		Policy Title:	Corporate Vendor Policy & Procedures
Effective Date:	October 1, 2022	Policy Number:	SC-0110
Review Date:	March 16, 2023	Section:	Corporate Supply Chain Management
Revised Date:	March 14, 2024	Oversight Level:	Corporate
Administrative Responsibility:		Vice President, Corporate Supply Chain Management	

1. Purpose

- 1.1. To protect the privacy and safety of our patients and staff and ensure that we provide the highest quality service possible.
- 1.2. To minimize interruption of patient care and staff productivity.
- 1.3. To ensure that all McLaren Health Care (MHC) facilities conduct all business with Vendors with the highest ethical standards intended to protect patient confidentiality, and ensure appropriate and cost-effective use of medical devices, supplies, service and equipment and pharmaceuticals.
- 1.4. To require Vendors that conduct business with MHC facilities to complete a certification process and act in accordance with all established MHC policies and guidelines.

2. Scope

- 2.1 Applies to all Vendors who are selling a product and/or service including those that provide medical devices, supplies, pharmaceuticals, service, and equipment. Admittance to any of the locations to any of the MHC facilities by a Vendor is a privilege, not a right.
- 2.2 Applies to all MHC facilities. MHC facilities include all Acute and Non-Acute locations owned or operated by MHC. All employees, physicians, residents, and trainees are required to adhere to this policy. It is the responsibilities of MHC facilities to ensure that Vendors and staff are knowledgeable and compliant with this policy.
- 2.3 Applies to all Vendors, including those involved in patient care procedures where their presence may be necessary in an advisory capacity.
- 2.4 Applies to Vendors providing training or in-service on supplies or equipment as it relates to their presence in procedural areas.

3. Definitions

3.1. Vendors are any representative of a distributor, manufacturer, or any other company, who visits for the purpose of soliciting, marketing, or distributing products or information regarding the use of medical devices, supplies, services, pharmaceuticals, and equipment.

3.1.1. This does not apply to service relationships that require an on-site presence as a condition of providing the contracted service. Such services must be documented by a written contract. (Examples include but are not limited to IT Service Providers, Food Service Management, Construction Management Providers, Auditors, Attorneys, Contractors/Repair Service Providers, etc.).

3.2. MHC Pharmacy policies include drug use guidelines, formularies, and utilization management initiative approved by MHC.

3.3. Vendor Certification is the process to qualify a Vendor who wants to enter any MHC facility. The certification and educational process will include but not be limited to MHC policies and procedures, privacy regulations, conflict of interest and HIPAA requirements. Vendor will acknowledge the understanding of MHC policies which must be completed as part of this process.

3.4. Staff is defined as all employees, managers, directors, administrators and employed physicians.

3.5. Service is defined as purchased services or repair service to facilities or equipment.

3.6. Patient care areas are defined as areas or departments where patients are present and/or PHI may be present. Examples of patient care areas include operating rooms, pharmacy, sterile processing, etc.

3.7. An authorized purchase is a transaction for which Corporate Supply Chain has vetted the selected vendor, price, terms, etc.

3.7.1. Authorized purchase agents are Corporate Supply Chain employees. The Corporate Supply Chain department shall be recognized as the official authorized purchasing agent for all of MHC, its subsidiaries, and majority-held business ventures.

3.7.2. An authorized purchasing agent can be reached during business hours (M-F, 8 am - 5 pm) at (810)342-1100. Vendors with established relationships within Corporate Supply Chain can continue to communicate through the same channels.

4. Policy

4.1. Vendors that interact with MHC in a virtual or in-person environment are required to comply with all applicable MHC patient care, privacy, pharmacy guidelines, health requirements, research integrity, HIPAA, Code of Conduct requirements, and Supply Chain policies and processes.

4.2. Any person(s) who fit within the defined 'Vendor' title must start any conversations regarding new products/services, conversions, changes to existing contracts, bulk purchases, contract compliance, business reviews, etc. with an authorized purchase agent (aka Corporate Supply Chain).

