



ADMINISTRATIVE POLICY MANUAL

Subject: Sales/Vendor Representatives

Effective Date: July, 1983
Approved by: Executive Vice President/COO
Responsible Parties: Executive Director, Materials Management; Director, Pharmacy; Director, Food & Nutrition; Director, Patient Care Management; Radiation Safety Officer; Director, Medical Imaging
Revised Date: 10/88; 8/03; 1/07; 9/2/09; 11/29/10; 3/25/11; 8/31/11; 1/29/2013; 4/11/16; 6/28/16; 11/17/16
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Keywords: sales, vendor, representatives

Policy and Procedure:

Sales/Vendor Representatives (including Clinical Liaisons) are a vital and integral part of the Medical Center. Their ability to bring their products and services to Peninsula Regional Medical Center assists in helping us to provide the highest quality of healthcare for both our staff and patients. It is the intention of this policy to insure that the Sales/Vendor Representatives receive the requisite courtesy and prompt reception in the performance of their necessary functions while here at the Medical Center. It is also to ensure the safety and privacy of the patient. It is also important that these same Sales/Vendor Representatives follow all of the established policies and procedures of the Medical Center.

Policy Statement:

All interaction between the Sales/Vendor Representative and members of the Peninsula Regional Medical Center staff will be conducted in a manner consistent with this policy as well as in accordance with the Medical Center's Compliance Policy. Deviations/violations of this policy and all other applicable policies will be dealt with accordingly.

Guidelines:

1. All Sales/Vendor Representatives must have an appointment with a member of the Medical Center's staff, clinicians or physicians. The Sales/Vendor Representatives will not have open access to the Medical Center potentially disrupting staff, clinicians and physicians from their duties.
2. All Sales/Vendor Representatives will sign in with Reptrax to receive a photo identification badge. They will display this badge at all times while in the Medical Center.

3. After signing into Reptrax, Sales/Vendor Representatives will proceed to their appointment and conduct their business in a timely manner. Random movement throughout the hospital is prohibited. Representatives are limited to the areas of their appointment only and are not allowed to visit areas outside of their assigned appointment area.
4. Sales/Vendor Representatives will check out through Reptrax at the completion of their appointment.
5. All Sales/Vendor Representatives are excluded from patient care areas and clinical areas unless specifically directed by the staff members, clinician or physician. There will be an exemption for certain device Sales/Vendor Representatives that are required or requested. Exemptions may also be given for certain trials and inservices on a case by case basis.
6. Sales/Vendor Representatives are not permitted to enter supply storage areas unless specifically directed by a Medical Center staff member for the conduct of business. Sales/Vendor Representatives with consignment inventories will be allowed access by Medical Center Staff to supply areas where their inventories are maintained.
7. Sales/Vendor Representatives who are present during the use of ionizing radiation are not permitted to bring personal protective lead shields into the facility unless the lead devices (aprons and thyroid shields) remain permanently at PRMC. These devices will only be worn at PRMC and cannot be removed. These items will be checked, tagged and inventoried annually by PRMC.
8. Sales/Vendor Representatives are not permitted to wear hospital owned scrubs into, or out of, the hospital. Shoe covers and masks are not to be worn outside of procedural areas.
9. Wearing cologne, after shave, perfume or any scented cream or lotion is not permitted at the Medical Center.
10. All Sales/Vendor Representatives must be cognizant of the fact that at times during scheduled appointments within the Medical Center, a Sales/Vendor Representative may experience "apparent authority" where they are given the impression that an agreement is being reached. Only the Materials Management department has the authority to negotiate, contract, or make purchase commitments on behalf of the Medical Center. The Materials Management Department selects sources, initiates, conducts and concludes all negotiations relative to specifications, quality, quantity, delivery date, price, and all other terms and conditions of contracts.
11. Vendor gifts to Peninsula Regional Medical Center employees are strictly forbidden.
 - Individual cash gifts should always be declined.
 - Luncheons and token items with nominal value (less than twenty-five dollars, not to exceed fifty dollars annually per individual) are acceptable as long as it is in conjunction with an educational event or in support of a National Recognition Week.

