

## Vendor Management Program

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### PURPOSE

The purpose of the Henry Mayo Newhall Hospital (“HMNH”) Vendor Management Program is to establish expectations and guidelines for vendor representatives concerning access to and conduct on the premises and in the facilities of HMNH, to maintain the health, welfare, privacy and safety of HMNH’s patients, visitors, and employees, and promote adherence to HMNH’s mission, ethical standards, policies, and applicable laws.

### DEFINITIONS

1. Vendor refers to any manufacturer, distributor, or company that solicits, markets, or distributes information regarding the use of medications, products, equipment, or services.
2. Durable medical equipment (DME) refers to medical equipment and accessories that are primarily and customarily used for medical purposes and which can withstand repeated use. DME are ordered by doctors for use at home.
3. Medical device/product: A medical device is an instrument, apparatus, machine, contrivance, implant, in vitro reagent, or other similar or related article, including a component part, or accessory which is:
  - Recognized in the official National Formulary, or the United States Pharmacopoeia, or any supplement to them,
  - Intended for use in the diagnosis of disease or other conditions, or in the cure, mitigation, treatment, or prevention of disease, in man or other animals, or
  - Intended to affect the structure or any function of the body of man or other animals, and which does not achieve any of its primary intended purposes through chemical action within or on the body of man or other animals and which is not dependent upon being metabolized for the achievement of any of its primary intended purposes.

### VENDOR MANAGEMENT PROGRAM OUTLINE

#### General Vendor Requirements

Vendor representatives shall interact with staff in a manner that meets ethical standards, avoids conflicts of interest, protects patient confidentiality, does not interfere with the process of patient care, and encourages the appropriate, efficient and cost-effective use of equipment, supplies, and pharmaceuticals within Henry Mayo Newhall Hospital facilities.

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All new and renewing vendors subject to this policy requesting to sell products, including consignment, or otherwise do business with HMNH shall:

- Have a contractual relationship with HMNH.
- Have their vendor representatives Complete and submit the Vendor Pre-Qualification Form, and the Vendor Ownership and Conflict of Interest Certification Form online through our vendor credentialing system prior to being granted access to meet with HMNH representatives or obtaining access to HMNH's facilities.

Supply Chain Management will refer any conflicts of interest or potential conflicts of interest to the Compliance Officer for resolution.

Upon completion of the registration process in the vendor credentialing system, the system will approve or deny the application. If denied, the system will communicate to applicant what document needs to be submitted to obtain approval.

The vendor credentialing self-service kiosk locations are :

- Main Hospital Lobby
- Outpatient Surgery Center

Before a vendor arrives for an appointment, they should confirm the appointment with the HMNH employee they are meeting and ensure the appointment has been scheduled in the system.

- All vendors must check in upon arrival and obtain a badge at the vendor self-service kiosks or by cell phone application. Upon completing each visit, vendors must complete a check-out process.
- Vendors must always print and wear a photo badge during their visit.
- Hospital staff will request that all vendors without a vendor pass return to the main lobby to sign in. Staff shall report non-compliant vendor representatives to Supply Chain Management.
- Vendors may obtain additional information about the HMNH vendor program by accessing the vendor portal on HMNH's website at [www.henrymayo.com](http://www.henrymayo.com).

### Registration Process and Certification Requirements for Vendor Representatives

1. Because of the nature of the services HMNH provides, all areas of HMNH are considered security sensitive. Accordingly, it is necessary to establish guidelines for managing and controlling vendor access to and conduct within HMNH's facilities.
2. HMNH utilizes a vendor access software to facilitate management and control of vendor access to its facilities. It is available to use by vendors at kiosks located in the lobby of the main hospital and in the outpatient surgery center. The system may also be accessed by vendors via a cell phone application and via the internet; however, the vendor badge is printed at the kiosk.
3. This process utilizing HMNH'S vendor access software is referred to as "vendor credentialing" and

