATIONAL ANALYSIS

Understand how the COVID-19 environment is currently impacting both revenue and cost performance and build financial models to project future scenarios and impact on performance

RAPID-CYCLE IMPROVEMENT

Rapidly identify shorter-term financial improvement levers to pull in order to fund the time required to implement longer term strategic and operational initiatives to reposition the organization

CLINICALLY-FOCUSED MARGIN IMPROVEMENT

Clinically-focused and technology-enabled margin improvement is more relevant than ever and will require a balanced focus on redesigning business models and longer-term opportunities to optimize the overall cost of care delivery through focused standardization efforts

BUSINESS INTELLIGENCE & TECHNOLOGY ENABLEMENT

Our unique access to member patient-level data coupled with our suite of IT and business intelligence tools enables us to rapidly (and remotely) begin the work steps described above. This will help our members develop rapid recovery plans and also create a framework to manage performance post-recovery.

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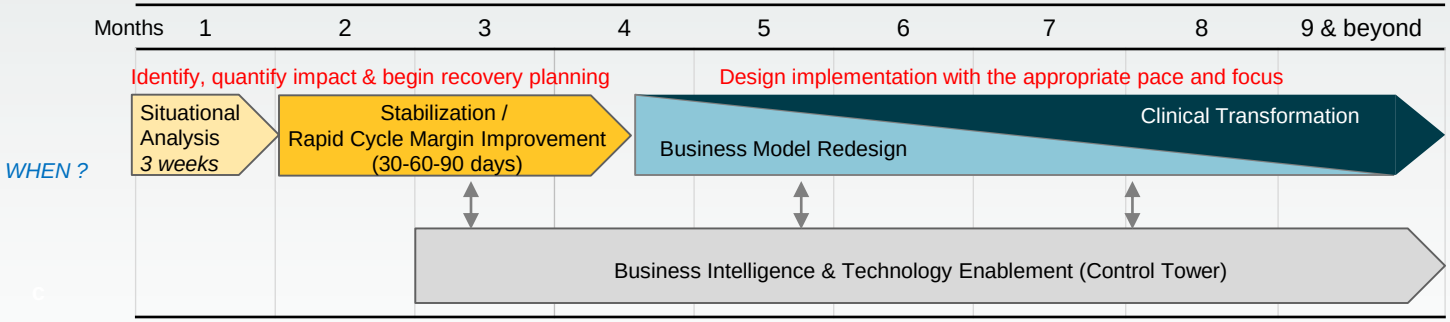
Premier has updated our approach to margin improvement to respond to evolving member needs



		Rapid Cycle Margin Improvement	Business Model Redesign	Clinical Transformation
WHAT ?	**Focus**	Cost reduction and Cash Acceleration	Operating and Business Model Restructuring	Clinically Focused Margin Improvement
HOW ?	**Key Activity Areas**	• Cash Forecast / Payment Strategies • Debt Structure Analysis • CARES Act Funding • Revenue Cycle Operations • GPO Pricing • AP / AR • Position Control • Program Rationalization • Asset Rationalization • Margin Improvement Roadmap	• Vendor Contracts / Partnerships • In-source / Out-source • Purchased Service(s) • Shared Service • Productivity • Overtime And Agency • Span of Control • Benefit Structure • 340B • Physician Enterprise • Service Line Strategy	• Resource Utilization • Physician Variability • Clinical Processes and Governance • Change Management • Fee-for-Value • Performance Incentives (HQEP) • Service Line Revenue Optimization • 340B

Early wins fund longer term changes

KEY NOTES :

- Our technology and data platforms put us in a unique position to support our members at an accelerated pace (even remotely)
- Our standard situational analysis phase has been updated to include COVID-19 driven revenue impact and scenario modeling
- We want to quickly identify the appropriate set of capabilities and solutions to leverage for each organization's unique set of challenges
- Depending on the market situation and member need, after a 90-day operational stabilization phase we can move into an implementation phase that prioritizes and sequences both business model restructuring and clinical transformation

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Supply Chain Overview- Addressing Challenges with PPE

- Lack of Supply
- Lack of representation in certain Classes of Trade (Senior Living & NonAcute)
- Confusion with Gray Market and Alternative Manufacturing entrants

Man faces 20 years for attempted $750 million COVID-19 PPE scam

An Atlanta man was arrested for attempting to defraud a federal agency into paying $750 millions for ...

