Medical Specialties Distributors Customer Transition Guide

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We're making changes to offer you more solutions so you can improve the health of your organization and focus on what matters – better health.

Together, McKesson Medical-Surgical (McKesson) and Medical Specialties Distributors (MSD) offer you more products and services to improve the lives of your patients. Our combined business can help you increase efficiencies by providing the products, technology solutions and service you need.

That's why we're transitioning all MSD customers to the McKesson operational platform. This guide will provide you with an overview of our online ordering system – McKesson SupplyManager $^{\text{SM}}$ – and other business-related items to ensure a successful conversion.

What should you know about this transition?

Enhanced Product Portfolio

You will have access to more products through McKesson. Our portfolio of more than 300,000 products includes an extensive offering of quality national and McKesson Brands products, as well as Rx and Specialty Rx items.

More Technology Solutions

We offer a wide range of solutions designed to save you time and to make it easier for you to manage your procurement and supply spend. Our online ordering system, SupplyManager, will help save you time, manage costs and improve efficiency. McKesson's VerbalCare® mobile app is designed to improve communications between you and your patients by automating care coordination, helping reduce costs and improving patient supply chain management.

OneTrack® is a web-based tool that automates asset tracking processes and improves productivity, while reducing costs associated with asset loss. It optimizes equipment use and reduces rental and capital equipment costs.

McKesson Biomedical Device Services

If you are an MSD Biomed Rental and Service customer, you will transition to McKesson in early 2020 with little to no change to your day-to-day experience. Until then, there will be no change in your Biomed services.

Additionally, we have opened new, state-of-the-art biomedical locations in Pennsylvania and South Carolina and will open another soon in Florida. These

new locations will increase your biomedical service options and provide the same high level of biomedical services you received from MSD.

Larger Distribution Network

With our nationwide network of distribution centers and expertise in patient home delivery, you get the products you need, when you need them, and in the quantity you want.

Every change features a learning curve and our customer service and sales teams are ready to help you every step of the way. You can always reach out to them with any questions you have.

Thank you for making McKesson your preferred choice.

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Joan Eliasek President, Extended Care Sales McKesson Medical-Surgical

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Support You Can Count On

McKesson is dedicated to making this a smooth transition. We offer similar or better options for ordering, shipping and tracking your order than your current options.

- Online Ordering
- Customer Service
- Fax
- Your McKesson Account Manager will be able to answer any questions you have regarding the transition.

Access SupplyManagerSM

On your transition date, please log into the MSD website, msdonline.com and set up a new user ID. You will use the user ID when it's time to start ordering from the McKesson SupplyManager website.

If you have questions about SupplyManager, please contact us at supplymanager@mckesson.com or 800.422.0280.

	Better	Same	Different
SupplyManager As part of the transition, you will get access to SupplyManager, McKesson's best-in-class online ordering platform. There you can easily place orders, research products, create purchasing lists, track deliveries and much more. For access, you will create a new login and password. We will provide detailed instructions on setting up your access to navigate SupplyManager.	~		
More Items McKesson offers more than 300,000 different items including enteral, medical-surgical, lab and office supplies. We offer products from all major manufacturers to bring you a variety of solutions to take care of your patients.	~		
Pharmaceuticals McKesson offers most pharmaceuticals that are needed in core infusions including anti-infectives, total parenteral nutrition (TPN), and pain management. We deliver a broad portfolio of brand and generic pharmaceuticals to meet your patients' needs. For more specialized pharmaceuticals like IVIG and factors, your HIT account manager will collaborate with McKesson Pharmaceutical Solutions and Services to help provide access to those products.	~		
Broader Distribution Network McKesson has distribution centers across the country and offers next-day service to nearly everywhere in the U.S. With our broad network, we can deliver the products you need, in the quantities you need, when you need them.	~		
McKesson Brands With McKesson Brands, you will never have to compromise. We deliver quality products at competitive prices, backed by our 100% satisfaction guarantee. We have decades of experience in the market, offering you support and helping ensure you have the products you need, when you need them – making it even easier for you to provide the best care for your patients and residents.	~		

