

Title:	Relationship to Vendors	Page: 1 of 4
Policy No:	2 MRMPRO 607	Effective Date: 05/13/2008

OBJECTIVE

To establish a procedure for communicating with vendors, defining guidelines for vendor activities, and identifying vendor disciplinary actions for infractions of DMC policies.

To provide vendors with information necessary in order to conduct business with Detroit Medical Center facilities, including the controls used in maintaining Detroit Medical Center Policies.

SCOPE

Detroit Medical Center personnel and its vendors (non-pharmaceutical). All Pharmaceutical Vendor Representatives will abide by the Pharmacy Policy #MED209, Pharmaceutical Representatives.

DEFINITIONS

1. **Vendor Representative:** Includes all salespersons, representatives, or other employees of manufacturers, distributors, suppliers, and service organizations, intended for use or purchase by the Detroit Medical Center.

POLICY

- All Vendor Representatives must wear a DMC Vendor Pass when conducting business at DMC facilities. For off-site ambulatory facilities and physician practices where Vendor Passes are not available, the Vendor Representative must clearly wear an identification badge from their respective company.
- All Vendor Representatives must have a prescheduled appointment with the specific individual at the facility where they are conducting business.
- All Vendor Representatives will coordinate the presentation of new products and services through the appropriate Contract Administrator or Buyer within the DMC Materials Resource Management Procurement Department, or will notify the appropriate Contract Administrator or Buyer of specific inquiries/requests made by other DMC representatives. All Vendor Representatives may only promote medical devices for FDA approved indications, unless they have received approval from the WSUHC (Wayne State University Human Investigation Committee).
- All departments that have non-DMC persons providing services will be responsible for ensuring that these persons adhere to the department's policies regarding identification badges, and logging into and out of the department for time tracking purposes, as appropriate.
- All departments that have non-DMC persons will schedule orientation for all contracted vendors performing services on DMC premises. Orientation records will be maintained by the department that has oversight responsibility of the non-DMC person.
- All contracted vendors performing services on DMC premises must provide documentation as appropriate with regard to the service including licenses, certificates of insurance, tuberculin skin testing, etc.
- Invoices for products shipped to any DMC entity without a bona fide Purchase Order from the Procurement department will not be paid.
- At no time will a vendor in an operating room or in an invasive procedure suite be allowed to "scrub in" on a case, touch a patient, manipulate a device while on a patient, operate any equipment during a procedure, or open sterile packages in the sterile field. However, a vendor's representative who must be present intra-procedurally in order to adjust, program, or test, a medical device that is on a patient, may do so only when the manufacturer's product instructions specifically state that such services must be performed by a trained representative of the manufacturer. The representative's company will provide documentation detailing the scope of the representative's capabilities and training to provide specific services during a procedure.

Title:	Relationship to Vendors	Page: 2 of 4
Policy No:	2 MRMPRO 607	Effective Date: 05/13/2008

- Vendor Representatives in the Operative areas must bring any instrumentation, supplies, and implants, which require sterilization at least 24 hours prior to the start of the procedure. Those items must go through the DMC Central Sterile Processing department prior to use on the procedure. They will not be flash-sterilized in the department.

