



To: AMDR Members  
From: Dan Vukelich, President  
Date: 08/23/2016  
Re: Surge of Anti-Reprocessing Contracting Practices

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The mission at the Association of Medical Device Reprocessors (AMDR) includes promoting the financial and environmental benefits of regulated “single-use” device (SUD) reprocessing. AMDR is aware of certain types of contractual and otherwise misleading practices used by some medical device manufacturers which may purport to promote SUD reprocessing or reduce costs, but in fact, may result in less reprocessing and therefore less financial savings and environmental benefits to our healthcare partners.

Consistent with our mission, AMDR is pleased to announce the availability of a new online resource to address some of these challenges - <http://sudreprocessing.amdr.org/>. AMDR believes that our healthcare partners are entitled to a transparent and clear understanding of new contract terms regarding sales of SUDs and potential implications for reprocessing programs. This resource focuses on how maximizing SUD reprocessing also maximizes savings and diversion of medical waste from landfills. This site shines a light on certain types of contracting and sales practices, catalogued at AMDR with member input, that may appear to advance SUD reprocessing or reduce costs, but ultimately restrict reprocessing, driving up costs and reducing environmental benefits. Also included on this site is a link to a “Practical Contracting Considerations” sheet which may help your sales forces and healthcare provider partners to identify and evaluate new contract proposals.

This website and “Practical Contracting Considerations” document address proposals such as:

- Offers for free equipment in exchange for an exclusive agreement to provide SUDs;
- Unusually low prices on SUDs to compete with reprocessed SUD pricing;
- Discounts on new devices in exchange for an agreement not to reprocess or only reprocess with a certain vendor;
- Licensing provisions attempting to enforce a “single use” license;
- Discounted pricing on blended combinations of new and reprocessed devices with minimum purchase requirements which may restrict purchases to just one vendor; and
- “Technological device upgrades” which provide little new benefit and may reduce devices ability to be reprocessed.

If your sales forces, or healthcare partners, have encountered any of these types of proposals, we urge you and your partners to view this new website and “Practical Contracting Considerations” document. In addition, the site includes testimonials, facts, questions for consideration and the ability to sign up for future updates. The site links back to AMDR’s site with the latest news, regulatory developments and other background information on the benefits of SUD reprocessing.

Ultimately, AMDR cannot give legal advice to healthcare providers. Hospitals and surgical centers must evaluate contracts and use their own independent business judgment in evaluating pricing and services. This website provides suggestions and considerations that individual health facilities may choose to consider. We hope this information is useful. Thank you.