Key Contacts for You



McKesson Medical-Surgical Customer Service 833.343.2698

McKesson Medical-Surgical Accounts Receivable 800.220.4493

MSD Accounts Receivable 800.967.6400, ext. 5106

	Better	Same	Different
Customer Service Support You may have worked with a customer service representative at MSD. At McKesson, you will have access to a fully-staffed, highly-skilled Customer Service team that is excited to assist you.		~	
Biomedical Device Services In early 2020, MSD Biomed Rental and Service customers will transition to McKesson for biomedical options, and will still experience the high level of service provided by MSD.		~	
OneTrack® If you are an existing OneTrack user, the transition from MSD to McKesson will be seamless. You will continue to be able to efficiently track and manage all your costly medical equipment and accessories, without interruption.		~	
VerbalCare ® If you are an existing VerbalCare user, the transition from MSD to McKesson will be seamless. You're able to access all of the features, such as re-supply, patient satisfaction, therapy compliance and knowledge library without interruption.		~	
PHD Carriers and Charges McKesson works with best in class carriers for consistent patient home delivery. 95% of the US is covered with next day delivery. Our strong relationships with UPS and FedEx ensure that your patients will get their deliveries on time and that you will have access to their proof of delivery using our online portal. In addition, we will provide you with a single new PHD freight / handling fee so your costs are the same, regardless of the carrier.			~
Item Numbers As part of the transition, you will move to McKesson item numbers. There is one item number for all units of measure. When you order your products, simply select your unit of measure at the time of order.			~
Account Numbers As part of the transition, you will get a new account number. All customers will have separate account numbers for bulk and patient home delivery orders to ensure we protect your patients' data privacy.			~
Customer Documents Once you move to the McKesson network, you will receive McKesson invoices and packing slip documents. Samples are included in this guide.			-

Doing More with SupplyManager SM

SupplyManager helps you manage your business more simply and cost-effectively.

Access SupplyManager

To get ready for this transition, please log into the MSD website, <u>msdonline.com</u> and set up a new user ID. You will use the user ID when it's time to start ordering from the McKesson SupplyManager website. If you have questions about SupplyManager, please contact us at <u>supplymanager@mckesson.com</u> or 800.422.0280.

Quick Add

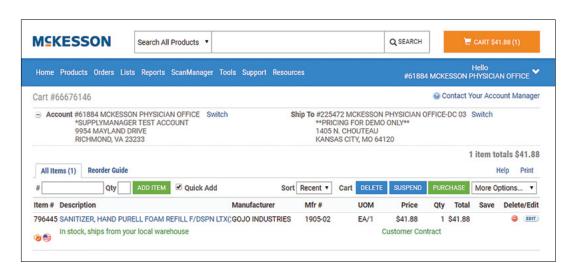
Quick add allows you to add items to your cart without searching the site. Simply enter the item number and quantity and click "add item."

Creating Lists

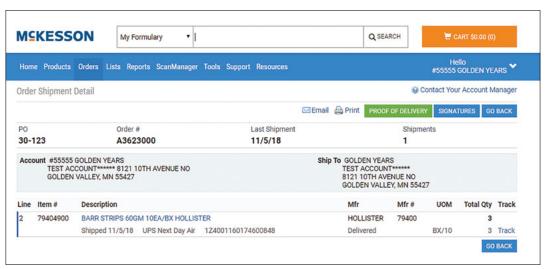
Creating a list is a fast and easy way to make weekly purchases, store item lists and more. You can have as many lists as you want!

Tracking and **Proof of Delivery**

In SupplyManager, tracking an order is as easy as clicking a button. You can also see proof of delivery and signatures.







Paying Bills and Remit Address

All remittances should continue to be made payable to MSD and sent to the address provided on your invoice/statement. Once you transition to McKesson, you will make your remittances payable to **McKesson Medical-Surgical Minnesota Supply, Inc.** and submit them to the new address on your invoice/statement.

Various self-service features are available for your use on these sites:

- MSD website <u>msdonline.com</u> will remain available for a period of time following the conversion
- McKesson SupplyManagerSM mms.mckesson.com

Accounts Receivable Balance with MSD

Open balances on your MSD platform account will not be transferred over to your new account on the McKesson platform. An accounts receivable representative will work with you to resolve any remaining balances. After converting to the McKesson platform, you will begin to receive invoices and statements for all new purchases.