PROVISIONS

1. All Vendor Representatives must abide by the following guidelines while visiting or conducting business at the Detroit Medical Center.
 - a. All Vendor Representatives will conduct business at the DMC on a scheduled appointment basis only.
 - b. Upon entering a DMC facility, all Vendor Representatives must obtain a Vendor Pass from the front Information Desk or designated area.
 - c. If the Vendor Representative has another appointment within the DMC Central Campus, he/she must obtain another Vendor Pass from the specific facility's Information Desk or designated area.
2. To safeguard patient care, vendors entering the operating rooms and procedure areas are asked to adhere to DMC quality and safety procedures. The following processes have been developed to ensure compliance:
 - a. Upon arrival in an operating room or procedural area, vendors must check in with the appropriate staff.
 - b. At that time, they will be given written information, "Vendor Requirements for Conduct in the Operating Room and Invasive Procedure Suites", which outlines safe practices in patient care areas, especially those that involve sterile procedure areas. Vendors are asked to read and sign the information (see 2 MRM PRO 607 Attachment 9, "Vendor Requirements for Conduct in the Operating Room and Invasive Procedure Suites").
 - c. The initial form will be scanned and e-mailed to Materials Resource Management at purchasing@dmc.org to begin collecting a central file, and the original document will be kept in a vendor file maintained by the procedural area.
 - d. In order to prevent the spread of communicable diseases, vendors are asked to refrain from entering these areas if they have, or feel they have, a communicable disease (such as influenza, cold, chicken pox, shingles).
 - e. In addition, vendors are asked to provide proof of annual TB (tuberculosis) testing (either negative PPD or chest x-ray, as appropriate). A note from a physician or from the company will be considered adequate proof. It is the responsibility of the vendor to produce this verification and maintain it annually.
 - f. Procedural areas will add a check box for checking TB (tuberculosis) verification to the entry log book.
3. Procurement will obtain the signature of the Vendor Representative and their management on the Vendor Representative Letter of Understanding acknowledging that they have received a copy of the Relationship to Vendor Policy & Procedure, and maintain on file (see Attachment 1).
4. Procurement Staff will provide vendors with the following information:
 - a. Procurement Hours
 - b. DMC Policy: 1 CG015 "Ethics of Business Conduct"
 - c. Vendor's role
 - i. Product evaluation
 - ii. Contact with Hospital personnel
 - iii. Bids and proposals
 - iv. Service levels
 - v. Solicitation
 - vi. Gratuities
 - d. Handling of Purchase Orders and Invoices
 - e. Statement of Group Procurement activity (Attachment #3)
 - f. Statement on minority vendors (Attachment #6)
 - g. Contractor environmental briefing (Attachment #5)
 - h. Vendor/Supplier Disclosure Form Attachment #4
 - i. Vendor Orientation to be performed by Facility Engineering and Construction
5. Procurement will explain the contravention of Detroit Medical Center policies that will result in disciplinary action against a vendor
 - a. Minor infractions
 - i. Failure to obtain and/or wear a vendor's pass

Title:	Relationship to Vendors	Page: 3 of 4
Policy No:	2 MRMPRO 607	Effective Date: 05/13/2008

