



NEWS RELEASE

Premier Inc. Agrees to Acquire Stanson Health to Integrate Data-Enabled Clinical Decision Support Capabilities within EHRs

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- Acquisition bolsters Premier's rapidly-evolving enterprise analytics and performance improvement technology solutions to advance clinical excellence and reduce care variation.
- Stanson is developing an automated prior authorization solution that is expected to significantly reduce administrative burden and costs each year.
- Stanson capabilities can be used to drive evidence-based care and compliance with advanced imaging reimbursement requirements.

CHARLOTTE, N.C.--(BUSINESS WIRE)-- **Premier Inc.** (NASDAQ: PINC), a leading healthcare improvement company, signed an agreement to acquire Stanson Health, a software-as-a-service (SaaS)-based provider of clinical decision support (CDS) tools that are integrated directly into the electronic health record (EHR) workflow, providing real-time, patient-specific best practices at the point of care.

In addition, Stanson is also developing a prior authorization product that, once finalized, is expected to provide near real-time prior authorization decisions for medical and pharmacy benefits. This is expected to save providers and payers time and expense while enhancing patient and provider satisfaction.

"This strategically significant acquisition complements our core data and analytics offerings and enables us to expand the reach of our solutions directly to the point of care, where they can have the biggest impact," said Susan DeVore, President and CEO of Premier. "Stanson's CDS tools will be key to realize Premier's vision of an enterprise analytics and performance improvement platform, allowing us to provide evidence-based recommendations that



improve quality and safety, while avoiding treatments that do not add value. At the same time, Stanson is developing tools that we believe will provide an attractive option to improve the burdensome process of prior authorization, which today is incredibly frustrating for both patients and providers.”

Ranked #1 by KLAS as the top provider of clinical process improvement solutions, Stanson’s CDS capabilities are driven by evidence-based, healthcare provider-designed logic that provides precise, real-time information. Stanson’s CDS only fires when the patient meets a specific profile, offering specific recommendations that are directly relevant to the physician’s or other provider’s decision. Stanson CDS and analytics can be integrated as an application on the major EHR platforms, including Epic, Cerner and Athenahealth, to greatly improve the EHR’s overall value and functionality. Stanson also supports compliance with the Protecting Access to Medicare Act (PAMA), which will require CDS to justify use of advanced imaging services (i.e., CT, MR, NM and PET scans), starting in January 2021, in order to receive Medicare Part B reimbursement.

Founded in 2013 by Cedars-Sinai Medical Center and Dr. Weingarten, the former CEO of Zynx Health, Stanson solutions are currently active in approximately 300 healthcare facilities.

“As healthcare delivery grows more complex and pushes providers to assume greater risk for total costs and quality outcomes, organizations are looking for solutions to help them make the best possible healthcare decisions,” said Stanson Health co-founder Dr. Scott Weingarten, MD, MPH. “Stanson’s combination with Premier will help us expand and scale CDS to reach more physicians, and enable providers to standardize care delivery around optimal and evidence-based healthcare processes.”

Premier will utilize existing cash on hand to fund the \$51.5 million acquisition. The acquisition also provides for an additional earn-out opportunity of up to \$15 million based on certain product delivery and revenue targets. The acquisition is not expected to materially impact earnings in FY2019, and is expected to be modestly accretive in future years. The transaction is expected to close in Premier’s fiscal second quarter ending Dec. 31, 2018, subject to customary closing conditions.

The Stanson Health team is expected to continue to operate remotely or out of existing headquarter offices in Southern California. Dr. Weingarten will continue to lead the business unit, reporting to Leigh Anderson, President of Premier’s Performance Services segment.

About Premier Inc.

Premier Inc. (NASDAQ: PINC) is a leading healthcare improvement company, uniting an alliance of approximately 4,000 U.S. hospitals and health systems and approximately 165,000 other providers and organizations to transform healthcare. With integrated data and analytics, collaboratives, supply chain solutions, and consulting and other

services, Premier enables better care and outcomes at a lower cost. Premier plays a critical role in the rapidly evolving healthcare industry, collaborating with members to co-develop long-term innovations that reinvent and improve the way care is delivered to patients nationwide. Headquartered in Charlotte, N.C., Premier is passionate about transforming American healthcare. Please visit Premier's news and investor sites on www.premierinc.com; as well as [Twitter](#), [Facebook](#), [LinkedIn](#), [YouTube](#), [Instagram](#), and Premier's [blog](#) for more information about the company.

About Stanson Health

Stanson Health, headquartered in Los Angeles, Calif., is a leader in developing next-generation Clinical Decision Support solutions. Stanson provides EHR-integrated, actionable real-time interventions optimized for use in the provider's clinical workflow. The clinical decision support interventions, which include the use of artificial intelligence, support health systems with initiatives to improve the quality, safety, and the value of patient care across the continuum of the health system. Stanson clinical decision support has been associated with improved clinical and financial outcomes in the peer-reviewed medical literature. Combined with relevant analytics, Stanson solutions safely guide physician decisions toward the elimination of unnecessary or inappropriate care, and help improve the quality of care. Stanson CDS solutions are currently in use in more than 300 hospitals and support approximately 100,000 healthcare providers. Stanson is the # 1 rated clinical decision support solution in the 2018 KLAS publication on Clinical Process Improvement products and is the highest rated CDS product in other available 2018 surveys evaluating available clinical decision support products.

About Cedars-Sinai Medical Center

Cedars-Sinai is a leader in providing high-quality healthcare that encompasses primary care, specialized medicine and pioneering research. Since 1902, Cedars-Sinai has evolved to meet the needs of one of the nation's most diverse regions. Today, Cedars-Sinai is known for its national leadership in transforming healthcare for the benefit of patients and for its impact on the future of healthcare through new treatment approaches and educating tomorrow's health professionals. Additionally, Cedars-Sinai demonstrates its commitment to the community through programs that improve the health of the most vulnerable residents.

Forward-looking statements

Statements made in this release that are not statements of historical or current facts, such as those related to Premier's ability to provide enhanced and expanded capabilities, products and services, the ability to develop and benefit from prior authorization tools, the expected closing date, and the timing and amount of any financial contribution, if any, from the acquisition, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may involve known and unknown risks,

uncertainties and other factors that may cause the actual results, performance or achievements of Premier to be materially different from historical results or from any future results or projections expressed or implied by such forward-looking statements. Accordingly, readers should not place undue reliance on any forward looking statements. In addition to statements that explicitly describe such risks and uncertainties, readers are urged to consider statements in the conditional or future tenses or that include terms such as "believes," "belief," "expects," "estimates," "intends," "anticipates" or "plans" to be uncertain and forward-looking. Forward-looking statements may include comments as to Premier's beliefs and expectations as to future events and trends affecting its business and are necessarily subject to uncertainties, many of which are outside Premier's control. More information on potential factors that could affect Premier's financial results is included from time to time in the "Cautionary Note Regarding Forward Looking Statements," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" sections of Premier's periodic and current filings with the SEC and also made available on Premier's website at investors.premierinc.com. Forward looking statements speak only as of the date they are made, and Premier undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise that occur after that date.

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