Payment for those invoices and statements should be made to **McKesson Medical-Surgical Minnesota Supply, Inc.** and mailed to your **new remit address** listed on your McKesson invoice and statement.

Payment Terms

In general, payment terms will not change.

Finance Charges

You can avoid incurring any finance charges by paying on time. Any unpaid amount past the invoice due date is subject to finance charges of 1.5% per month.



Regarding Sales Tax

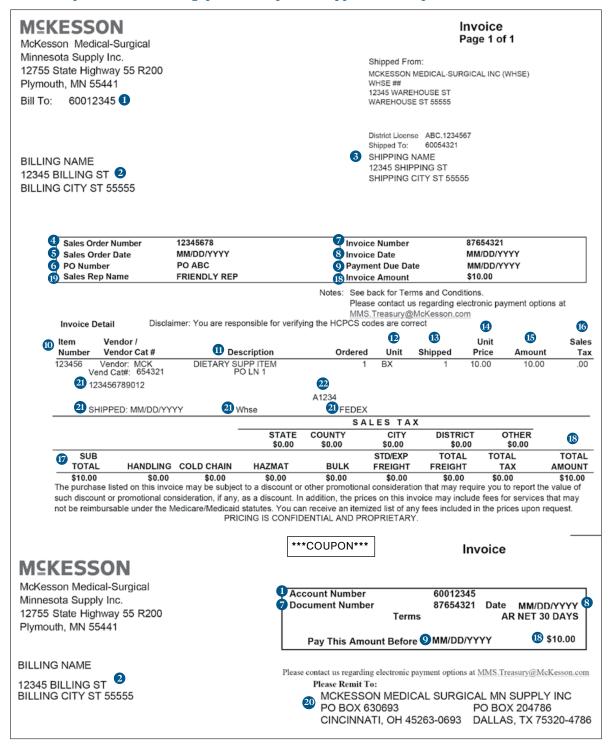
If you are exempt from sales tax on your purchases, please forward your exemption information via email to **MMN-TaxCertificates@ McKesson.com.** Please reference your McKesson Medical-Surgical Minnesota Supply, Inc. account number in the subject line, or send by mail to:

McKesson Medical-Surgical Minnesota Supply, Inc. c/o Exemption Certificate Team P.O. Box 819107

Dallas, TX 75381

McKesson Medical-Surgical Invoice

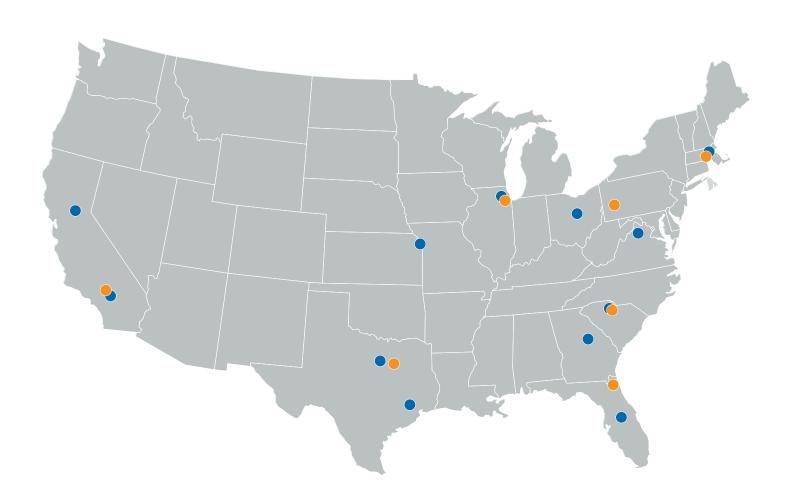
Use this guide to become familiar with your new invoice. The key below will help you easily identify where information is located.



1. Account Number 7. Invoice Number 13. Quantity Shipped 19. Sales Rep 2. Bill-to Address 8. Invoice Date 14. Unit Price 20. Remit Address 3. Ship-to Address 21. Delivery Details 9. Payment Due Date 15. Amount (when available) 4. Sales Order Number 10. Item Number 16. Sales Tax 22. HCPCS code 11. Description 5. Order Date 17. Subtotal (when available) 6. Purchase Order No. 12. Unit of Measure 18. Invoice Amount

McKesson Distribution Network

The McKesson Medical-Surgical distribution network spans across the U.S. We are located close to where many of our customers do business so we can offer some of the best delivery and transportation services around.