4.2.1. Under no circumstance should a vendor circumvent Corporate Supply Chain. Circumventing the authorized purchasing agents will result in a violation in accordance with the disciplinary actions mentioned in Section 4.8 and 5.11 of this policy.

4.2.2. McLaren staff should redirect any vendors trying to converse about the aforementioned subjects to Corporate Supply Chain. Commitments made to Vendor(s) without an authorized purchasing agent involved may result in disciplinary action.

4.3. Vendors who enter any McLaren facility are required to register and complete the certification process prior to entry.

4.4. It is the responsibility of both the Vendor and the MHC facility to ensure that Vendors and staff are knowledgeable and compliant with these guidelines.

4.5. Staff members are required to uphold the highest professional standards in interactions with all Vendors.

4.6. Enforcement of this policy and ongoing monitoring is the responsibility of all MHC staff.

4.7. Staff is required to report all violations of this policy to their Department Head and Supply Chain.

4.8. Violators of this policy will be subject to the following disciplinary action (also listed in Section 5.10 Compliance and Disciplinary Action):

4.8.1. **1st Offense:** Vendor representative will be given a written warning. Vendor Representative leadership will be notified.

4.8.2. **2nd Offense (for the same type of violation):** Vendor Representative will be suspended from visiting all McLaren facilities, and the Vendor will be asked to provide a new Representative to service McLaren's needs.

4.8.3. Depending on the severity of the violation and at MHC's sole discretion, a Vendor Representative may be suspended or permanently banned after the first offense.

5. Procedure

5.1. General Guidance

5.1.1. Vendors are only permitted to enter an MHC subsidiary by an approved appointment set up through MHC's Vendor Credentialing system. Employees and physicians are under no obligation to grant appointment requests from

Vendors. Vendors cannot drop in without an approved appointment.

- 5.1.2. Request for appointments must be made by creating an appointment request in MHC's Vendor Credentialing system. Products or services to be discussed must be identified at the time the appointment is made. Appointments can be made by the Vendor, or by MHC staff.
- 5.1.3. Should unanticipated patient care requirements arise, the appointment may need to be rescheduled. The Vendor will respect the decision to cancel and reschedule at another time.
- 5.1.4. Vendors will be required to check in and check out at the designated check in and check out area(s) or by using the designated check in and check out process at the respective facility
- 5.1.5. Vendors are required to wear a paper badge that is printed from one of the MHC kiosks. Badges can only be obtained through MHC's Vendor Credentialing System once a vendor checks in for their approved appointment. The badge must be clearly displayed at all times during their visit.
 - A badge will not print if a vendor is not approved for a facility, does not have an appointment, has outstanding credentials, or has a temporary or permanent ban on their account.
 - Any vendor found to be without a paper badge or reusing the badge will be subject to disciplinary action. Likewise, a vendor without a paper badge visible may be asked to leave by any MHC staff and security.
- 5.1.6. Vendors must not solicit procedure or patient volumes or competitive cost information from MHC staff or physicians. This information may only be shared with a Vendor with the approval of Supply Chain Management.
- 5.1.7. Staff and physicians may not share pricing, internal reports, communications, agendas, minutes, or other documents intended for internal distribution with Vendors.
- 5.1.8. Pricing comparisons are frequently misleading since the ultimate cost of supplies is dependent on many factors, including contracted discounts and rebates. Therefore, only pricing/cost information that has been approved by Supply Chain Management and/or Pharmacy may be discussed and only upon the request of the administrative or clinical department leader. No contracts under any circumstances may be given to or signed by staff.
- 5.1.9. MHC reserves the right to limit the number and duration of time a Vendor can visit an MHC facility.