- Dinner or luncheons (outside of Peninsula Regional Medical Center) should be very infrequent and only to provide education or review of a specific business topic; documentation of material presented shall be maintained in the department.

Gifts, luncheons, dinners, etc. shall never be solicited by any Peninsula Regional Medical Center (PRMC) employee.

Employees are bound by the Medical Center's Corporate Compliance Policy and Code of Ethical Conduct. Sales/Vendor Representatives are asked to respect our company guidelines.

12. Confidentiality - It is Peninsula Regional Medical Center's expectation that all vendors and suppliers will respect the confidentiality and privacy of our employees, patients and visitors as well as Peninsula Regional Medical Center's official business matters. Peninsula Regional Medical Center strictly prohibits the use of the Peninsula Regional Medical Center name, logo or likeness unless the vendor has been granted written permission by Peninsula Regional Medical Center.

13. Disclosure – Peninsula Regional Medical Center requires that all Sales/Vendor Representatives provide full disclosure of all proposed contributions and payments for individuals, departments, education funds, and physicians in a position to influence product selection, etc. This information will be given to the Director of Materials Management.

This will include, but is not limited to, vendor sponsored travel and education.

Exceptions to this policy need to be approved by the Corporate Compliance Officer.

14. Negotiation and Purchase – neither Neither Sales/Vendor Representatives nor departmental employees are authorized to enter into negotiations or to make purchase commitments.

PHARMACEUTICAL GUIDELINES

1. Sales/Vendor Representatives may visit the Pharmacy Department Monday through Friday by appointment only.
2. Sales/Vendor Representatives are not permitted within the Pharmacy except if invited to take care of a specific problem. When a Sales/Vendor Representative is invited into the Pharmacy, the problem or situation should be handled promptly and without distraction of personnel working there.
3. Counter-detailing of Peninsula Regional Medical Center drug formulary decisions is not permitted.

4. Detailing of non-formulary medications is not permitted on the grounds of Peninsula Regional Medical Center. However, Pharmaceutical Sales Representatives may provide information on newly released products or respond to specific requests for information about a drug.
5. Pharmaceutical displays are not permitted at Peninsula Regional Medical Center.
6. Drug Sampling is not allowed within Peninsula Regional Medical Center. A physician may request samples for his/her personal use.
7. The Pharmacy, Nutrition and Therapeutics committee in conjunction with Materials Management establishes rules for the proper conduct of Pharmaceutical Sales Representatives at Peninsula Regional Medical Center.
8. Pharmaceutical Sales Representatives who do not comply with the policy will lose their privilege to visit Peninsula Regional Medical Center for any purpose for six months. Repeated violations of this policy may result in loss of privilege to "call" on Peninsula Regional Medical Center indefinitely.

CLINICAL LIAISON GUIDELINES

1. Clinical Liaisons may visit the Patient Care Management Department Monday – Friday by appointment only.
2. Clinical Liaisons are required to login into the Reprax system upon arrival to the facility and logout upon exiting the facility.
3. Clinical Liaisons must have a referral to visit a specific patient area. Clinical Liaisons will not visit any unit other than the one which the referred patient is found. Clinical Liaisons will not solicit for referrals on any unit.
4. Clinical Liaisons will not be permitted to patient units or meet with patient staff if the Reprax badge is not visible. Any infraction needs to be reported to the Director of Manager of the Patient Care Management Department.
5. All Clinical Liaisons must abide by HIPAA guidelines and patient confidentiality.

MEDICAL IMAGING AND INTERVENTIONAL SUITE GUIDELINES

1. All sales representatives will notify the supervisor for the service represented prior to entering the specific area.
2. All sales representatives will wear the hospital ID sticker assigned to them by Materials Management while in Medical Imaging.
3. No equipment may be brought into Medical Imaging without prior approval of management.
4. Prior to use all equipment will be check by the Biomedical Engineering Department for electrical integrity and compatibility features.