McKesson Medical-Surgical Distribution Centers

Chino, CA

Roseville, CA

Orlando, FL

Suwanee, GA

Glendale Heights, IL

Northborough, MA

Kansas City, MO

Grove City, OH

Rock Hill, SC

Grapevine, TX

Houston, TX

Winchester, VA

Biomedical Services Centers

City of Industry, CA Pittsburgh, PA
Jacksonville, FL Rock Hill, SC
Hanover Park, IL Garland, TX

Stoughton, MA

Same-Day Shipping Cut-Off Times

MSD McKesson Medical-Surgical Bulk 3 p.m. Local DC Time Patient Home Delivery 4 p.m. Local DC Time Patient Home Delivery 3 p.m. Local DC Time Local DC Time

Item Availability Overview

While we try to avoid backorders as much as possible, sometimes they happen. Our goal is to get you all items on an order as fast as possible. You can always contact Customer Service or your account manager if you have any questions about your order status.

- McKesson SupplyManagerSM will indicate if an item is in-stock at the primary warehouse, instock in the network or not stocked.
- You can always check your backorder status in SupplyManager.
- If your primary warehouse is out of an item, we will automatically ship that item from the closest warehouse that has the item in-stock.
- If the item is not in-stock in any warehouse, the item will be shipped from the closest warehouse whenever it is brought into stock.
- The packing slip will indicate if any items are backordered or which warehouse they shipped from if they did not ship from your primary warehouse.

Note: Backordered lines in certain equipment categories, cold chain products and certain ship-to states are excluded from this process.

McKesson Extended Care Return Policy

- Returned products must be in salable condition. This means they must be in original packaging and full sell unit of measure. Products must not be defaced (i.e. handwriting). Products returned after 30 days, and up to 180 days, will be assessed a 15% restocking fee.
- Return freight charges will be deducted from the credit amount, except in cases of Medical-Surgical's error.
- Refrigerated products may not be returned for credit (refrigerated products are identified by "REFRIG" in the description). These items are not returnable for credit as the proper care and handling cannot be controlled once it has left the distribution center.
- Special orders may not be returned for credit (except for customer service or account manager error).
- If returning a drug item, a signed form listing the lot number must accompany the product to receive credit. For Florida customers, drug item returns must be requested within seven days from the date of invoice.

Return Questions:

Is merchandise in salable condition?

No handwritten dates or names should be on any merchandise. No expired products are acceptable for return. Returned products must have more than three months left before expiration from the time they are returned to the distribution center for it to be salable. Products must be in original packaging.

• How many boxes are there to be picked up?

To minimize the number of boxes for pickup, put several smaller boxes in a larger case.

• How should I pack the boxes?

Pack items in a larger box that will withstand shipping. When packed in a larger box, print the return number on the left hand corner of a box to ensure proper credit. If returning an item that cannot be packed in a larger box (e.g., case of gloves), do not write the return number on the outside of the box.

Securely tape the box shut. Make sure no other shipping information is written on the box.

Tape a copy of the corresponding return packing list on the box with the merchandise.

McKesson Medical-Surgical Packing Slip

Use this guide to become familiar with your new packing slip. The key below will help you easily identify where information is located.