5.2. Vendor Credentialing Process:

- 5.2.1. Vendors are granted access to MHC facilities as a privilege not a right.
- 5.2.2. Vendors interested in visiting an MHC subsidiary must be knowledgeable to all applicable MHC policies and requirements including those addressing privacy and confidentiality. All Vendors that enter an MHC facility are required to successfully complete a certification process through MHC's Vendor Credentialing system prior to scheduling any appointments or coming on site.
- 5.2.3. All Vendors are required to pay a non-refundable annual fee to be credentialed through MHC's Vendor Credentialing system to cover the cost of providing the education, certification and associated ongoing compliance monitoring. The annual fee cannot be waived.
- 5.2.4. Certification will be conducted online through MHC's Vendor Credentialing system's website.
- 5.2.5. The Vendor will be required to confirm that they have reviewed and agree to comply with the policies therein. If Vendor neglects to comply with any MHC policy or process, they will be subject to Disciplinary Action outlined in Section 5.10.
- 5.2.6. Regardless of Vendor's credentialing status, if Vendor introduces a product into any MHC facility that has not been approved, and that product ends up being used, the product will be considered a donation, and any invoices received because of the use of the product will not be paid. Approved products are defined as: Products that are on valid MHC contract, products that have been approved through the MHC Value Analysis process, or products that have been pre-approved in writing by Supply Chain Management leadership. Any product used at any MHC facility that has not been pre-approved will be considered a donation.
- 5.2.7. Vendors must be recertified on an annual basis and pay the annual fee.
- 5.2.8. Vendors will have online access through MHC's Vendor Credentialing system to all applicable Supply Chain Management and other MHC policies and processes.
- 5.2.9 The following actions will occur if a Vendor submits a positive drug screening result for ANY drug:
- 5.2.9.1 At MHC's sole discretion, Vendor may be banned from entering any MHC facility. If MHC would like the Vendor to re-test, a temporary replacement Vendor will be asked to fill in until the re-test results come back.
- 5.2.9.2 If the re-test results are negative, the original Vendor can resume his/her relationship and visitation with McLaren. If the re-tests results are still positive, a new Vendor will be asked to take the original Vendor's place.
- 5.2.10 Vendors are subject to random drug screening requests from MHC at the Vendor's expense. If Vendor refuses, MHC will proceed in the same manner

as if Vendor had received a positive drug screening.

5.3. Patient Care Procedure Area Requirements:

5.3.1. Vendors who are allowed in patient care areas (A “patient care area” may be defined as any area in any department where a patient or potential patient is under the care of an MHC employee) during procedures with the consent of the patient, physician, and the manager in charge to protect patient privacy and safety Vendors must adhere to the following criteria:

5.3.1.1. As part of the Vendor Credentialing process, Vendors must provide a letter of competency from their employer that states that the Vendor has had the qualified training to supervise procedures utilizing the described company equipment/tools and/or the ability to train others in the use of their product.

5.3.1.2. Vendors that will access patient care areas need to provide documentation for the following, which complies with JCAHO standards:

5.3.1.3. TB - Tested (PPD recommended)

5.3.1.4. Varicella (Chicken Pox) - 2 vaccinations or titer of demonstrating immunity

5.3.1.5. Measles - 2 vaccinations or titer demonstrating immunity

5.3.1.6. Mumps - 2 vaccinations or titer demonstrating immunity

5.3.1.7. Rubella - 2 vaccinations or titer demonstrating immunity

5.3.1.8. Tetanus-Diphtheria-Acellular Pertussis (TDAP vaccine only required for representatives visiting obstetrical and nursery units)

5.3.1.9. Vendors must be fully vaccinated against COVID-19 and adhere to any CDC requirements for masking.

5.3.2. Vendors will wear attire (e.g., scrubs or cap), designated by MHC when in patient care areas. Vendors will adhere to local and departmental attire dress codes when present at MHC facilities. This may include changing into clean, freshly laundered MHC provided scrub attire when present in Restricted or Semi-Restricted procedure or surgical areas. If Bouffant caps are required, Vendors will wear the designated red caps to readily identify them as a vendor.

5.4. Vendor Access:

5.4.1. Vendors must enter wearing their designated paper badge at all times while on MHC premises and check in and check out. Paper badges must always be worn and clearly visible from the waist up.