ABC · 2d

A Hoarder's Huge Stockpile of Masks and Gloves Will Now Go to Doctors and Nurses, F.B.I. Says

The stockpile, slated for medical personnel in New York and New Jersey, includes 192,000 N95 respirators, 130,000 surgical masks and nearly 600,000 medical-grade gloves, the authorities said.

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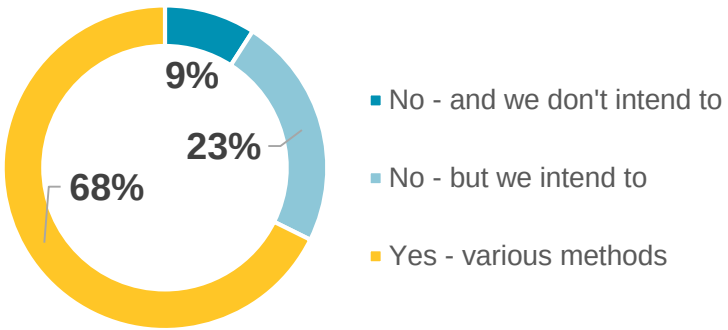
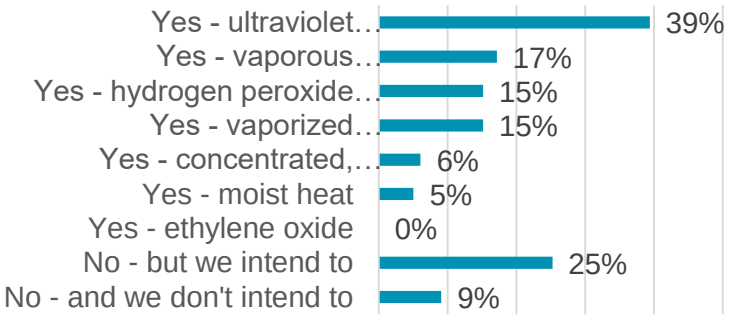
Supply Chain Overview- PPE Reprocessing

Key Points	Battelle	ASP (Sterrad)	Steris	TMG Health
Sterilization Technology	Vapor Phase Hydrogen Peroxide	Vaporized Hydrogen Peroxide Gas Plasma	Vaporized Hydrogen Peroxide	Ultraviolet Germicidal Irradiation
Done in facility	No	Yes	Yes	Yes
Max volume/day	up to 80,000*	10/cycle	10/cycle	8mask/cycle
Time range on cycle completion	2.5Hrs plus shipping time	24-55min +1hr post	30 min	30 sec
# of times mask can be cycled	20	2	10	5
Requires pouches/ indicators	No	Yes	Yes	No/monitored dosing
Labeled for clinician return	Yes	Yes	Yes	Yes
Free of cellulose or paper	Yes	Yes	Yes	No

Per FDA Guidance





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Supply Chain Overview - Laboratory Testing

Specimen Collection Kits

- FDA approved *nasal swabs* and *sterile saline* have offered more alternatives to relieve supply issues
- Work with your laboratory to ensure you are maximizing all options.
- FDA FAQ with guidance on product alternatives:

What If I Do Not Have…?

Q: I am having trouble obtaining viral transport media/universal transport media (VTM/UTM) and a flocked nasopharyngeal swab to collect and transport patient samples. Are there alternatives that I can use?