		KING SLI DATE: 11/05/				19828857	BPO	0815758	١ ,	M⊆	KESS	ON	
0	SHIP T	O:		56028	298	BILL TO: 2		56028167	7	FROM:			1
		STEVENSON ILINE PACKAGE	NAC A SECURIT O	MENTAL		MELANIE CISC	00			MCKESSON M INC(FAIRFIEL)	EDICAL-SURGICA	AL	
		AND RIVER RD		PENNT		4345 SOUTHPOINT BLVD				FARRITILD 4031			
	DC 31 FORT WORTH, TX 76155-2748				JACKSONVILLE, FL 32216				208 PASSAIC A				
3		CUST P.O. NUMBER: NURSE								FAIRFIELD, NJ 07004			
	ORDERE	DBY: GZ	INTERCO			INVOICE NUM	ence.	39723535 4		DISTRICT			-
	200					ORDER NUMB ORDER DATE:	BER	19828857	so	LICENSE:			
	FOB	Item / Mfg	tination	UOM	Shipp			Description			Cust		1
	LN#	Number	Ordered	Bin Loc	ombb	00 1010	liow	Vendor			Item #		
	1	855064 065	1	EA	1			CONTAINER, SE	TARPS R	ED 1QT (80/	/IEASS		
	2	953916 05031-750	2	вх	2			COVER PROBE P (250 BX 30BX)	ORAL S CS) WA	SURETEMP DI	S _{III} IIIIIIIIIIIIIIIIIIIIIIIIIIIIIIIII	######################################	6
	3	191089 58-204	1	ВХ	1			PAD, ALCOHOL (BX) MGM16	PREP S	TR MED (200	/IBX19		
	4	877031 53-28023-8	2	EA	, 2			SHAMPOO, HAI (48/CS)	R/BODY	APRICOT 80	Z 	7031	
	5	1966700 16-8919	1	BX	1			LUBRICATING J F TU 402 (12/8x	ELLY C	STR FLIP TO S)	/IBX100		
Supply Manager ²⁰¹ , then select "DGCSA Toncoshility Reporting" under the "Reports" tab. McKessoch Terms of Sale shall apply to all parchases. Any discrepancy between any order placed under this Agroupent and McKessoch to except on payment in the Content of McKessoch and McKessoch to except the price or payment discrepancies which shall be reported to McKessoch within thirty (30) days of McKessoch invoice date. Prices exclude tanss and service fees. Falker to report within the designated time shall constitute a waiver of any claims due to such discrepancy. Contact your Customer Service Center if Safety Date Sheets are needed. Rx Package insert information can be found at the website, http://dxi.html.NIH.gov/dailymed/shout.efm. If you have trouble accessing the website and need package insert information, please contact Customer Service and request a copy.										-			
8	NOTE-	*** Next to Li				g from Anothe nder Review	rr Loc	ation					-
	MCKESON (DETACH HERE) All returns must have an auth # Issued by Customer Service or Supply Manager CUSTOMER SERVICE PHONE - 1-800-926-4633												
	MCKESSON MEDICAL-SURGICAL (NOCFAIRFIELD) FAIRFIELD #031 206 PASSAIC AVENUE FAIRFIELD, NJ 07004 Not all non-stock items are returnable or they may require additional ORDER DATE: 01.1/5/2018 restocking fees. Non-stock items are returned without pre-approval will ORDER NUMBER: 1982857 SO with the prescription drug or cold chain product that you are returning for credit.										o		
		O ACCOUNT A											
		G NUMBER									R		
		G NUMBER											
Pieces Weight							Stag	ging Area		Deliv	ered By		-
	Route	Code 100		Stop C	ode 00	0	Da	ibe		Ship	ment Accepted	Ву	_
	WWW.MCKESSON.COM RCHAP4545												

- 1. Ship-to Address
- 2. Bill-to Address
- 3. Customer P.O. Number
- 4. Order Detail

- 5. Items Ordered/Quantity
- 6. Terms of Sale
- 7. Obtain Additional Product Information
- 8. Item Level Legend
- 9. Returns Pre-Authorized
- 10. Return Policy

Our Recall Process and Policy

Our recall process involves multiple steps and guidelines for managing the many stages involved in a product recall. The content of this document focuses on our process as it pertains to you, our customer.

Our recall process includes:

- · Internal review of the manufacturer notification letter
- · Notification to McKesson distribution centers of the recall and the affected lot numbers, when there is inventory and/or sales history records for the subject product(s) of the recall
- · When necessary, segregation of affected stock in our warehouses and containment actions are taken to address the disposition of the affected product(s) accordingly
- · Notification to potentially affected customers, usually via written notice by McKesson or the recalling Manufacturer
- · Review for other considerations or actions related to FDA regulations for the specific recall

Customer Notification

Notifications provided to McKesson customers are based on our sales history records. Our analysis is based on the subject product(s) of the recall and the timeline provided by the manufacturer including shipments from when the affected product distribution began. McKesson tracks all individuals and entities to which it has distributed the affected products. When McKesson receives written notification from a manufacturer regarding a recall, McKesson will send a notice to all customers who potentially purchased affected product(s), rather than just notifying customers that purchased a specific lot number of affected product(s). This gives our customers a higher awareness of recalls and the ability to validate if they have affected product(s).

