



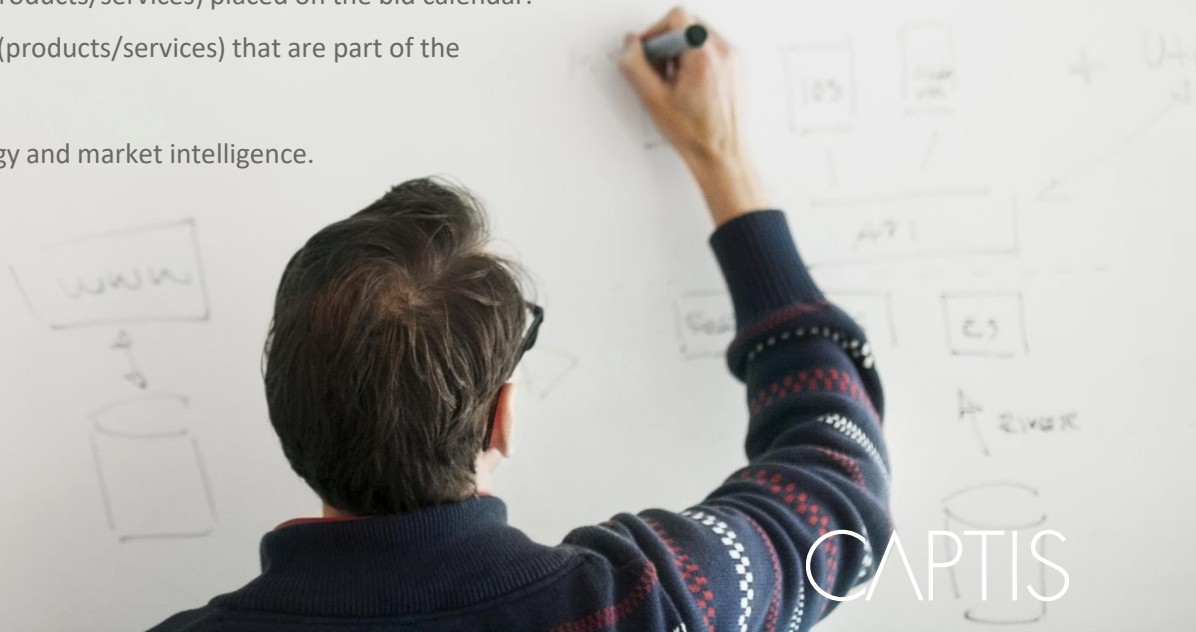
Operating Principles

The commitment and key behaviors required
of our members

KEY MEMBER BEHAVIORS

Our members:

- Make decisions collectively based on what is best for the network as a whole, rather than individually for their organization.
- Commit to aggregating volume and market share.
- Participate in Mayo Clinic and Vizient sourcing and contracting strategy.
- Hold each other accountable for delivering upon commitments to Captis (active member participation in governance structure, enforcement of penalties for non-compliance).
- Participate in innovation that drives value.
- Create a single voice during the sourcing and contracting process, members refrain from negotiating local or individual agreements on behalf of their respective organization.
 - **Quiet Period:** Applies to new initiatives (products/services) placed on the bid calendar.
 - **Prohibition:** Applies to existing initiatives (products/services) that are part of the Captis contract / services portfolio.
- Ensure confidentiality of Captis pricing, strategy and market intelligence.



QUIET PERIOD AND PROHIBITION

To create a single voice during the sourcing and contracting process, members refrain from negotiating local or individual agreements on behalf of their respective organization.

Quiet Period (Phases): Applies to new initiatives (products/services) placed on the bid calendar.

	Permitted to:	Not Permitted to:
Phase 1 Quarterly Bid Calendar Approved	<ul style="list-style-type: none">• Conduct product trials• Make product changes• Finalize local negotiations in process• Standardize products	<ul style="list-style-type: none">• Initiate supplier negotiations• Engage in price discussions• Distribute local RFP• Change Contract commitment
Phase 2 RFP Released	<ul style="list-style-type: none">• Make limited product changes	<ul style="list-style-type: none">• Initiate supplier negotiations• Engage in price discussions• Distribute local RFP• Change contract commitments• Conduct product trials unless approved by clinical committee• Standardize products
Phase 3 Initiative approved by Ops. Com.	<ul style="list-style-type: none">• Conduct product trials• Make product changes• Standardize products	<ul style="list-style-type: none">• Initiate supplier negotiations• Engage in price discussions• Distribute local RFP• Change contract commitments
Phase 4 Quiet period lifted upon Launch	<ul style="list-style-type: none">• Conduct business as usual• Submit eLOC• Begin product conversion	<ul style="list-style-type: none">• Negotiate with Captis awarded suppliers (prohibition).



Prohibition begins and is maintained through the life of the contract.

QUIET PERIOD AND PROHIBITION

Prohibition: Applies to existing initiatives (products/services) that are part of the Captis contract / services portfolio.



Members are not permitted to negotiate with Captis-awarded suppliers for Captis contracted products .

Prohibition supports the Captis founding principles:

ACT

and speak with one voice to the supplier community

MAKE

decisions collectively based on what is best for the network as a whole, rather than individually for their organization

HOLD

each other accountable for delivering upon commitments to Captis

COMMIT

to aggregating volume and market share

PROTECT

the credibility, reputation, and name brand of Captis

CATEGORY COMPLIANCE | SPEND PERFORMANCE



Members are obligated to purchase from the Captis portfolio annually as described below.



Members may choose which contracts to participate as long as spend requirement / category compliance commitments are met.

The table below illustrates the percentage of spend required in each of the Captis categories, and how compliant members are in achieving the spend requirement.

Category	A /A-1 Member		B Member		C Member	
	Spend Required	2022 Compliance	Spend Required	2022 Compliance	Spend Required	2022 Compliance
Commodity Items	90%	85%	85%	79%	75%	72%
Clinical Preference	80%	85%	75%	84%	65%	79%
Medical Device	25%	76%	20%	77%	15%	79%

MEMBERS INDIVIDUAL CONTRACTUAL COMMITMENTS

When our members commit to an initiative, they commit to:



Captis as a network



Other members



Suppliers



The market

Our commitments are considered legal obligations, and members unable to uphold their commitments are subject to the terms set forth.

Upholding our contract commitments protects our network's brand and buying power, and impacts all present and future value for Captis members.