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requires the vendor to pay an annual fee for this service. This credentialing process is required for the vendor's company and each company representative that will be on site. Vendors required to complete the credentialing process must also utilize the system to sign in and out when on-site and to generate a visitor badge, which specifies, among other things, the time the vendor checked in and the estimated time the vendor will be on site. **Vendors shall not be issued door keypad codes or card access badges.**

### General Facility Access and Standards

Under no circumstances may vendor representatives solicit patients, physicians or visitors. Vendor representatives may enter HMNH facilities for the purpose of conducting business only under the following conditions:

**Tobacco-Free Campus** –The use of tobacco and smokeless tobacco products are prohibited on the HMNH campus.

**Scheduled Appointments** - The vendor representative must have a scheduled appointment and must limit his/her business-related activities at HMNH to the scheduled appointments. Under no circumstances will “cold calls” (visits without scheduled appointments) be allowed. Drop-in visits to departments other than the scheduled appointment are not permitted.

**Parking** - Vendor representatives parking is limited to the designated visitor parking spaces in the Navarre Parking Structure when visiting the main hospital campus. Delivery of products shall be made at the delivery dock in the back of the hospital.

**Use of Hospital Equipment** - Use of HMNH equipment by a vendor representative is prohibited unless the visited department grants permission to the vendor representative.

### Henry Mayo Conduct Policies

All vendor representatives must acknowledge and abide by the following principles and policies to conduct business with HMNH. These policies will be made available in the vendor credentialing system for vendor representatives to review and acknowledge they have read:

1. **Conflict of Interest** - Vendors will be required to complete a Vendor Ownership & Conflict of Interest Certification as part of the pre-qualification process as described above. If any potential conflict of interest or physician ownership situation exists, it will be referred to the Compliance Officer for review and determination before the vendor is approved within the HMNH'S vendor access software system.
2. **Deficit Reduction Act (DRA) of 2005, and False Claims Act** - Section 6032 of the DRA requires HMNH to have and make available written policies addressing the False Claims Act and associated laws, regulations, penalties and whistleblower protections in order to prevent and detect fraud, waste and abuse in Federal Health care programs.

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3. **HIPAA and Patient Confidentiality** - The Health Insurance Portability and Accountability Act (HIPAA) defines how we access, use and disclose every patient's individually identifiable health information. HMNH maintains HIPAA Privacy and Security policies. The discussion, release, use or disclosure of any patient-related information viewed or overheard is prohibited for any reason other than that which is strictly related to job assignments and in compliance with patient privacy laws.
- 4.
5. **Confidentiality of Business and Other Proprietary Information** - Any type of information generated in connection with HMNH operations must not be accessed, downloaded, discussed, used, or disclosed for any purpose other than to conduct business with, or on behalf of, HMNH, both during and after termination of the HMNH/vendor business relationship.
6. **Conduct and Interactions with HMNH Associates and Medical Staff** - When in HMNH facilities and interacting with HMNH employees and medical staff, the vendor shall comply with the following:
  - HMNH Code of Conduct, available through the vendor credentialing system
  - Conversations with staff in patient care areas should be minimal and must be professional and case-related only.
  - All patient education materials must be evaluated by HMNH's department educator prior to their use.
7. **Audio/Video Taping, Digital and Still Photography** - HMNH generally prohibits these activities unless properly documented with consent and/or authorization forms. Vendor representatives will follow HMNH policy, available through the vendor credentialing system.

### Supply Chain Management /Purchasing Policies

The main office of the HMNH Supply Chain Management Department is located in the Henry Mayo Center. It is mandatory that all visits to the Supply Chain Management Department be scheduled in advance through the vendor credentialing system.

