



[DATE]

Facility
Address
City, ST Zip

RE: [YEAR] GPO administration fees

Dear CFO:

Enclosed for your information is a spreadsheet listing the group purchasing organization administration fees (“GPO Fees”) received by Healthtrust Purchasing Group, LP (“HPG”) from the listed vendors based on purchases by you and your affiliated hospitals for calendar year [YEAR]. GPO Fee percentages paid by HPG vendors are equal to or less than 3% of purchases, except for _____, which pays fees equal to ____% of payments received on its accounts. This listing is provided as required by the Federal Medicare/Medicaid laws and Safe Harbor Regulations 42 USC § 1320 a-7b(b)(3)(C) and 42 CFR § 1001.952 (j). These GPO Fees are used by HPG to underwrite our costs of providing the various vendor contracting and related services that we supply to your organization.

For [YEAR], the funding HPG received, if any, from vendors to support HPG education and meeting expenses is listed on Attachment 1. HPG did receive fees for booth rentals charged to vendors at HPG seminars, meetings and conferences. If HPG received educational grants from any vendors, the amounts received from each vendor and the event description are also enclosed.

If you have more than one facility, the individual facility information provided herein must be provided to each of your facilities in order to meet GPO Safe Harbor requirements and to enable you to comply with your obligations under your participation agreement. Therefore, we request that you furnish a copy of this letter and applicable portions of the enclosed spreadsheet to each of your facilities (if you have multiple facilities), so that they receive notice of the GPO fees received by HPG based on their purchases. If any of your facilities have made purchases under HPG Vendor contracts through another one of your facilities, then it is your responsibility to report to the ultimate purchasing facility the portion of GPO Fees HPG received based on their purchases.

Please feel free to contact me if you have any questions. I would appreciate receiving a signed copy of this letter acknowledging your receipt and agreement to provide the information furnished to each of your facilities.

Sincerely,

John M. Paul
Chief Financial Officer

Enclosure

Receipt Acknowledged

By: _____

Name: _____

Title: _____

Date: _____