

## Glossary of Terms and Abbreviations

### A

**Advisor Suite** A set of performance improvement solutions that measure areas of hospital operation, including clinical outcomes, operational efficiency, patient satisfaction and patient safety. Includes advisor view, clinical advisor, operations advisor, safety advisor and perception advisor.

**AEIX** American Excess Insurance Exchange: Provides participating Owners with excess and umbrella professional and general liability insurance.

**Affiliate** A hospital or non-hospital provider of care that is not an Owner of Premier (holding no equity interests) but accessing Premier services such as group purchasing by means of a contractual affiliation arrangement with an Owner or Premier. In combination with Owners, Affiliates are Premier alliance Members.

**AHRQ** Agency for Healthcare Research and Quality

**ART** Alliance Relations Team

**ASD** Accelerated Solutions Development: organized approach bringing key business stakeholders together to work collaboratively and rapidly on strategy, technology architecture, and innovative business improvement initiatives

**ASTD** American Society for Training and Development

### B

**Base Camp** Description of anticipated healthcare/business environment three years out, prepared in advance of each new three-year Premier strategic planning cycle, in combination with a description of the capabilities and characteristics Premier will need to have in order to advance forward from there toward its 20-30 year BHAG.

**BC** Business Continuity

**BCG** Business Conduct Guidelines: A document that summarizes our policies, practices and resources with respect to our ethical standards and expectations.

**BHAG** Big Hairy Audacious Goal: Premier's 20-30 overarching aim stated as "Premier's Owners will be the leading healthcare systems in their markets, and, with them, Premier will be the major influence in reshaping healthcare." Premier's Foundation Statements include this goal and Envisioned Future describing the alliance and healthcare if the BHAG is reached.

**BI** Business Intelligence - The BI department is a central corporate resource designed to monitor and collect business knowledge critical to maintaining our competitive position in the marketplace, and is primarily responsible for information gathering, analysis and reporting for the purpose of strategic decision making.

**BLR** Business Line Review : Formalized review and analysis by Premier's executive leaders of Business Units' strategic plans, considering historical and anticipated performance, strategies and *Confidential Information for Premier Inc.*

action plans, environment, challenges and opportunities, Customer relationships, and other significant factors. BLRs are undertaken regularly with standardized approaches.

**BoD** Board of Directors

**BTS** Breakthrough Series: Clinical Supply Chain Collaborative Breakthrough Series utilizes IHI's "Models for Improvement," a proven breakthrough system, and brings together Premier Members who share a commitment to significant, rapid changes that produce measurable results in supply chain and high profile physician preference areas.

**BU** Business Unit

### C

**CAMS** Contract Administration Management System

**CD** Corporate Development

**CDC** Center for Disease Control

**CEO** Chief Executive Officer

**CFO** Chief Financial Officer

**COI** Conflict of Interest

**CISWG** Computer Information Security Work Group

**CI** Corporate Initiative

**CITS** Corporate Information Technology Services

**CLC** Corporate Learning Council

**CMO** Chief Medical Officer

**CMS** Centers for Medicare and Medicaid Services

**Communities** (as used in Premier Core Purpose "to improve the health of communities"): We understand "communities" to mean not only people living in geographic locales but also other populations with common characteristics, such as the elderly or insured managed-care groups. Similar language of purpose is inherent in the charters of our Owners, each a not-for-profit organization operated for social good. Shared purpose ensures congruence in aim with those we serve.

**Contracted Suppliers** Companies with which Premier has entered into a group purchasing contract through which Members may purchase goods and equipment at group pricing and terms.

**CoC** Code of Conduct

**Core Competencies** for Premier employees, derived from Core Values. The 11 Core Competencies are integrity and trust, drive for results, planning, problem-solving, business acumen, learning on the fly, customer focus, conflict management, self-knowledge, and peer relationships.

**CSC** Customer Solution Center

CTQ Critical to Quality

Customers (for services and products delivered externally): Referred to in general and collectively, those organizations of all categories that buy/use Premier services, including Owners, Affiliates, and others that are not alliance Members.

CY Calendar Year

## D

DR Disaster Recovery

Disaster Support Team Mobilizes to support our members affected by large-scale emergencies. The team coordinates with our Group Purchasing suppliers to assure shipments of needed supplies.

## E

EA Enterprise Architecture

ECO Ethics and Compliance Officer

E-Commerce Electronic Commerce

EMS Entity Management System

**Environmentally Preferable Purchasing Program:** A collaborative effort between our Premier Group Purchasing program and the Premier Safety Institute. It encompasses products and packaging that are less toxic, prevent pollution, are more energy efficient, and are safer and healthier for patients, workers and the environment when compared to competing products and services. These include products that can be recycled or are biodegradable, contain less toxic and hazardous chemicals and additives, do not contain mercury, promote good indoor air quality, can be re-used or recycled to minimize waste, and reduce risks for patients, workers and the community.

E-Sourcing Electronic Sourcing

E-TEAM Executive Team: Composed of the CEO and his direct reports.