1. **Vizient Group Purchasing Organization (GPO)** - HMNH is a member of Vizient, Inc. and the West Coast Purchasing Coalition (WCPC). All purchase and invoice data remains the property of HMNH and may be shared with its GPO and other entities contracted with HMNH for the purpose of benchmarking and recall management.
2. **New Product Introductions** – Vendor representatives are responsible for scheduling an appointment with Supply Chain to introduce new products before these products can be discussed with HMNH medical staff. The product must be left with Supply Chain for review and evaluation by the Value Analysis Committee if appropriate. HMNH assumes no responsibility for supplies or equipment left by vendors in the organization for the purpose of evaluation. It is the responsibility of the vendor to deliver, install (in collaboration with HMNH's Biomed and/or

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Facilities representatives as appropriate), and remove the equipment or supplies upon completion of the evaluation.

3. **Evaluation of New Products** –All new patient care products or substitute products will be evaluated for cost, quality and outcomes by HMNH’s Value Analysis Committee in accordance with HMNH’s Value Analysis Committee policy. This Committee will conduct a patient safety and product efficacy evaluation to ensure that there’s a standardized review process before patient care products are recommended and purchased. Should a vendor representative bring product or equipment into the organization for use without a request and a fully executed contract, then these will be considered donations to the facility and ineligible for payment. Such actions may constitute grounds for action to remove the vendor representative.
4. **Equipment and Supply Storage** – HMNH has limited storage space and all items must be stored properly in accordance with DNV and CMS requirements. Vendors may not store any of their equipment or supplies at HMNH facilities unless permitted through a contractual arrangement with HMNH. Equipment or supplies arriving without a pre-existing contractual arrangement will be turned away, or if left at HMNH, may at HMNH’s option, be discarded.

### Vendor Representatives in Procedural Patient Care Areas

HMNH recognizes the need for education and introduction of new technology, procedures, and techniques to health care professionals in the perioperative setting. At the same time, a patient’s right to privacy and safety must be protected – particularly when a vendor representative is present during a surgical procedure.

Excluding contracted physicians, locums, and travelers who are contracted to be on site on a regular basis and who have been properly badged by their sponsoring department through Security, vendor representatives are permitted to provide product support for surgeons and staff in the operating room and other procedure areas only when invited by a surgeon, physician, anesthesiologist, or management team member, for the following purposes:

- In-service new product/service or device including pharmaceuticals
- Technical consultation
- Product needs assessment and/or educational in-service
- Contracted vendor representatives delivering patient care services

Vendor representatives are **not** permitted to:

- Scrub in;
- Assist with procedures (other than technical assistance in the form of verbal consultation);
- Open sterile products; or
- Have patient contact, including touching the patient.

Vendor representatives are permitted to offer technical advice to the surgical/procedure team regarding their equipment or devices while in use on a patient. Vendor Representatives are not permitted to operate any equipment or devices while in use on a patient unless prior authorization is

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granted via contractual arrangement. Vendor representatives must remain in areas designated by departmental leadership until called for specific procedural assistance. They may not utilize the physician lounge area.

If there is no technical purpose for a vendor to be present during a surgical or other patient procedure and the physician, clinical management or vendor representative simply requests to observe the surgery/procedure, consent must be obtained from the patient and documented in the medical record.

Vendor representatives will only be given access following a physician or nurse manager's request that a vendor be present on a specific date and time. If the vendor has not been requested, the vendor must leave the area immediately.

### Required Documentation and Competencies

A vendor representative who needs to be present in any patient care area is required to maintain documentation of certain competencies, health status, and background checks on file through HMNH's vendor management system. Compliance with these requirements shall be confirmed per policy before being granted access.

### Pharmaceutical Manufacturer Representatives

Vendor representatives credentialing pharmaceuticals, intravenous solutions, or any item marked "Federal law prohibits dispensing without a prescription" shall deal directly with the HMNH Pharmacy Department. Refer to separate policy entitled "Pharmaceutical Representative".

### Disciplinary Action

Vendor representatives who do not adhere to HMNH policies will be subject to sanctions ranging from verbal warning, to permanent suspension of individual vendor representatives. Because HMNH does not want to hinder the delivery of patient care, the vendor representative's company may assign another vendor representative to service HMNH. Repeated violations by the same vendor company may lead to termination of HMNH's contract with such vendor.