Subject: “Unit Dose PLUS” Outsource Re-Packaging Service from Healthmark

The only fully integrated contract outsourcing of standard and customizable unit-dose, bar code ready packaging for oral solid and liquid medications – to support the implementation of bedside point-of care patient safety initiatives that enable Pharmacy personnel to focus activities on patient care.
The Healthmark Production Facility packages over 50 different medications and over 80 product codes to Hospitals, Regions and Pharmacy Purchasing Groups across Canada.

Enclosed > 4 page process summary overview, pricing on page 5 and sample pictures of packaged formats on pages 6,7.

**How does it work?**

Simple – Your facility drop ships (as possible) bulk container oral meds to our UD Packaging Facility and we return oral solids, liquids or powders in unit-dose, ready to use packages/blister cards/oral syringes/cups/vials, etc. specific to your label requirements and format.

**Why would I consider your unit dose packaging outsource program?**

- convert to full unit dose program without needing to set up or expand an internal packaging system
- overall cost-effectiveness
- supplement your internal unit dose packaging based on periodic or ongoing staffing shortages and limitations
- easier to add an up-charge to your drug budget than access capital budget or new labor headcount
- produce your more difficult to package oral liquids (or even powders) in unit dose (ie. Fluidose cups or oral syringes)
- minimal space allocation for packaging
- support increased involvement of Pharmacy professionals toward direct patient care through better resource allocation
- reduce/eliminate Hospital liability/insurance coverage in this high risk area
- Quality Assurance of the highest level through a focused packaging alternative
- Some products may have lower pricing than the Unit Dose Manufacturer product plus added benefit of customer specific labeling
- Clinical Trial Packaging in blister cards or other
- Unique Custom Packaging Requirements
Unit-Dose Perspective:

Unit-Dose Packaging and Drug Distribution Systems are universally accepted. The trend is to “point of care” bedside initiatives requiring bar coded unit dose packaging.

3rd Generation Packaging Source:

Many Hospitals struggle with the process of in-house unit dose packaging due to capital cost restraints, labor allocation/staff shortage limitations, operational efficiencies to accomplish packaging, technical service issues/downtime, quality control issues, etc. reducing the time and resources available to focus on patient care initiatives. Hospitals are asking for the product to be delivered to them unit dose ready to go!

Healthmark Expertise:

Healthmark has marketed automated unit dose packaging equipment to Canadian Hospitals since 1991. With the ongoing input of Hospital Pharmacists we have developed and continue to evolve sophisticated “state of the art” unit dose barcode applicable packaging software.

How will you meet our needs?

We offer a standard label format or one that is modified to meet your requirements. We recognize the importance of patient safety and as such make every effort to follow safe practice guidelines and recommendations from ISMP-Canada (eg Tall Man lettering), CSHP and Health Canada. Since each Hospital may have their own unique requirements it is important that we provide unit dose packages that meet the individual Hospital’s requirements for label specifications, barcode format when/if applicable, etc. We accomplish this by working with customers to design a label of their choice that will go into our database and then be recalled to do that particular customer’s orders.

How much does it cost?

You pay a per unit dose charge for the packaging process and unit dose materials - it does not include the drug (you provide that). Please see pricing enclosed (page 5). The pricing incorporates all of the normal costs that a Hospital incurs in doing their own internal unit dose packaging including material costs; technician packaging and Pharmacy supervisory labor; packaging automation capital; amortization; technical service allocation, etc as well as all aspects related to providing a stringent Quality Assurance Program.

Our goal is to offer the lowest cost while maintaining a high level of quality control.
How to start?

Provide your product requirements to Healthmark and we will correspond with you to finalize your label format. Note: we can provide standard templates that many of our existing customers are using. We will send you final label copy for acceptance and signoff. This is one time only as the label will be entered in our database for future orders. We will also send you a copy of our “Quality Agreement” for signing and return. This document outlines our responsibilities and commitments to meet or exceed procedures and quality controls defined in Health Canada’s current good manufacturing practice (CGMP) for packaging and labeling of drugs.

What about product quality and medication safety?

Our service offers exact or “to-deliver” dosing for liquids (if “to deliver” you tell us how much and we fill to that specification) with continual monitoring to ensure accuracy and consistency. All oral solid packaging meets USP Class A and B specifications for moisture protection. A highly sophisticated software program and database platform along with a verification check system ensures accurate label and barcode registration and right drug with right label. Expiry dating is approved for whichever is less of one year or one half of the drug manufacturer expiry date.

What about Quality Assurance?

Quality Assurance is our number one consideration! We will not compromise! Our Production Centre is designed to meet or exceed the latest Health Canada requirements for commercial drug packaging meeting CGMP and ISO standards for packaging and manufacturing. Incoming product is logged into our control system, moved to a staging area where each medication is separated as a unique packaging job, then moved to the appropriate product packaging station ensuring that only one drug at a time is packaged and labeled. Verification checking and monitoring systems are integrated at various levels. A comprehensive lot recall system is in place.

What do you package?