5.4.1.1. Any Vendor who has not checked in and entered through the designated area or by using the designated process will be considered in violation of the policy. Supply Chain Management will notify the rep to leave and will issue a written warning or suspension.

5.4.1.2. Vendors that are delivering supplies and equipment for clinical procedures (for example, Orthopedic Implants and Cardiac Rhythm Management devices) are required to register with MHC's Vendor Credentialing System and are required to scan in and out of any MHC facility.

- These type of vendor representatives will only be allowed access to patient care areas for the sole purpose of delivering supplies and equipment for the clinical procedure.

5.4.1.3. Vendors will be required to scan their vendor badge to properly sign out before leaving the facility.

5.4.1.4. Vendors that do not enter the building are not required to check in or wear a badge. I.e., Lawn Care Vendors.

5.4.1.5. Violation of this will result in disciplinary action shown in Section 5.10 Compliance and Disciplinary Action.

5.4.2. Vendors are prohibited from entering patient care areas within MHC facilities including but not limited to the Emergency Department, Operating Room, Cardiac Interventional Areas, other interventional areas, patient care units, outpatient clinics, clinic staff rooms, and any staff or physician lounges.

5.4.2.1. An exception to this is when a Vendor is:

- Required for training on new equipment or devices already purchased by the MHC facility (refer to 5.3).
- Operating Room and other clinical areas where Vendor's presence is required to assist physicians or necessary to develop competency with the device or equipment.

5.4.3. Under no circumstances shall a vendor use a recording device in a patient care area.

5.5. Vendor Owned Products

5.5.1. MHC does not assume responsibility for any vendor owned products housed in any MHC facility unless explicitly stated in writing and agreed upon by both parties in a formal terms and conditions document.

5.5.2. MHC will not be financially responsible for any lost or misplaced products.

5.5.3. MHC will not be financially responsible for any damage to a vendor owned product.

5.6. Displays

- 5.6.1. Other than specifically allowed for in this section, Vendors are not permitted to display products or product information within any MHC facility.
- 5.6.2. Vendors cannot place information in mailboxes of staff or post on bulletin boards within any MHC facility.
- 5.6.3. Displays may be allowed adjacent to meeting rooms in conjunction with approved MHC CME courses, approved research symposia or other education activities if:
 - 5.6.3.1. The course director approves having commercial displays.
 - 5.6.3.2. Placement is not a condition of providing support.
 - 5.6.3.3. Vendor does not engage in any sales activity within the area that the education is occurring.
 - 5.6.3.4. Displays are consistent with policies endorsed by the Accreditation council for CME Standards for Commercial Support.
 - 5.6.3.5. Pharmaceutical displays must be approved by the Director of Pharmacy and must be consistent with the facility approved drug formulary.
- 5.6.4. Displays may be allowed in staff lounges for training if approved by the Department Head.

5.7. Promotional Activities:

- 5.7.1. Cash or other incentive programs are strictly prohibited at any MHC facility.
- 5.7.2. Food and beverage items of any kind provided by a Vendor is strictly prohibited. This includes educational or training sessions provided by a Vendor.
- 5.7.3. Vendors are not permitted to distribute, post, or leave any type of unsolicited printed or handwritten material, advertisements, signs, or invitations at any MHC facility.
- 5.7.4. Vendor-sponsored raffles, lotteries, or contests, which result in gifts to the winner, are forbidden.
- 5.7.5. Promotion of drugs against established drug formularies are strictly prohibited. Vendors who discuss such agents will be suspended from visiting MHC facilities pending review of the event. If the Vendor is found in violation of any policy, the ability to visit any MHC facility will be suspended for a minimum of one month. Repeated and flagrant violations can result in

indefinite suspension of privileges for the individual and, if necessary, the company.

5.7.5.1. Sample medications will not be accepted from Vendors unless the practice has received approval through the Special Cause Variation process.

