



THE HEMOPHILIA ALLIANCE, INC.

www.hemoalliance.org

HAPPENINGS

The Hemophilia Alliance and Hemophilia Alliance Group Purchasing Organization (HAGPO) are merging. Here is a little background on the organizations.

Background

The Hemophilia Alliance was created to fill a need for the representation of Hemophilia Treatment Centers (HTCs) who were participating in the Public Health Service 340B Drug Discount Pricing program (the “340B Program”). Prior to the Alliance coming together in 1998 and incorporating in 2001, no organization had as its core mission, the representation of HTCs in the 340B Program and the promotion of their interests.

As its membership grew, the Hemophilia Alliance had a vision of forming a Group Purchasing Organization to ensure product in times of a shortage and to leverage its members’ collective purchasing power to obtain better purchasing terms. The Alliance moved ahead on this vision and two years ago HAGPO was born. After much discussion and based on feedback from the Internal Revenue Service (IRS), it was decided that HAGPO should be established as an independent corporation. Even though HAGPO was independent, we wanted to maintain a link to the Hemophilia Alliance. This was done in two ways: first, the HAGPO bylaws include a provision that you have to be a member of the Hemophilia Alliance in order to be a member of HAGPO and second, there was to be one HAGPO board member who also sits on the board of the Alliance.

Why are we merging?

HAGPO and the Hemophilia Alliance have been operating as two separate corporations but share a common vision and have been sharing personnel and have been holding combined meetings for its members. Over the last several years, both organizations have grown substantially and some in the hemophilia community may not distinguish between the two entities. Both organizations have common membership and common business partners such as the clotting factor manufacturers and third party payers. Operating independently and marketing each organization separately to the same audience is inefficient, confusing and it jeopardizes success. After separate discussions, the Boards of both organizations agreed that merging would be in the best interest of its members and missions.

What will the new corporation be called?

The new corporation will be called The Hemophilia Alliance.

What are the benefits?

The new, combined organization will continue the work of both organizations through a single, unified mission. The new organization will continue to support its HTC members and the broader Hemophilia Community through:

- Advocacy
- Educating insurance payers about Hemophilia, HTC's and 340B
- Negotiating improved purchasing terms including prices, payment terms and supply
- Navigating the evolving nuances of the 340B program and providing technical support and answers
- Providing accurate and timely information, enhanced communication and networking opportunities
- Serving as a liaison to MCHB, OPA and other federal agencies that affect and require information from HTC's.

How will this affect members of the Alliance and HAGPO?

HTC's that participate in HAGPO will not be affected at all. All the members of the Hemophilia Alliance will now have access to group contracting through the group purchasing arm of the new organization. However, it is important to distinguish between, "access" and "participation". To take advantage of this new access to contract prices and other benefits, Alliance members NOT currently participating in HAGPO, will have to opt in by signing a Participation Agreement (there will be no automatic enrollment).

Will this affect my dues?

No, this will not affect your dues. Annual dues will remain the same.

When will this Merger be Complete?

The formal process of merging both organizations has only just started and we will be working with an attorney to make sure everything gets done as required by the IRS, state and federal law. However, since each organization is so familiar with the other, we don't anticipate this to be a long process and the merger should be complete by August, 2008. Formal approval by the IRS may take longer and is never predictable but this would not affect our ability to operate and carry out our mission. If there is anything unforeseen that changes this time frame, we will certainly let you know.

We will also send out more updates on the merger as discussions progress and milestones are met. Please do not hesitate to contact us if you have any questions or concerns, we welcome your input.

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