

FOR IMMEDIATE RELEASE

Contact: Niki Burgdorf
Sisters of Mercy Health System
v: 314.628.3603
f: 314.628.3734
e: nichole.burgdorf@mercy.net
<http://www.mercy.net>

RESOURCE OPTIMIZATION & INNOVATION ADOPTS GS1 HEALTHCARE STANDARDS

St. Louis (November 20, 2008) – Resource Optimization & Innovation (ROi), the Sisters of Mercy Health System’s (Mercy) supply chain operating division, is taking a landmark step in the healthcare industry by adding specific terms to contract language requiring the use of GS1 standards in transactions and in production processing.

Under the direction of Larry Dooley, vice president of group purchasing for ROi and former chairperson to the Coalition for Healthcare e-Standards, amended contract language is being sent to all ROi and Mercy contracted suppliers requiring the use of GS1 standards. These standards include:

- **Global Trade Identification Number (GTIN)** – a 14-digit code registered by the GS1 organization for each individual manufactured product as well as to each different packaging configuration
- **Global Location Number (GLN)** – a 13-digit code registered by the GS1 organization used to uniquely identify healthcare supplier and provider locations
- **Global Data Synchronization Network (GDSN)** – a network of certified data pools enabling the standardization and synchronization of supply chain data between trading partners

According to Vance Moore, president of ROi, “A rough infrastructure is in place to support GS1 standards with some of our trading partners today, to the point where production processing has become possible. More and more progress is happening daily and every standards-enabled transaction that transmits through the system brings us one step closer to an efficient supply chain like those seen in other industries.”

GS1 standards provide a framework that ensures effective exchanges between companies and act as basic guidelines that facilitate interoperability and provide structure to many industries. GS1 standards are currently used in 140 countries and more than 20 industries around the world in more than 1 billion transactions a day. GS1’s most highly visible standard is the UPC bar code that appears on consumer, grocery, consumer healthcare and pharmaceutical products. Recently, announcements in support of GS1 standards have been made from leading group purchasing organizations and healthcare-related agencies, but few have been made on the part of providers.

ROi has already notified some trading partners of a date when production electronic data interchange (EDI) transactions using GTINs and GLNs will begin. Global Healthcare Exchange

(GHX), the largest and most utilized electronic commerce exchange in the healthcare industry, is assisting RO*i* and Mercy in enabling the use of GS1 standards, as Mercy transacts many of its purchases with suppliers through the GHX exchange.

MJ Wylie, director of global data standards with GHX, states: “As industry leaders such as Mercy adopt the GS1 standards, GHX can help them achieve the maximum benefit by making it possible to utilize those standards in transactions. Next year, when GHX becomes a GDSN-certified data pool, we will be able to further accelerate the use of those standards by Mercy, as well as others participating in the GDSN.”

In addition to improving current supply chain processes, the adoption of GS1 standards establishes a solid foundation for future healthcare regulatory requirements, such as Pedigree and Unique Device Identification (UDI). The necessity of regulatory and industry standards adoption is expected to become more apparent as healthcare providers increase use of electronic transactions, electronic health records and automatic identification systems, all of which benefit from the use of precise standards.

Mercy is a member of GS1 Healthcare U.S. and Strategic Market Initiative.

-30-

About RO*i*

Resource Optimization & Innovation (RO*i*) is operating division of the Sisters of Mercy Health System (Mercy) that allows Mercy to successfully offer a single-source, fully integrated supply chain solution to serve its customers. RO*i* focuses on three primary areas of service: performance consulting, group purchasing and supply chain management. As of fiscal year 2007, RO*i* has \$560 million in contracted volume, more than 1,400 members and serves more than 4,000 licensed beds in 22 acute care hospitals. RO*i* is headquartered in St. Louis, Mo. and has distribution operations at the Consolidated Services Center (CSC) in Springfield, Mo.

About Mercy

The Sisters of Mercy Health System (Mercy) operates hospitals, physician practices, outpatient clinics, health plans and related health and human services in a seven state area including Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma and Texas. Its members include 18 acute care hospitals providing more than 4,000 licensed beds, two heart hospitals, a managed care subsidiary (Mercy Health Plans), physician practices, outpatient care facilities, home health programs, skilled nursing services and long-term care facilities. Services are provided by approximately 30,000 co-workers and 4,000 physicians who are employed or practice at Mercy facilities. Mercy is the 9th largest Catholic healthcare system in the U.S. based on net patient service revenue and is sponsored by the Sisters of Mercy–St. Louis Regional Community. For more information, visit www.mercy.net.

About GHX

GHX enables healthcare providers and suppliers in North America and Europe to reduce costs and improve margins by automating processes, reducing operating expenses and increasing knowledge-based decision making. Products and services include trading partner connectivity, order and contract management and validation, data synchronization, sales force automation and business intelligence. Equity owners of GHX are Abbott Exchange, Inc.; AmerisourceBergen Corp.; Baxter Healthcare Corp.; B Braun Medical Inc.; Becton, Dickinson & Co.; Boston Scientific Corp.; Cardinal Health, Inc.; Covidien; C.R. Bard, Inc.; Fisher Scientific International, Inc.; GE Healthcare; HCA; Johnson & Johnson Health Care Systems Inc.; McKesson Corp.; Medtronic USA, Inc.; Owens & Minor; Premier, Inc.; Siemens; University HealthSystem Consortium; and VHA Inc. For more information, visit www.ghx.com