For McKesson customers, whose patients or end-users that receive drop shipments of medical-surgical products, any recall notification from McKesson will be sent to the billing address of the customer account on file with McKesson at the time of the notification, not to the patient or end-user address.

Recall Information Provided to Customers

The notification sent to McKesson's customers contains the following information:

- · A summary of the product issue and the potential health and/or safety impact to end-users
- · Specific identification of the product(s) purchased from McKesson, including NDC code, manufacturer item number, McKesson item number, product description, affected lot numbers(s) and expiry date(s), as applicable
- · Instructions to the customer including screening for any affected inventory at their location, updated use instructions and return or disposal, as applicable to the subject recall
- · When a product return is specified or optional, directions for return (as applicable) to (i) the manufacturer, (ii) a third party logistics service or (iii) to McKesson via contact with our customer service teams
- $\cdot \ Contact\ information\ needed\ to\ execute\ any\ required\ product\ handling\ instructions,\ or\ to\ direct\ inquiries\ to\ the\ manufacturer\ for\ clinical\ or\ product\ use\ related\ concerns$

The customer notification is usually sent via mail and includes reply forms (when applicable) and any additional documentation provided by the manufacturer to complete the product recall communication. Alternatively, by the guidance of the FDA, when a recalling manufacturer has deemed it appropriate to notify customers, McKesson will provide a customer listing to the recalling firm to carry out the customer communication.

Shipment details such as a listing of products shipped, including dates, quantities and ship-to locations, are not provided as a normal course of administering the recall process. However, customers may later request a detailed listing, including drop shipments made on their behalf, for the time period outlined in the recall notification.

Frequently Asked Questions

How do I contact Customer Service now?

Your McKesson Medical-Surgical (McKesson) Customer Service team is just a phone call away at 833.343.2698. You can also reach them by email at MMSExtendedCareCS@McKesson.com

Will I contact Accounts Receivable the same way?

Our Accounts Receivable phone number for McKesson Medical-Surgical is 800.220.4493 and for MSD it's 800.967.6400 ext. 5106. Please continue to pay according to the remittance address provided on your invoices and statements.

Will my prices change?

If you currently only purchase from MSD, your prices will not change. If you purchase from MSD and McKesson, your account manager will work with you to finalize go-forward pricing.

Will my primary warehouse change?

Your primary distribution center will be the one located closest to you in the network.

Will my carrier or time-in-transit change?

We will make every effort to have the same carrier and time-in-transit. In the instance where your carrier changes, we will notify your account manager to work with you through the options.

Will my cut-off time change?

Yes. The same-day McKesson cut-off times will be 1 p.m. local DC time for bulk accounts and 3 p.m. local DC time for patient home delivery accounts.

Will the return policy change?

Yes. Your new policy is in this transition guide.

Will my invoices change?

Yes. You will transition to the McKesson standard invoice. A sample of the invoice is in this transition guide.

Will my packing slips change?

Yes. You will transition to the McKesson standard packing slip. An example of the standard McKesson packing slip is in this transition guide. Please note that lot numbers will no longer be printed on packing slips. For recall purposes, see the Recall Process within this transition guide.

Can I still order through MSD Online or OneMed?

After your transition date, you will no longer be able to order on MSD Online or OneMed. You can place all your orders on McKesson SupplyManagerSM.

Will my MSD Online or OneMed login work on SupplyManager?

As part of your transition, you will be set up with a new SupplyManager login and password.

How will I get trained on SupplyManager?

We will have a training website and offer customer training two weeks before your transition date.

Will all my items be stocked?

Nearly all items that customers order from MSD that are stocked today will be stocked in the McKesson warehouses. In the instance that an item you ordered was stocked and will no longer be stocked, we will notify your account manager to work with you through the item alternatives.

What will happen to the MSD private brand products?

MSD private brand products will be transitioned to McKesson Brands.

Will I be able to see if the product I want is available?

Yes. SupplyManager shows if an item is stocked, available in-network or out-of-stock.

Will the item numbers change?

Yes. There will be one item number for all units of measure.

Will my account numbers change?

Yes. You will receive a new McKesson account number.

What will happen to any patients I have loaded in the system?

We will convert all active patient addresses that have had an active order shipped in the last 3 months.



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