



STATEMENT OF SUPPORT

HEALTHCARE GROUP PURCHASING INDUSTRY INITIATIVE

For hospitals, other health providers and the patients we serve, group purchasing organizations (GPOs) provide access to the best drugs, supplies and medical devices at the lowest possible prices. In the healthcare market-place, where competition and innovation are essential, GPOs help assure that providers and patients alike benefit from important medical technologies while also controlling costs.

As hospital and health provider organizations, we strongly support the new Healthcare Group Purchasing Industry Initiative. It promotes a fair and open marketplace for suppliers, patient access to high quality medical products and services, and significant cost containment for hospitals and other providers. Given that medical supplies are the second highest hospital expense after labor, any cost increase would lead to higher costs for all stakeholders — including hospitals, insurers, employers, patients and the government.

We are confident that this Initiative, launched by the leaders of America's healthcare GPOs, will assure transparency and ongoing adherence to best business and ethical practices. These are the very qualities our hospitals consider when choosing a GPO.

The Initiative offers stakeholders greater insight into GPO business practices and decision-making. It also ensures that GPOs who are part of the Initiative operate ethically and are held accountable. The Healthcare Group Purchasing Industry Initiative will engage in rigorous self-monitoring and examination in the form of annual 'best practice' forums.

America's leading GPOs have embraced greater transparency and accountability. We applaud their leadership and are confident that the Initiative serves the best interests of the nation's healthcare community.

American Hospital Association
Association of American Medical Colleges
Catholic Health Association of the United States
Federation of American Hospitals
National Association of Children's Hospitals (N.A.C.H.)
National Association of Public Hospitals and Health Systems