Frequently Asked Questions

Consigned Inventory Management
Q: What is the McKesson Plasma and Biologics (MPB) Consigned Inventory Management program?

A: MPB supports hospitals in managing the capital and inventory of high cost therapeutics for blood disorders, as well as targeted and rare diseases. Through a tier-based program for consigned inventory of factor, immune globulin and specialty products, we help hospitals with product access and cost containment while mitigating the financial risk that comes from managing these products and the small patient populations that rely on them.

Q: Who is eligible to participate?

A: All MPB health system and hospital customers are eligible to participate in Consigned Inventory Management upon completion of the qualification form and the MPB Consignment agreement.

Q: How many MPB customers utilize the consignment program today?

A: There are more than 450 active accounts (or health systems and hospitals) utilizing the MPB consignment program.

Q: What is the fee to join?

A: There is no fee to join. The program is tiered based on volume of product used, with tiers ranging from 1 to 3 percent of total monthly purchase volume. Consigned product purchase volume applies to wholesale volume and GPO pricing (plus any applicable markup.)

Q: How will my hospital benefit from participating in the consignment program?

**Product Accessibility**
- Access to a diversified portfolio of factor, immune globulin and specialty products
- Emergency order/delivery options
- Product never outdated
- Product replenished upon use

**Cost Containment**
- Tier-based program
- Consignment purchases apply toward total purchasing volume of wholesale agreement
- Invoiced only after product is used
- GPO-specific pricing

**Risk Mitigation**
- MPB manages capital and inventory
- Management of short-dated items; par levels replenished 9 months from expiry date to avoid potential wastage
- Manage 340B program compliance
- Separate returns policy

Q: Why does this program require a separate contract for consignment?

A: Consignment has a different return goods policy, which requires contracting independent of other McKesson contracts.
Q: How can I get started or obtain more information about the program?

A: Please call McKesson Plasma and Biologics at 877.625.2566 (option 1) and follow the prompts for consignment to speak with a consignment Specialist, or send an email to mpbconsignment@mckesson.com.

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**Product Portfolio**

Q: What products are included in MPB’s Consigned Inventory Management program?

A: More than 90% of the product portfolio includes all leading factor and immune globulin products on the market today, including hyper immunes. The portfolio also includes key specialty products, such as Kcentra®, Crofab® and Praxbind®.

Q: Are all factor products on the market included in the MPB consignment program?

A: All current FDA-approved factor products distributed through MPB are included in this portfolio.

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**Order Placement and Returns**

Q: How do I place an order?

A: Once the consignment agreement is signed and returned to MPB, you can place an order by calling 877.625.2566 (option 1, option 1, option 7) to speak with a consignment specialist regarding consignment or send an email to mpbconsignment@mckesson.com. Please provide the following information:

1. Customer account number
2. Desired par levels of each requested consignment item
3. Product description and/or NDC and invoice receipt preference (email and/or fax)

A confirmation number will be provided at the time the order is processed. Product will be shipped via FedEx Priority Overnight and scheduled to arrive by the next business day. The initial stocking order can only ship Monday–Wednesday.

Q: Can I place an order for consigned product on McKesson Connect?

A: No, online ordering is not available at this time.

Q: Will I be able to place an online order for consigned product in Connect’s “NextGen?”

A: Consignment orders will continue to be placed by phone or email. Online orders for consignment and inventory allotment, including 340B, are scheduled for a future release.

Q: How do I receive replacement inventory?

A: There are two options to request replacement of your consignment inventory:

**Option 1: Replace upon use or as needed**

**Call 877.625.2566** (option 1, option 1, option 7) or email mpbconsignment@mckesson.com and provide the following information: your customer account number, product description and/or NDC and quantity. Product will be shipped via FedEx Priority Overnight and arrive the next business day.

**Option 2: Replace monthly**

**Call 877.625.2566** (option 1, option 1, option 7) or email mpbconsignment@mckesson.com to schedule a monthly delivery based on established par levels or by indicating on the monthly reconciliation report the items that you wish to replenish. Monthly orders will be processed within 24 hours after receipt of the reconciliation report from your facility.

**Note:** Emergency replacements can be made as needed with either replacement option.

Q: Will the “cost minus” pricing with my current McKesson contract be applicable to my consignment purchases?

A: No, this is not applicable. You will receive pricing by product, based on both the product fee and the negotiated price through affiliated GPO relationships.
Q: How do I manage my 340 allocation for consigned products?

A: Currently, 340B allocation is managed manually as part of the monthly reconciliation. Online tracking of 340B allocation for consigned products is scheduled for a future release.

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**Billing and Reconciliation**

Q: How will my hospital be invoiced for the consigned product?

A: The hospital only receives an invoice once the product has been used. The hospital has the option of receiving an invoice after each product use, or receiving a monthly invoice of all products used within that month.

Q: How am I billed for used inventory?

A: To report used inventory, call **877.625.2566** (option 1, option 1, option 7) or email mpbconsignment@mckesson.com and provide the following information:

1. Customer account number
2. Product description and/or NDC
3. Lot number and quantity used
4. Purchase order #

The used items will be billed to your account and an invoice will be sent via email and/or fax within 24 hours.

Q: How is my consignment inventory reconciled?

A: You will receive the MPB consignment reconciliation report by the 22nd of every month or the last business day of the month if the 22nd day falls on a holiday or weekend. Please complete the report, documenting all current consignment inventory, and send via email to mpbconsignment@mckesson.com within 48–72 hours of receipt. Supporting documentation must be provided for any discrepancies.

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**Short-Dated Product**

Q: What if my product is short-dated?

A: MPB monitors expiration dates on all consignment inventory. Any product within nine months of expiring is considered "short-dated." When a product is within nine months of expiring, you will be notified by a Consignment Specialist. The Consignment Specialist will schedule a FedEx pickup for the short-dated inventory. Shipping labels will be provided by FedEx upon pickup. Additional inventory will be shipped to you prior to the FedEx pickup to replace the short-dated product being returned.

The returned short-dated product must match the lot number that MPB has on file and be in "saleable" condition. Any product not returned in "saleable" condition will be billed to your organization. If the product is returned in "unsaleable" condition for reasons outside of your control, such as FedEx delays or damage during transit, you will not be billed.

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**For more information:**

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