



Northern Arizona
Healthcare

CORPORATE POLICY

Number:

CP708
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Effective Date:

6/22/90

VENDOR RELATIONS

Purpose

To define with whom and under what circumstances a vendor may engage in marketing activity with NAH colleagues.

Clinical information on new supply technology, educational programs and efforts to enhance patient management are essential to NAH's on-going efforts to improve the quality of patient care. NAH values the contribution made by vendors in this effort.

In order to take advantage of these contributions, NAH offers coordinated access to vendor representatives to conduct marketing activities for the purchasing of goods and services. Access is considered a privilege and therefore contingent on the representative's compliance with NAH policies and procedures set forth below.

NAH has professional, ethical, and legal obligations to protect health information from disclosure to unauthorized persons.

Policy

All vendors must be properly authorized through Materials Management to conduct business within NAH.

In order to be authorized, vendors must be registered within the Vendormate (<https://nahealth.vendormate.com>) database.

Once registered within Vendormate, vendors will be required to obtain and display a daily Vendormate ID badge each time they are on campus with the following exceptions:

- 1) Construction or Contractors as approved by the Facilities Departments
- 2) Vendor who needs to be on site after hours for procedures as a result of an emergency, when time would not permit registration. For ongoing routine business visits and/or scheduled procedures after hours, vendors will be required to obtain and display a daily Vendormate ID badge
- 3) Vendor visiting offsite locations unless directed by the Director of said facility
- 4) Subcontracts as approved by related Department Directors

The above vendor types should still be registered with Vendormate and should be issued a standard vendor plastic ID badge (term 1 year), visitors badge, or ID badge with microprox tag access, when applicable. These types of badges must be obtained through the Materials Management Department or Facilities Department.

Definitions

Vendor:

All manufacturers, distributors, and service providers from which NAH purchases goods and/or services.

Approved By:

Date Reviewed:

Approved By:

Date Revised:

2/17/09

Goods and Services:

“Goods” encompasses all commodities purchased by NAH. “Services” encompasses all work performed for NAH by outside dealers, contractors, or manufacturers including the installation, maintenance and repair of equipment guaranteed under contracts between NAH and the service provider.

Protected Health Information (PHI):

PHI is any information, including demographic information that has the potential of tying the identity of the patient to their health record. It applies to information transmitted or maintained in any form or medium, including electronic, paper or oral. It is the subset of individually identifiable health information to which the privacy protections of the Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulation and rights of individuals apply.

Business Associates:

Outside persons or entities that access, use, and/or disclose PHI to perform services on behalf of outside entities that perform specified services (accounting, consulting, management, administrative, accreditation, data aggregation, etc.) are considered business associates under the HIPAA Privacy Rule. It is mandatory that business associates sign a business associate agreement.

Business Associate Agreement:

A written agreement between an entity and a business associate in which the business associate agrees (provides assurances) to safeguard PHI in its possession, to use PHI only as stipulated in the agreement, to hold its subcontractors to these same standards, and to report any misuse to the covered entity.

Disclosure:

Release of PHI in any form (written, oral, or electronic) to a person or entity not a part of NAH is considered a disclosure.

Incidental Exposure:

Inadvertent exposure to PHI despite reasonable safeguards to protect such information (e.g. overhearing a consultation taking place in a relatively private place).

Must:

Indicates that staff must comply with the action(s) described or defined.

Should/May:

Indicates that staff may use his/her own judgment regarding compliance with the actions described or defined.

Colleagues, Staff, Staff member:

Refers to individuals employed by NAH.

Use:

Refers to covered entity’s internal utilization of PHI. Covered entities are not insulated from compliance merely because they are sharing or otherwise using such information strictly with colleagues and co-workers.

Vendor Visit to NAH:

A supply vendor’s first contact at NAH must be Materials Management. (Except if the vendor is dealing solely with the Pharmacy, Dietary departments, **Environmental Services, Department, delivering supplies throughout the facility (such as office supplies will contact Materials Management first)**, or Gift Shop. In these situations, the vendor will need to contact those departments directly for specific instructions.)

Sales Calls:

All sales calls are to be made directly to Materials Management. NAH department directors, or their designees, may wish to meet personally with a sales representative. Such meeting requests need to be directly between NAH department and the sales representative.

Appointments with attending medical staff must be made through the physician’s private offices. Sales representatives may not ask NAH staff members to make these contacts. Meetings with attending medical staff on hospital grounds are discouraged.

Once the representative has scheduled an appointment, he/she is to proceed as follows:

Arrive 10-15 minutes before the scheduled appointment time.