## F

FDA Food and Drug Administration

**Foundation Statements** Premier's foundational tenets, comprising Core Purpose, Core Values, Big Hairy Audacious Goal, Envisioned Future, and Core Roles.

FS Field Staff Employees who directly service the customer in the field and who are often in remote locations.

FT Full-time

FY Fiscal Year

## G

GHX Global Health Exchange

GPO Group Purchasing Organization

GPS Group Purchasing Services

## H

**HGPII Healthcare Group Purchasing Industry Initiative:** Nine of the nation's leading GPOs, serving the majority of America's hospitals, have formed the Healthcare Group Purchasing Industry Initiative to promote and monitor best ethical and business practices in purchasing for hospitals and other healthcare providers. The goal of the Initiative is to assure ongoing adherence to published ethical and business practices.

HI Healthcare Informatics

**HIGPA Health Industry Group Purchasing Association:** A broad-based trade association that represents group purchasing organizations (GPOs) and their trading partners. HIGPA's group purchasing industry members include for-profit and not-for-profit corporations, purchasing groups, associations, multi-hospital systems and health care provider alliances.

**HIPAA Health Insurance Portability and Accountability Act of 1996:** Standards to protect the privacy of health information about individuals.

**HQID Hospital Quality Incentive Demonstration:** Three-year demonstration undertaken by Premier, the U.S. Centers for Medicare and Medicaid (CMS) and more than 260 volunteer hospitals to test the effect of financial incentives (bonus hospital payment) for superior performance on evidence-based indicators of clinical care quality. The HQID was the first pay-for-performance demonstration of its kind undertaken nationally. It employs Premier's evidence-based indicators of care quality and effectiveness and associated comparative reporting systems.

HR Human Resources

HRC Human Resource Consultants

## I

IDP Individual Development Plan

**IHI Institute for Healthcare Improvement:** A not-for-profit organization driving the improvement of health by advancing the quality and value of health care.

IT Information Technology

ITGC Information Technology Governance Council

## K

KPI Key Performance Indicators

## L

**LT Leadership Team** comprised of the CEO, his direct reports and select unit leaders throughout the organization.

## M

M/WBE Minority and Women Owned Business Enterprise

Members Collectively, the hospitals, health systems, and other care organizations that are either Owners or Affiliates of Premier.

## N

NAICS North American Industry Classification System

NFPs Not for Profits Hospitals and diversified Health Systems

## O

OR E-Team Meeting/Operational Review

OSHA Occupational Safety and Health Administration

Owner A not-for-profit hospital/health system organization that holds equity interest s in Premier (holding both shares of stock in Premier, Inc. and limited partnership interest in the Premier Purchasing Partners, LP. entity that operates group purchasing and supply chain services). In combination with Affiliates, Owners are alliance Members.

## P

P Projected

PC Personal computer

PDCA Plan, Do, Check, Act

PEAK Team Performance Excellence Assessment and Knowledge Team: Oversees the Baldrige Criteria improvement opportunities and the annual Baldrige application development and assessment process, and shares knowledge among the operational roles in the organization.

PHD Premier's High-Performance Development Program for future leaders

PIMS Premier Insurance Management Services

PLI Premier Learning Institute

PLS Premier Leadership System

PME Process Matter Expert

PMI Project Management Institute

PMIS Process Management and Improvement System

PP Purchasing Partners

Premier Ideas Intranet portal through which employees may share their suggestions for improvement, comments, and questions, with response provided.

PT Part-Time

Pulse Survey See WE (Workforce Engage)

## Q

QA Quality Assurance

QIP Quality Improvement Plan: Mutually established quality improvement plans with our Owners.

## R

RD Region Directors

Risk Assessment Formal examination undertaken through the internal audit function annually to identify opportunities for improvement in business processes and controls.

RFI Request for Information

RFP Request for Proposal

ROI Return on Investment

RVP Region Vice Presidents

## S

SBE Small Business Enterprise

SCIP Supply Chain Improvement Plans: Mutually established supply chain improvement plans with our Owners.

Senior Leaders Comprised of the E-Team plus all Unit leadership teams.

Stockholder A Premier Owner acting specifically as a holder of the company's equity shares, for purposes such as electing the BoD.

SPP Strategic Planning Process

SRP Social Responsibility Program

Strategic Relationships Companies or organizations with which Premier has a formal working relationship to provide complementary or component services to Members.

SU Support Unit

Supplier Diversity Program Integrates inclusive diversity practices into Group Purchasing contracting areas and supports Premier Member use of minority, woman, veteran, and small business suppliers through Premier agreements.

SWOT Strengths, Weaknesses, Opportunities, and Threats

## U

UNIT LEADERS Composed of the leadership for each unit.

UPN Universal Product Number

## V

VBE Veteran Business Enterprise

VOC Voice of the Customer

VP Vice President

VTC Video Teleconference

## W

WE Workforce Engage: Premier's employee satisfaction survey. Full WE survey conducted every two years with all employees and WE Pulse Surveys conducted quarterly with a random selection of 25% of employees.