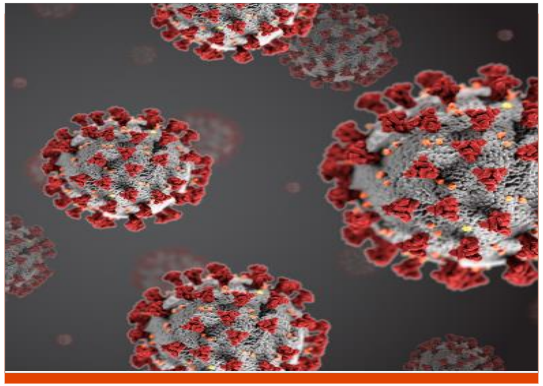
Laboratories certified to perform high-complexity molecular-based testing

- Commercial Labs Quest & LabCorp are reporting capacity of 40-45,000 tests per day, and improved turn around time.
- >180 laboratories have notified the FDA they have begun testing.
- FDA website: FAQs on Diagnostic Testing

What Laboratories and Manufacturers are Offering Tests for COVID-19?

Q: What tests for COVID-19 have received Emergency Use Authorization?

Q: What laboratories are offering testing under the policy outlined in Section IV.A of the Policy for Diagnostic Tests for Coronavirus Disease-2019?



Diagnostic Test with Emergency Use Authorization (EUA)

- EUA gives temporary authorization for use of COVID-19 test until the public health emergency is terminated
- A listing of approved EUAs for COVID-19 is available on FDA website.
- Abbott ID NOW™ COVID-19 assay
- Cepheid Xpert® Xpress SARS-CoV-2 used on GeneXpert® Systems
- Serological Tests (“antibody rapid blood test”)

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Supply Chain Overview - Serological Tests ("Antibody Rapid Blood Test")

PREMIER

COVID-19 Testing FAQ
Molecular vs Serological
Last Updated: 04.08.2020

Information on the disease and virus changes rapidly.
Lab news and details as they emerge are maintained in the laboratory section of Premier's COVID-19 website.

COVID-19 Testing FAQ

Where can testing be performed?
- Commercial reference laboratories (large external laboratories)
- In-house and local labs with equipment and certification to perform
- At home testing is not currently available, but options are being researched

What types of testing are available?
- In Vitro Diagnostics:
  - Molecular Diagnostic Testing, or PCR Testing, and
  - Serological Testing (blood antibody testing)

What is the purpose of these tests? How do they differ?
- Molecular (PCR) testing is used for diagnosis in patients presenting symptoms of COVID-19.
- Serological testing is used for surveillance to determine if a patient has had coronavirus by detecting if the patient has antibodies for COVID-19 in their blood after infection.
  - Negative results for a serological test do not rule out infection, and follow-up with a molecular test should be considered to determine if a patient is infected.
  - Once widely available, serological testing could be used to determine if a patient is immune, which can inform decisions around who can return to work and when stay-at-home orders can be lifted.

How long does testing take to perform?
- Molecular (PCR) testing can take several days if sending to an external lab. Rapid molecular tests are now being launched, which can be performed onsite in as little as 15 minutes.
- Serological testing results are typically available in under an hour if performed onsite. Time to result could be extended if test must be sent offsite or if test must be run on an analyzer.

Have these tests been approved by the FDA?
- Molecular in vitro diagnostic test manufacturers are being issued Emergency Use Authorization (EUA). A complete list of vendors that currently have authorization is available here.
  - EUA allows for the distribution and use of products to assist in an emergency to diagnose, treat or prevent serious diseases.
- Serological tests are just beginning to receive EUAs. Review the list of vendors that currently have authorization here. Serological tests will reference "IgG" or "IgM" in the test name.
- A listing of serological test developers that have notified the FDA of the availability of their test is available here, under "What serology tests are being offered under the policy outlined in Section IV.D of the Policy for Diagnostic Tests for Coronavirus Disease-2019.
  - These FDA is not objecting to the distribution of these tests, if they carry warning statements that they have not been reviewed by the FDA and can't be used as the sole basis to make a diagnosis.

Health systems and their hospitals are encouraged to work first with state and local health departments to determine best testing options and requirements

Serological Testing:
- Once widely available, can be used to measure immunity and determine if individuals are no longer susceptible to infection and can return to work.
- It is not used to diagnose an active infection or to rule out infection.