Vendors will be required to obtain and display a daily Vendormate ID badge each time they are on campus by signing in at one of the various Kiosks during normal working hours

All representatives must wear their company ID/name badge. Prior to proceeding to other departments, they will be issued a vendor ID badge (see above) that must be worn at all times in conjunction with their company badge.

When the meeting is over, the representative will return the plastic Vendor Visitor ID badge to Materials Management or, if registered with Vendormate (see above), will be required to sign out at one of the various kiosks.

Under no circumstances (unless invited by department management) are vendor representatives permitted in the Nursing Units, Emergency Room, Trauma Center, Specialty Care Areas, Operating Room Suites, Attending Staff Lounge, Outpatient Clinics or other patient treatment areas.

Except for incidental exposure to PHI, vendors may not view, access, use or disclose PHI, except for the following purposes, without first having signed a business associate agreement with NAH.

Education (e.g. suppliers may provide educational support for treatment supplies and equipment).

Treatment (e.g. suppliers may provide treatment support and consultation for on-site use of their products, supplies, and equipment).

Uses and disclosures required by law (e.g. FDA product tracking).

Any vendor representative found in any area without proper authorization (ID badges) will be asked to leave at once. Failure to do so may result in a Security Officer escort from the premises.

Should repeat offences occur, NAH shall retain the right to bar the vendor from its facilities.

Quotations:

In order to develop a consistent method for analysis, the sales representative is to contact Materials Management to obtain the requirements of a valid quotation.

Trial of Products/Equipment:

It is NAH's stated policy not to purchase supply items or equipment for evaluation purposes.

Arrangements with vendors to provide products or equipment for evaluation are made through Materials Management only. In order to clearly define NAH and supplier liability for damage or loss, Materials Management must, in advance, issue an "Evaluation Only" purchase order. Evaluations or demonstrations do not obligate NAH in any way to purchase the item or equipment.

The evaluation of supplies and/or equipment that will or could be used by multiple departments will be reviewed and approved in advance by the Value Analysis Team (VAT).

Purchase Orders:

Shipping merchandise and/or providing services to NAH without an authorized purchase order number is prohibited.

Purchase order terms and conditions are available on request and govern all transactions.

Orders are understood to be Freight On Board (FOB) NAH entity. NAH does not pay for freight unless authorized by Materials Management.

The purchase order number should be shown on all packages shipped, mailed or delivered to any NAH location and a detailed packing list showing the purchase order number must accompany all shipments.

NAH will not be responsible for any purchase not handled in accordance with this policy.

Service and Repairs:

Service representatives must sign in at the department they are conducting service. They must leave a service statement document with the department where the service was completed.

Equipment shall not be removed from any NAH facility without approval from Materials Management. Exceptions to this must have the approval of NAH department management.

Gifts and Entertainment:

Employees will not give or receive, directly or indirectly, payments, gifts, entertainment or other favors of more than nominal value, or hospitality or entertainment in excess of usual and reasonable limits, which (1) are in any way connected with the activities of NAH, or (2) might place the Employee under an obligation to a third party in connection with NAH activities. Rather than defining "nominal" with a specific dollar value, NAH expects its Employees to exercise good judgment in accepting gifts and favors. If an Employee has any concern whether a payment, gift or entertainment should be accepted, he/she should consult with his/her immediate supervisor or the NAH Corporate Compliance Department.

Invoices:

Original copies of invoices must be mailed to NAH, Attn: Accounts Payable, PO Box 1268, Flagstaff, AZ 86002 and provide exact vendor name and address.

Quantity discounts must be deducted on the face of the invoice and the net amount shown.

Invoices must show the NAH purchase order number. Those invoices not showing the purchase order number may be returned for identification, which will delay payment.

Itemized statements of account must be rendered monthly. It is understood that the cash discount period, will begin from the receipt of the goods or from the date an acceptable invoice is received, whichever is later.

Payment is deemed received by the vendor, for purposes of earning the early payment discount, on the date the NAH check is mailed. COD shipments will not be accepted.

Deliveries:

NAH operations are based on "promised delivery dates". Vendors must make deliveries as promised. Failure to do so may result in canceled orders and a reduction of future orders.

Deliveries should be made between the hours of 0700 and 1500, Monday through Friday, excluding holidays. Deliveries tendered at other times will be refused unless prior arrangements have been made.

Emergency deliveries outside normal receiving hours should be reviewed by the Logistics department prior to delivery to the specified department.

Deliveries are to be made to the proper facility specified at the time of ordering. Failure to ship to the proper facility may result in charges for movement/transfer of the goods to the correct location.

Compliance:

An NAH vendor shall maintain its eligibility to do business with all federal and state healthcare programs such as Medicare, Medicaid (AHCCS) and TRICARE. In the event that a vendor is excluded from doing business with a federal or state healthcare program, it will immediately notify NAH.