Oral liquids: Oral syringes with standard/flag labels in tamper evident bags with easy perf, Fluidose™ plastic cups in 15, 25 or 35 mL fill sizes, TampAlert plastic vials in 60 or 100 mL fill sizes.
Oral solids: unit dose E-Z tear packages in single or strip format with Hospital (not patient) specific label information and choice of barcode (as applicable). We also provide blister card (ie. 30 day dose) and outpatient pre-packs.
Powders: 5,10 and 15 gram supplied in 35ml Fluidose cups and 30 gram in 60ml TampAlert vial (example: hypaque, sodium polystyrene sulfonate)
OverWrap: tamper sealed bags with printed label and bar code to handle miscellaneous unit dose products (ie. ampoules, vials, pre-filled syringes, patches, etc.)

**Note:** We do not package narcotics, penicillins or cephalosporins. We do package Oncology medications.

**Ordering Process:**

Arrange for your bulk order of oral meds to be drop shipped to Healthmark. This may be accomplished by shipping directly from your Hospital or having your manufacturer or wholesaler deliver direct to Healthmark’s production facility in Montreal. Provide a purchase order to Healthmark for the work to be completed. Upon receipt of your goods the order will be placed in a production sequence and then forwarded upon completion. We will invoice you for the number of unit dose packages we were able to produce from your shipment. Our aim is to be flexible but we incur minimum setup costs that vary depending on the drug format packaged so we ask for a minimum $200 order. If the customer order is below this level we ask if it is feasible to order a few extra weeks or months supply. We have found that many customers prefer to order on a bi-monthly or quarterly basis which supports higher batch volumes.

**What is the turn-around time to receive our unit dose packaged medications?**

Our turnaround time goal is one week (not including return shipping time) but when several customer orders are placed within same time frame the pipeline may back up so please plan for a two week turnaround. We do have a “move to front” of line capability for emergencies.

**Where is the “Unit Dose PLUS” Packaging Centre facility?**

Our “Unit Dose PLUS” Packaging Centre facility is located at Healthmark’s head office location in Montreal. Delivery is one to two days to central Canada and 5 days or less anywhere else.

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For more information contact: HEALTHMARK  
Phone: 1-800-665-5492 or email: info@healthmark.ca  
www.healthmark.ca
<table>
<thead>
<tr>
<th>Unit Dose PLUS Pricing</th>
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<tbody>
<tr>
<td>The Re-Packaging prices charged by Healthmark are based on standard up charges per unit dose format packaged. The unit up charge pricing below includes return shipping. There are no other associated costs.</td>
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<tr>
<td>Minimum order: 200 doses per line item (except Fluidose minimum 400 cups – 200 doses accepted but a $25 surcharge will be applicable per product) and minimum total order amount of $200.</td>
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<tr>
<td>Oral Solids: $0.09 per dose (volume discounts may be applicable)</td>
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<tr>
<td>Over Wrap Bags: (miscellaneous product) $0.15 per dose</td>
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<tr>
<td>Oral Liquids / Standard Oral Syringe: $.83 per dose in individual overwrap bag</td>
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<td>Note: this is our standard format in tamper evident easy open perf bag with label on both syringe and outer perf bag.</td>
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<td>- if space constraints (ie. barcode) require a flag label – add $0.04/unit</td>
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<td>- for larger 10ml size oral syringe – add $0.13/unit</td>
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<td>- other syringe packaging formats will be priced on request – eg syringes with 10 units per outer perf bag would be priced lower.</td>
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<tr>
<td>Oral Liquids / 15mL Plastic (Fluidose) Cup: $.57 per dose</td>
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<tr>
<td>Oral Liquids / 25mL Plastic (Fluidose) Cup: $.67 per dose</td>
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<tr>
<td>Oral Liquids / 35 mL Plastic (Fluidose) Cup: $.77 per dose</td>
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<tr>
<td>Lactulose: $0.10/cup extra due to 4 x longer machine filling time</td>
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<tr>
<td>Handling Surcharges – small bottle &lt; 150ml ($0.05/cup); small bottle &lt;150ml w/sealed packaging ($0.07/cup)</td>
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<tr>
<td>Oral Liquids / Plastic TampAlert Container: (60 ml) $.88 per dose (100ml) $0.98 per dose</td>
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<tr>
<td>Powders: 5,10 and 15gm in 35mL Fluidose cups $0.88/unit and larger 30gm size in 60ml TampAlert vial $1.30/unit</td>
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<tr>
<td>Unit of Use Vial (Outpatient): $0.78 per dose</td>
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<tr>
<td>Blister Card (30 tablets): $1.25 per card</td>
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<tr>
<td>Custom Needs: miscellaneous packaging needs that don’t fall into above categories will be priced as custom items.</td>
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<tr>
<td>No contracts applicable</td>
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<tr>
<td>All unit-dose package labels will include a bar code symbol if and as required by customer. Customer specific label requirements shall be agreed upon and entered in customer file in on our Packaging Centre database.</td>
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HEALTHMARK- Unit Dose Packaging Centre (UDPC)

Oral Liquids

Fluidose cups 15, 25, & 35 mL
TampAlert™ cups 60 and 100 mL for larger volumes

Different type of labels, with or without a barcode

Oral Syringes 3, 5 and 10mL with Tamper Evident (easy open side perf) pouches & syringe label
HEALTHMARK- Unit Dose Packaging Centre (UDPC)

Oral Powder & Solid Drugs