Dear valued customer,

We continue to closely monitor the supply chain, as well as global events, to make the adjustments necessary to continue providing critical medical supplies to our customers. Increased supply chain costs were reflected in a March price increase on five product categories to allow us to continue to ensure continuity of supply and service to you. Since the March 1 price increase, we’ve continued to absorb substantial costs associated with supply chain challenges and inflation across our portfolio.

As a result of continued increased costs, and because we are still absorbing a significant amount of the costs across all categories, we’re implementing a price increase on four additional product categories, effective July 1, 2022, and extending the price increase on the five categories we announced in February. We’ve assessed and evaluated these additional categories with comprehensive rigor.

We’ve been actively engaged in conversations with the GPOs to inform them of this information and ensure transparency. Effective July 1, the following categories will have price adjustments until at least October 1, 2022:

- Drapes and gowns: increase of 13.4%
- Surgical gloves: increase of 6.5%
- Fluid management canisters: increase of 12%
- Fluid management tubing and handles: increase of 11.9%
- Presource®: increase of 6%
- Kendall DL™: increase of 1.9% (extended)
- Pneumatic Compression: increase of 2% (extended)
- Incontinence: increase of 4% (extended)
- Needles and syringes: increase of 6% (extended)
- Sharps containers: increase of 5.4% (extended)

The inflation we’re experiencing in fuel, raw materials, transportation, ocean freight and labor continues to be compounded by increased global demand for product and movement of product. These challenges are primarily stemming from Asia-Pacific to the United States and driven by container and labor shortages and port congestion.

We’re doing all we can to mitigate these challenges, and advocate for government solutions, but it has become unviable for our business to absorb 100% of increased costs while maintaining continuity and quality of supply. We’re continuing to closely monitor cost changes in the market and identifying all opportunities to mitigate cost. We will make pricing decisions consistent with our approach to support continuity of supply of quality products, with advance notification of at least 30 days of any adjustments.

Your Cardinal Health Sales representative will work with you to ensure you have all the data you need to make the necessary pricing updates in your system before July 1, 2022, when the new prices go into effect. If you have any questions in the meantime, please contact your sales representative or Cardinal Health Customer Service at 800.964.5227.

Thank you for your understanding and for being a valued customer.

Sincerely,

Robert Rajalingam
President, U.S. Medical Products and Distribution
Cardinal Health