5. At all times, the sales representative shall observe the policies and procedures, and the rules of conduct of the institute or be subject to immediate removal from the PRMC Medical Imaging Department.
6. At no time is the sales representative to touch or operate hospital equipment or participate in any manner in the procedure, care and treatment of patient other than in an advisory capacity.
7. At no time is the sales representative to open sterile supplies for use on the sterile field.
8. At all times, the sales representative shall respect the patient's privacy and confidentiality and only be present in the Specials Interventional for the case that they are involved. Upon completion they are to leave the area.
9. Sales representatives are not permitted to have access to any Medical Imaging schedules. Information on cases pertinent to their product/sales will be provided to them.
10. The sales representative's presence at PRMC premises shall be at his or her own risk, and he or she agrees to release the hospital from claims and liability to his or her presence.
11. The sales representative agrees to confine his or her presence to the area approved, and not wander to any other area or solicit interest of others in the product he or she is marketing.
12. All equipment/instrumentation needs to be processed or terminally cleaned prior to use or removal from PRMC.
13. The sales representative is not permitted to be in the Radiology Reading Room Area unless invited by the Radiologist.
14. If the sales representative is present during the use of ionizing radiation, they must wear proper shielding provided by PRMC or if the sales representative has their own lead shields they must be permanently housed at PRMC and not leave PRMC's campus. All lead shields (aprons and thyroid collars are to be inspected, inventoried in the hospital data base (Apron Check System) and tagged prior to being used. Annually each piece of lead will be inspected for integrity of lead and tag verification per Administrative Policy: Radiation Safety Testing Criteria for Leaded Shielding.

VENDOR GUIDELINES

1. Materials Management will assure that the Peninsula Regional Medical Center Value Analysis process is followed for new products and standardization criteria are met prior to the issuance of any purchase agreement. Vendor shall not introduce new products into Peninsula Regional Medical Center without appropriate approvals in accordance with Peninsula Regional Medical Center's policy and procedures.

2. Materials Management will initiate the purchasing/bid process upon notification from authorized Department Director or their designee.
3. Materials Management will solicit competitive quotations on all purchases if possible or when applicable.
4. Quotations must be submitted to the Materials Management Department. All quotations must be current and a line must be individually discounted indicating list price, percentage discount, dollar discount, freight terms, and final cost.
5. A requisition, or contract review form, authorized by an appropriate Peninsula Regional Medical Center Representative is required to facilitate the purchase order process. Verbal orders and notifications from the vendor are not permissible.
6. Orders are not considered binding, nor will respective invoices be paid without a corresponding purchase order.
7. Materials Management is solely authorized to commit Peninsula Regional Medical Center for any purchase through the issuance of a purchase order.
8. Any order placed directly to a vendor by a department is not valid.
9. All contracts must be submitted to the Materials Management Department and, if applicable, must be approved according to Peninsula Regional Medical Center contract review policy guidelines.
10. Authorized Corporate Officers of the vendor will be required to execute two copies of legal documents and return to Materials Management. An authorized Officer or Director of Peninsula Regional Medical Center will execute the contract and the vendor will be provided with an executed original for his/her files. A contract signed by person other than an appropriate Peninsula Regional Medical Center Officer, Vice- President, Executive Director, or Director is invalid and voidable. Staff members other than those listed above do not have the authority to bind or otherwise commit Peninsula Regional Medical Center to a contract, including, but not limited to, promise to pay, sale or trade-in, equipment evaluation, contractual change lease or rental agreement. Any such improper obligation, even if initially honored by Peninsula Regional Medical Center, is voidable at the discretion of Peninsula Regional Medical Center.
11. Materials Management Department will validate invoices if required by Accounts Payable due to an invoice discrepancy. Price increase on fixed pricing is not permissible unless, Peninsula Regional Medical Center provides written approval of such increase.