5.7.6. Preprinted prescription pads from Vendors are not permitted at any MHC subsidiary.

5.8. Gifts/Grants

5.8.1. No personal gifts from Vendors of any kind are permitted at any MHC facility or to any staff members.

5.8.2. Textbooks and items of educational value may be provided to the institution if approved by the department chair/director and consistent with Conflict-of-Interest policies.

5.8.2.1. The standards of Commercial Support of the Accreditation Council for CME address institutional responsibility, handling of funds, and reasonableness of payments, disclosure, and other issues.

5.8.3. Unrestricted educational grants should go through the Foundation.

5.8.4. If the subsidiary does not have a Foundation, the grant should go through the department head.

5.9. Donations and Solicitations:

5.9.1. Support of any physician or staff CME activities must be made through the Chair or Department Head and the Department of Graduate Medical Education.

5.9.2. Physicians may attend non-CME educational events during off-hours with the approval of the respective CEO.

5.9.3. Donations to MHC are to be coordinated through the respective facility Foundation and Vendors should contact this area directly if they are interested in making a donation.

5.9.4. If the facility does not have a Foundation, donations are to be coordinated through the respective Department Head.

5.9.5. MHC staff that would like to solicit donations from Vendors for any non-CME departmental activities, supplies, functions, events, fundraisers; equipment, etc. should contact their respective Foundation.

5.9.6. The Office of the Foundation will contact the Vendor and solicit the request on the behalf of the facility.

5.10. Confidentiality:

- 5.10.1. Vendors shall not attend programs in which specific patients are discussed or when quality assurance or risk management issues are presented.
- 5.10.2. Preceptorship programs (programs for the education of Vendors) involving contact with, discussion of, or observation of individual patients, requires the advance consent of the patient and approval of the Department Head.
- 5.10.3. Any outside surgeon or physician brought in by a Vendor attending a clinical procedure (either on-site at an MHC facility or virtually) will need to sign a confidentiality agreement and get the patient's approval and the medical staff's approval for the procedure.

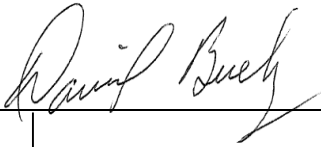
5.11. Compliance and Disciplinary Action

5.11.1. Staff Responsibilities:

- 5.11.1.1. All staff is responsible for assuring that Vendors comply with this policy. Vendors in violation of this policy are to be immediately reported to the Department Head and Supply Chain Management.
 - 5.11.1.2. Security may request to inspect a vendor's identification badge. Vendors without proper identification badges will be escorted to the appropriate area and given information regarding certification. Uncooperative Vendors or those in violation of policies will be escorted off premises, and at MHC's discretion, may be suspended or permanently banned.
 - 5.11.1.3. Supply Chain Management will investigate any reported violations of this policy.
 - 5.11.1.4. Vendors who violate policies are subject to loss of visitation privileges at MHC facilities. There will be no refunds of fees associated with Vendor credentialing.
 - 5.11.1.5. If a Vendor does not adhere to this policy, or any other MHC policy, process or procedure; the following actions will be taken:
 - 1st Offense:** Vendor representative will be given a written warning and the Vendor leadership will be notified.
 - 2nd Offense (for the same type of violation):** Vendor representative will be suspended from visiting all McLaren facilities, and the Vendor will be asked to provide a new Representative to service McLaren. MHC reserves the right to suspend a Vendor for a first offense.
- Depending on the severity of the violation and at MHC's sole discretion, a Vendor Representative may be suspended or permanently banned after the first offense.

5.10.1.6 Staff found not to be in compliance with this policy will be reported to their supervisor for disciplinary action. Depending on the severity of the situations, discipline up to and including discharge may be warranted.

5.10.1.7 Non-employed physicians that are in violation of the policy will be reported to the Department Chair and/or the Medical Executive Committee for suggested action.



3-14-2024

David Bueby
Corporate Vice President
Supply Chain Management

Date:

Previous Revisions: March 16th, 2023

Supersedes Policy: Sales and Service Representatives and any and all Subsidiary Vendor
Policy & Procedures