Recent Timeline:

March 16th: FDA Announced it will allow distribution of serology tests contingent on tests being validated, FDA being notified, and inclusion of warnings that tests have *not been reviewed by the FDA* and results should *not be the sole basis for diagnosing* or excluding COVID-19.

April 7th: FDA Commissioner Steven Hahn issued a statement stating, "Some firms are falsely claiming that their serological tests are FDA approved or authorized, or falsely claiming that they can diagnose COVID-19. The FDA will take appropriate action against firms making false claims or marketing tests that are not accurate and reliable."

April 8th: FDA announced that inter-agency group has been formed to validate serology tests.

All content per FDA and CDC guidance

Assessing credible sources for serological testing:
- Two methodologies – point of care finger stick and high-volume laboratory testing. Both will be needed to ensure testing is widely available, accurate and low cost to serve all patients in need.
- Primary sources will be in vitro diagnostic companies and laboratories that are leaders in the science, manufacturing, and have instrument footprint in the US.

Supply Chain Overview- Premier Pharmacy Program

- The **most critical focus** during this time period is assisting members in acquiring needed pharmaceuticals to treat COVID-19 patients
- Premier's pharmacy team has daily conference calls with wholesalers regarding supply and allocation as well as working with members who are establishing "pop-up" healthcare facilities outside the hospital to take care of patients
- Premier has had suppliers direct products to FFF our specialty distributor so that they could be available to members if the wholesaler channel is out
- Premier has added a second supplier of key drugs to contract temporarily to assist in filling demand
- Premier has facilitated distribution of short-dated product used for COVID-19 patient therapy for members who can quickly use the product

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Supply Chain Overview- Get Product to the Right Place at the Right Time

Utilize Johns Hopkins Data on Current Confirmed Cases

- Look at the 7 day and 14 day forecast of patients
- Include an estimate of those hospitalized and receiving product
- Include beds per county and match the county with Premier beds in the county

Utilize dosing information for tablets or vials based on an 80kg patient

Medication Name	Injectable		Actual usage at NYC hospitals per patient per 24 hours	Number of vials for one day	Amount of vials needed for one 80 kg patient on 14 days of ventilator therapy
Fentanyl	25-35 mcg IM/IV every 30-60 min PRN; infusion 0.7-10 mcg/kg/hour	25 mcg IM/IV x 3-4 doses; 400 mcg/hour IV infusion x 24 hours	12000 mcg to 14500 mcg/day = 5 to 6 vials of 50 mL; 12 to 15 vials of 20 mL; 48 to 60 vials of 5 mL; 120 to 150 vials of 2 mL; health-systems either considering or using 50 - 100 mcg/hour fentanyl patches	6	84

Action Steps

- Direct suppliers and wholesalers where to place product
- Inform suppliers on how product is being used so they can increase supply.
- Obtain estimates on the number of those in ICU to enhance the data

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Supply Chain Overview- Communication - Pharmacy COVID-19 page

Dashboard / Pharmacy Member Resources Home

Save for later Watch Share

COVID-19 Resources for Pharmacists

Created by Jerry Frazier, last modified on Apr 10, 2020

NEED HELP GETTING A DRUG? CLICK HERE

Chloroquine and Hydroxychloroquine Updates

Hydroxychloroquine availability - update from Cardinal Health (3/30/20)

Chloroquine Phosphate – Rising Pharmaceuticals – Product Addition - Premier has Chloroquine Phosphate 250MG and 500MG tablets under Rising Pharmaceuticals available for purchase through FFF Enterprises. Please note that orders will be prioritized for hos
or test positive for COVID. (4.6.20)

Hydroxychloroquine – Dr. Reddy's, Rising and Sandoz – Product Update - Premier has Hydroxychloroquine Sulfate 200MG tablets, 100 and 500 pack size available from Dr. Reddy's and Rising. The Sandoz product was depleted and it will be restocked during April.
doses to date and that product can be accessed through the Strategic National Stockpile. Information on how to access can be found below. Premier has been advocating for a more streamlined and efficient process for accessing the SNS.