VENDOR SPONSORSHIP

1. Vendor sponsorship of travel, educational conference and seminars must be for valid business purposes only and must benefit Peninsula Regional Medical Center. Travel expenses paid by vendor, if any must be proportional to the business activity that will occur during the trip.

2. Samples of Goods and Services - May be accepted only for the purposes of evaluation and must be procured in accordance with Peninsula Regional Medical Center procedures. Pharmaceutical samples are prohibited from being distributed for patient use.
3. Consulting and Research Activities - Participation in consulting and research activities with vendors shall be in accordance with Peninsula Regional Medical Center policy and procedures.

VENDOR CONSIGNED PRODUCTS

1. Consigned Products at Peninsula Regional Medical Center
 - a. All vendors providing consigned products must have a Consignment Agreement on file in the Materials Management Department.
 - b. Vendor must maintain the title to consigned products until used by Peninsula Regional Medical Center. Vendor shall bear full responsibility for any applicable inventory.
 - c. Vendor is responsible for the removal and replacement of any unused, short dated or out dated consigned stock, at no cost to Peninsula Regional Medical Center.
2. Vendor will not remove consigned inventory from Peninsula Regional Medical Center without proper documentation including a signed acknowledgement of the removed product for an authorized Peninsula Regional Medical Center staff member.
3. Vendor must complete an audit of the consigned stock at least quarterly and advising Materials Management of any discrepancies within ten (10) business days. Discrepancies not identified within ten (10) business days of the audit will not be paid. **Quarterly inventories shall be by appointment only.** Vendor is responsible for providing an updated inventory list following each quarterly audit.
4. Vendor shall not discontinue consignment without a minimum of forty-five (45) days' notice to the Materials Management Department.
5. Vendor shall immediately notify Peninsula Regional Medical Center by fax or overnight mail of any manufacturer or Federal Drug Administration recalls related to any consigned products.
6. Vendor shall not charge Peninsula Regional Medical Center a re-stocking fee for return of consigned products to the vendor.

RECEIPT OF PRODUCTS AND DELIVERY to Peninsula Regional Medical Center

1. All packing slips, invoices, manifest and like documentation must include the purchase order number.
2. Multiple purchase order invoices, manifest and like documentation must include the purchase order number.
3. Multiple purchase order invoices and packing slips must be documented to identify each line item to the appropriate purchase order number.
4. Reference must be made on the packing slip and invoice to those items that were not filled to complete status (including back orders, partial orders, etc.) on the purchase order.

EXISTING VENDOR EVALUATION

1. Materials Management will monitor vendors with input from end user departments.
2. If the performance of a vendor is deemed to be unacceptable on a continual basis or if vendor is involved in any incident that is in violation of any Peninsula Regional Medical Center policy or is potentially harmful to Peninsula Regional Medical Center's staff, patients or visitors, the vendor will be notified by Materials Management. Depending on the type, severity and past history of the unacceptable performance, the vendor may be subject to a warning, temporary suspension or total suspension of services at Peninsula Regional Medical Center.

The three (3) step process is as follows:

Step 1 – Written warning of policy violation.

Step 2 – Second written warning with a copy to the representative's supervisor advising of possible Step 3 action if behavior continues. Peninsula Regional Medical Center physician who representative works with will be advised if applicable.

Step 3 – Temporary suspension of services. Notification will be sent to the representative's supervisor and physician, if applicable.

***PRMC Management has the right to go directly to Step 3 if there is a violation of PRMC Values and immediate action is appropriate.**

Peninsula Regional Medical Center Vendors will be evaluated on the following:

1. Contractual compliance
2. Adherence to Peninsula Regional Medical Center policies and procedures
3. Committed pricing
4. Product support
5. Responsiveness
6. Favorable term negotiation
7. Discount pricing
8. Delivery lead times

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