

**Not-for-profit Generic Drug Company Officially Established,
Attracts Interest of More Than 120 Health Organizations**
14 generic drugs used in hospitals are initial focus of efforts, CEO named

Salt Lake City, UT, September 6, 2018 - Civica Rx, the initiative previously known as Project Rx, is the name of a new not-for-profit generic drug company that will help patients by addressing shortages and high prices of lifesaving medications. Since the initiative was announced in January 2018, more than 120 health organizations representing about a third of the nation's hospitals have contacted Civica Rx and expressed a commitment or interest in participating with the new company. The company is organized as a Delaware nonstock, not-for-profit corporation, and will be headquartered in Utah.

Initial governing members of Civica Rx will include Catholic Health Initiatives, HCA Healthcare, Intermountain Healthcare, Mayo Clinic, Providence St. Joseph Health, SSM Health, and Trinity Health. These seven organizations, representing about 500 U.S. hospitals, will each provide leadership for the Civica Rx Board of Directors and will provide much of the initial capitalization for the company. The U.S. Department of Veterans Affairs (VA) will also work in consultation with Civica Rx to address its particular needs. Other health systems participating with Civica Rx will be announced later this year.

Three major philanthropies will also join Civica Rx as governing members: the Laura and John Arnold Foundation, the Peterson Center on Healthcare, and the Gary and Mary West Foundation. The engagement of philanthropic members is intended to further support and safeguard the company's not-for-profit, social welfare mission.

Civica Rx has identified 14 hospital-administered generic drugs as the initial focus of the company's efforts. It will be an FDA approved manufacturer and will either directly manufacture generic drugs or sub-contract manufacturing to reputable contract manufacturing organizations.

Martin VanTrieste, former chief quality officer for Amgen, one of the world's largest pharmaceutical companies, has been named CEO of Civica Rx. VanTrieste has more than 35 years of experience in pharmaceuticals and was ranked No. 2 on the 2018 *Medicine Maker* Power List of Industry Influencers. VanTrieste has agreed to lead Civica Rx without compensation.

"We are creating a public asset with a mission to ensure that essential generic medications are accessible and affordable," said VanTrieste. "The fact that a third of the country's hospitals have either expressed interest or committed to participate with Civica Rx shows a great need for this initiative. This will improve the situation for patients by bringing much needed competition to the generic drug market." Civica Rx will first seek to stabilize the supply of essential generic medications administered in hospitals, many of which have fallen into chronic shortage situations, putting patients at risk. The initiative will also result in lower costs and more

predictable supplies of essential generic medicines, helping ensure that patients and their needs come first in the generic drug marketplace. Civica Rx expects to have its first products on the market as early as 2019.

Research into the actual costs of manufacturing and distributing generic drugs suggests that, in many instances, prices for generic drugs used in hospitals can be reduced to a fraction of their current costs. This can save patients, and the healthcare systems that care for them, hundreds of millions of dollars each year.

Civica Rx is collaborating with the American Hospital Association's (AHA) newly formed *AHA Center for Health Innovation* to address inquiries about the initiative. Health systems and hospitals may call [800-242-4677](tel:800-242-4677) with questions, or visit www.civicarx.org for information.

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About Catholic Health Initiatives

Catholic Health Initiatives, a faith-based health system formed in 1996, is one of the nation's largest nonprofit health systems. Based in Englewood, Colo., CHI operates in 18 states and comprises 100 hospitals, including two academic health centers, major teaching hospitals and 29 critical-access facilities, representing approximately 1,230 sites of care. In fiscal year 2017, CHI provided \$2.1 billion in charity care and community benefit, with operating revenues of \$15.5 billion.

www.catholichealthinitiatives.org

About the Gary and Mary West Foundation

Inspired by its founders and sole funders, Gary and Mary West, the [Gary and Mary West Foundation](#) is dedicated to lowering healthcare costs and increasing access to high-quality, affordable models of care that enable seniors to successfully age in place. As part of the [West Health](#) family of nonprofit, nonpartisan organizations based in San Diego and Washington D.C., the Foundation works with its [Institute](#) and [Policy Center](#) using philanthropy, applied medical research and advocacy to transform healthcare across America.

About HCA Healthcare

HCA Healthcare is a leading provider of healthcare, comprising 178 hospitals and approximately 1,800 care sites in 20 states and the United Kingdom. With its founding in 1968, HCA Healthcare created a new model for hospital care, using combined resources to strengthen hospitals, deliver patient-focused care and improve the practice of medicine. HCA Healthcare is a learning healthcare system, using more than 28 million annual patient encounters to advance science, improve care and save lives.

About Intermountain Healthcare

Intermountain Healthcare is a Utah-based not-for-profit system of 23 hospitals, 170 clinics, a Medical Group with about 2,300 employed physicians and advanced practice clinicians, a health plans group called SelectHealth, and other medical services. Intermountain is widely recognized as a leader in transforming healthcare through high quality and sustainable costs. For more information about Intermountain, visit www.intermountainhealthcare.org.

About Laura and John Arnold Foundation

The Laura and John Arnold Foundation's core objective is to improve the lives of individuals by strengthening our nation's social, governmental, and economic systems. Its investments are focused on criminal justice, health care, sustainable public finance, evidence-based policy and several other key areas. LJAF has offices in Houston, New York City, and Washington, D.C.

About Mayo Clinic

Mayo Clinic is a nonprofit organization committed to clinical practice, education and research, providing expert, comprehensive care to everyone who needs healing. Learn more about [Mayo Clinic](#). Visit the [Mayo Clinic News Network](#).

About Peterson Center on Healthcare

The Peterson Center on Healthcare is a non-profit organization dedicated to making higher quality, more affordable healthcare a reality for all Americans. The organization is working to transform U.S. healthcare into a high-performance system by finding innovative solutions that improve quality and lower costs, and accelerating their adoption on a national scale. Established by the Peter G. Peterson Foundation, the Center collaborates with stakeholders across the healthcare system and engages in grant-making, partnerships, and research.

About Providence St. Joseph Health

Providence St. Joseph Health is a national, Catholic not-for-profit health system, comprising a diverse family of organizations. Together, PSJH is committed to improving the health of the communities it serves, especially those who are poor and vulnerable. With 51 hospitals, 829 physician clinics, senior services, supportive housing and many other health and educational services, the health system and its partners employ 119,000 caregivers (employees) serving communities across seven states—Alaska, California, Montana, New Mexico, Oregon, Texas and Washington. For more information about PSJH, visit www.psjhealth.org.

About SSM Health

[SSM Health](#) is a Catholic, not-for-profit health system serving the comprehensive health needs of communities across the Midwest through a robust and fully integrated health care delivery system. With more than 40,000 employees and 10,000 providers, SSM Health includes 24 hospitals, more than 300 physician offices and other outpatient care sites, 10 post-acute facilities, comprehensive home care and hospice

services, a pharmacy benefit company, a health insurance company, an accountable care organization, and virtual care.

About Trinity Health

Trinity Health is one of the largest Catholic health systems in the nation, serving communities through 94 hospitals and 109 continuing care locations in 22 states by the efforts of 133,000 colleagues and 7,800 employed physicians and clinicians. Based in Livonia, Mich., and with annual operating revenues of \$17.6 billion and assets of \$24.7 billion, the organization returns \$1.1 billion to its communities annually in the form of charity care and other community benefit programs.

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