- ii. Calling and/or visiting Detroit Medical Center personnel whom have no expressed interest in their products, services, or capital equipment.
 - iii. Accessing DMC facilities to conduct business without a scheduled appointment or prior authorization from the respective Department or Procurement. A vendor pass must still be obtained.
 - iv. Failure to obtain a Purchase Order number before shipping products, services, and/or capital equipment into Detroit Medical Center, this includes items for trial and evaluation purposes.
 - v. Failure to maintain service levels
 - a) Shortages on a consistent basis
 - b) Over-shipments on a consistent basis
 - c) In-services inadequate
 - d) Catalogs and price lists not current
 - e) Communication lines not maintained
 - f) Vendor representatives non-responsive to hospital needs
 - g) Shipping products to wrong locations
 - vi. Failure to honor prices quoted.
 - vii. Failure to provide resources and necessary documentation to maintain account in good standing.
 - a) Failure to provide invoices, copies of invoices, or Proof of Delivery, upon request.
 - b) Failure to reconcile outstanding account issues within 90 days of invoice date.
 - c) Unauthorized use of credits to offset open invoices.
 - b. Major infractions
 - i. Failure to ship the specified product, service, or capital
 - ii. Failure to go through Procurement i.e. back-door selling tactics
 - iii. Failure to provide adequate safeguarding of protected health information
 - iv. Offering unethical inducements to Detroit Medical Center personnel
 - v. Failure to notify Procurement of product recalls.
 - vi. Harassment of Detroit Medical Center personnel, i.e. inappropriate language and/or physical actions.
 - vii. Failure to adhere to DMC "Ethics of Business Conduct" policy 1 CG015.
 - viii. Failure to respond to disciplinary action for Items 4, a. and b. above.
 - c. Pursuant to the Health Insurance Portability & Accountability Act (HIPAA), the Detroit Medical Center prohibits the use or disclosure of protected health information of its patients without a valid authorization, or unless that use or disclosure is otherwise permissible. Therefore, to the extent any DMC vendor comes in legitimate contact with a patient's protected health information, he/she is prohibited from any use or disclosure of that information which is inconsistent with this, or any other DMC policy, or as prohibited by state and federal law. The DMC shall, in its sole discretion, determine what constitutes a valid authorization, or what is, or is not otherwise permissible should a conflict arise between the DMC and one of its vendors.
6. The progressive steps in the disciplinary action process will be waived by the Corporate Vice President, Materials Resource Management, if the vendor commits a major infraction, i.e. endangering patient care, threatening bodily harm to a DMC employee.
 7. The Corporate Vice President, Materials Resource Management, in consultation with the Executive Vice President/Chief Operating Officer, is solely responsible for terminating business relationships with vendors.
 8. Procurement will inform all vendor representatives to contact the Department of Development, and appropriate administrative personnel, if they have questions concerning who is authorized to solicit private funds for projects and research grants.
 9. The Corporate Director, Procurement, will forward names of vendor representatives to the DMC Corporate Office of Development for the purpose of soliciting private funds. This is the only responsibility Procurement has in the process of soliciting private funds.
 10. The vendor is responsible for requesting clarification of any information he/she does not understand.
 - a. The Contract Administrator or the Buyer of a vendor representative's commodity is responsible for responding to the vendor representative's questions.
 - b. The Corporate Director, Procurement, will provide further clarification, if required.
 11. A vendor representative will provide to Procurement the necessary data to maintain a current Vendor Profile.
 12. Procurement will review the performance of all vendors and initiate the following disciplinary actions if applicable:
 - a. Minor Infractions

Title:	Relationship to Vendors	Page: 4 of 4
Policy No:	2 MRMPRO 607	Effective Date: 05/13/2008

- i. For first occurrence, a documented oral consultation of vendor representative by the Buyer of the commodity.
- ii. For second occurrence, call to vendor representative's immediate manager from Corporate Director, Procurement.
- iii. For third occurrence, letter to vendor district/regional manager from Corporate Vice President, Materials Resource Management, to arrange a meeting to discuss the issues.
- b. Major Infractions
 - i. For first occurrence, a documented oral consultation of vendor representative by Corporate Director, Procurement, and a letter to vendor district / regional manager from Corporate Director, Procurement, to arrange a meeting to discuss the issues.
 - ii. For second occurrence, letter to president of vendor company from Corporate Director, Procurement, detailing the issues and requesting immediate resolution.
 - iii. Termination of relationship if the issues remain unsolved.

ADMINISTRATIVE RESPONSIBILITY

The Corporate Director, Procurement, has responsibility for overall coordination of this policy.

Should exception to this policy be required, such exception may be made by individuals in the positions designated below. Each exception is to be documented and a copy filed with the Corporate Vice President, Materials Resource Management.

Authorization for policy exceptions can be made by any of the following individuals:

President/Chief Executive Officer
Executive Vice Presidents

APPROVAL SIGNATURE(S)

	05/13/2008
Title: Corporate Director, Procurement/Contract Administration	Date
	05/13/2008
Title: Corporate Vice-President, Materials Resource Management	Date
	05/13/2008
Title: Executive Vice-President, Chief Operating Officer	Date

REVIEW DATE: 05/13/2011

SUPERSEDES: 01/19/2006, 11/01/04, 06/13/03, 06/18/02, 02/15/02, Harper P.040 - 11/28/84