All of the hydroxychloroquine inventory will be prioritized for hospitals with patients either suspected to have COVID or test positive for COVID. (4.6.20)

Donated Hydroxychloroquine - The Teva and Sun Pharmaceuticals donated hydroxychloroquine has been received at the wholesalers (AmerisourceBergen, Cardinal and McKesson). Product is being auto-shipped to the hot zones. Please be mindful that these initi
cities and states by zip code in order to meet the demand of positive tested patients. We ask that you do not order product if you are not actively treating patients acutely. Members should reach out to their wholesaler account representative to request medication c

FFF Enterprises order entry numbers (4.6.20)

Product	Manufacturer	Item #
Chloroquine 500mg 20ct/btl	Rising Pharma	CHL017802
Chloroquine 250mg 50ct/btl	Rising Pharma	CHL017750
Hydroxychloroquine 200mg 100ct/btl	Rising Pharma	HYD092701
Hydroxychloroquine 200mg 500ct/btl	Rising Pharma	HYD092705
Hydroxychloroquine 200mg 500ct/btl	Dr. Reddy's	HYD072105
Hydroxychloroquine 200mg 100ct/btl	Sandoz	HYD599401
Hydroxychloroquine 200mg 500ct/btl	Sandoz	HYD599405

Accessing the Strategic National Stockpile (SNS)

Requests to the SNS must be initiated by the State Department of Health. No private entity can make a direct request for supplies to the SNS. The process is slightly different and unique to each state. To initiate a request, the hospital or non-acute facility should:

1. Notify DisasterResponse@PremierInc.com when the request has been fulfilled. Request denials should also be reported for tracking purposes.
2. Contact their State Department of Health to request the state-specific SNS request form
3. Complete the form and submit to the State Department of Health as instructed
4. Forward a copy of the completed form to DisasterResponse@PremierInc.com. Premier will reach out to our contacts at SNS and alert them that a member request was initiated. Premier will advocate for an expedited response to the extent possible.

Premier has been advocating for a more streamlined and efficient process for accessing the SNS.

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Supply Chain Overview- Blood Supply Update

COVID-19 Convalescent Plasma (“CCP”)

- FDA allowing clinical use as an Emergency Investigational New Drug (eIND)
- Collection of donated plasma from individuals who have fully recovered from COVID-19
- Plasma contains antibodies against the virus
- Transfused to patients with advanced illness
- Studied for years as an effective intervention against other coronavirus epidemics (e.g., SARS-CoV-1, H1N1, MERS-CoV)
- Anecdotal evidence suggests it <u>might</u> be effective against SARS-CoV-2 (aka COVID-19)
- Mayo Clinic leading Expanded Access Program

CCP Availability & Distribution

- CCP is being manufactured at virtually every major blood center in very limited quantities
- Produced on a “directed donor” basis for local consumption, in connection with IND/eIND
- One CCP donation generates between 2-4 therapeutic doses (approx. 200mL per dose)
- Many blood centers are gearing up for large-scale production; it can be routinely frozen
- We anticipate CCP will become broadly available within the next several weeks as demand signals inform increased production levels
- Blood bank should contact your blood suppliers for this product, as appropriate

CCP Resources

- FDA Guidance for Investigational COVID-19 Convalescent Plasma
  - Pathways for clinical use
  - Patient eligibility
  - Collection, donor eligibility, and donor qualification
  - Labeling and record keeping
- UScovidplasma.org
  - National Expanded Access Program enrollment & participation guidelines

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Upcoming Communications & Opportunities

- **Daily Field News**
  - Follow up with your RD if you are not receiving these
- **Weekly Executive Update**
  - Susan DeVore / Mike Alkire C-Suite Email
- **Weekly Executive Summary**
  - Prior recordings and future webinar details available at: www.premierinc.com/newsroom

Ask Your Questions: COVID-19 Weekly Call

Supply Chain | Education Events COVID-19

To help the public manage the COVID-19 response effort, Premier provides weekly updates on the most relevant changes that could affect healthcare providers.

https://www.premierinc.com/newsroom

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