Cardinal Health Launches New Health Care Supply Chain Innovation Center

Center Employs Internet of Things Approach to Develop Innovative Solutions in Medical Device Supply Chain

DUBLIN, Ohio, Sept. 9, 2015 —In an Internet of Things (IoT) approach to health care - where connectivity creates opportunities for improved economic benefit — Cardinal Health announced the opening of its Healthcare Supply Chain Innovation Lab, a research and development facility dedicated to reducing the \$5 billion in waste in the health care supply chain for devices and implantables.* The new, 20,000 sq. ft. lab located in Concord, Mass., will serve as a hub for Cardinal Health to explore innovative approaches, such as smart sensors and near-field communication, to bring creative, acute care-centered technologies to some of health care's most challenging issues.

"In a rapidly growing network of smart devices communicating with each other, IoT has gained significant traction in health care, and while much of healthcare's IoT focus has centered on patient monitoring applications, we believe the medical devices and implantables are ripe for an IoT approach," said Jean-Claude Saghbini, vice president and general manager for Cardinal Health™ Inventory Management Solutions. "Building on existing automated cloud-based supply chain solutions, our vision is to create a level of efficiency and connectivity that will transform the healthcare supply chain from a source of savings into a strategic asset that can significantly reduce the total cost of care."

The new center comprises hardware design, solutions testing laboratories as well as a Customer Experience Center, where visitors can interact with integrated solutions and provide feedback on technologies and services in the development stages. The team is committed to expanding its offerings to bring additional benefits to health care providers and aims to develop new solutions that will accelerate the transfer and analysis of big data and support real-time decision making on issues such as consumption and impending product expiration.

Cardinal Health continues to rapidly expand its automated inventory management offerings and solutions for challenging processes related to procedural areas, such as the Operating Room. Its portfolio of inventory management solutions are currently used to track products in more than 2,700 hospital locations and 68 distribution locations in 41 countries.

About Cardinal Health

Headquartered in Dublin, Ohio, Cardinal Health, Inc. (NYSE: CAH) is a \$103 billion health care services company that improves the cost-effectiveness of health care. Cardinal Health helps pharmacies, hospitals, ambulatory surgery centers, clinical laboratories and physician offices focus on patient care while reducing costs, enhancing efficiency and improving quality. Cardinal Health is an essential link in the health care supply chain, providing pharmaceuticals and medical products and services to more than 100,000 locations each day and is also the industry-leading direct-to-home medical supplies distributor. The company is a leading manufacturer of medical and surgical products, including gloves, surgical apparel and fluid management products. In addition, the company operates the nation's largest network of radiopharmacies that dispense products to aid in the early diagnosis and treatment of disease. Ranked #26 on the Fortune 500, Cardinal Health employs nearly 35,000 people worldwide. More information about the company may be found at www.cardinalhealth.com and @CardinalHealth on Twitter.

*PNC Healthcare; GHX quantitative research study (August 2011)