

WEST PENN ALLEGHENY HEALTH SYSTEM

Policy Name: Vendor Interaction Policy

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PURPOSE

Certain interactions between Vendors and WPAHS Personnel introduce a commercial, marketing presence that is not conducive to the compliant clinical and business activities of the West Penn Allegheny Health System (WPAHS), a not-for-profit health care organization. The purpose of this policy is to establish guidelines for interactions between Vendors and all WPAHS Personnel.

SCOPE

This policy applies to all WPAHS Personnel and Facilities. This policy also directly applies to all Vendors. This policy also supplements the existing WPAHS policies below:

1. Code of Ethics and Acknowledgment <http://www.protechcompliance.com/wpahs>
2. Entertainment Policy
<http://home.wpahs.org/compliance/Policies/entertainplc%20092308FINAL.pdf>
3. Gifts & Gratuities Policy for Business Operations
<http://home.wpahs.org/compliance/Policies/giftplc%20061708FINAL.pdf>
4. Site Specific Vendor Access Policies
 - a. The Western Pennsylvania Hospital General policy, "Vendor Policy."
 - b. AGH Administrative Policy Manual, Policy #8490 "Vendor Representative Visitation".
 - c. AKMC Interdisciplinary Standards Manual, Policy #700.430 "Identification of Visitors, Patients, Employees, Vendors, Salespersons, Repair and Service Personnel, Students, Volunteers and Auditors/Reviewers".
5. Conflicts of Interest Policy
<http://home.wpahs.org/compliance/Policies/COI%20Policy%20FINAL111908.pdf>
6. Vendor-Promotional Training Policy
<http://home.wpahs.org/compliance/Policies/vendorplc%20061509FINAL.pdf>
7. Policy on Disclosures of Proprietary or Financial Conflicts in Continuing Medical Education, Graduate Medical Education and Continuing Education for Nurses and Allied Health Professionals Programs
<http://home.wpahs.org/compliance/Policies/general%20policyCME061509FINAL.pdf>
8. Distribution of Drug Samples policies
 - a. WPH Policy "Sample Medications"

- b. AGH Interdisciplinary Manual, Policy #G.13 “Medication Samples: Distribution and Control”

In all cases where this policy is more restrictive than the above policies, this policy shall prevail.

STATEMENT OF POLICY

It is the policy of WPAHS that clinical, research, educational, purchasing, contracting, formulary, and other activities and decision-making of WPAHS personnel be free from influence created by unauthorized financial and non-financial relationships with Vendors. This policy is intended to guide all potential relationships or interactions between WPAHS personnel and Vendor Representatives. Yet, the following specific limitations and guidelines are not intended to cover all possible interactions. For any situations not specifically listed, WPAHS personnel and Vendor Representatives should consult, in advance, the WPAHS organization’s compliance officer and/or the WPAHS Compliance Office.

DEFINITIONS

WPAHS Personnel and Facilities - for the purpose of this policy, WPAHS personnel are defined as all personnel, whether employed, contracted, or affiliated with WPAHS, including all physicians, health care providers and students of WPAHS. WPAHS facilities are defined as all facilities and respective campuses, whether owned, leased, rented, or controlled by WPAHS.

Vendor(s) - for the purpose of this policy, Vendors are defined as manufacturers, suppliers, or providers of products, equipment or services, whether medical and non-medical or pharmaceutical and non-pharmaceutical.

Vendor Representative(s) – for the purpose of this policy, Vendor Representatives are defined as any representative (i.e., sales person, manager, liaison, account executive, contact, administrator, company technician), manager, medical/scientific liaison of a manufacturer or company who visits WPAHS for the purpose of soliciting, marketing or distributing information regarding the use of vendor products or services.

SPECIFIC LIMITATIONS OF VARIOUS VENDOR INTERACTIONS

GIFTS

“Gift” is defined as any gratuity, favor, discount, hospitality, loan, forbearance or other item or service having monetary value which is bestowed or acquired without being sought or earned by the receiver. Examples of gifts include, but are not limited to, cash, cash equivalents such as checks, gift certificates or shares of stock, tickets to sporting or cultural events, note pads, mugs, calendars, prescription pads, clocks or apparel. WPAHS personnel shall not accept or use gifts from any vendors regardless of the nature or dollar value of the gift.

Journal reprints and WPAHS approved patient educational materials may be accepted as long as they have a substantive business purpose. In addition, gifts received at charitable events or attendance at a

conference may be accepted in aggregate amounts less than \$50, but cannot be brought into a WPAHS facility. All of the above gifts shall be declared in compliance with the Conflict of Interest Policy by management and physician leadership and documented in the GiftsTracker application.

ENTERTAINMENT

“Entertainment” implies a social event (e.g., a meal, attendance at a sporting or cultural event, participation in a sporting activity) at which business matters are discussed, but where it is apparent that the event is not intended as a business meeting. All business entertainment must include some discussions of business and the host must be present. Entertainment may be accepted from Vendors, provided entertainment does not exceed \$300 per person per year from a given individual or organization that conducts business with WPAHS or its subsidiaries. WPAHS and its subsidiaries’ colleagues generally may not accept offers of travel costs (other than in a vehicle owned privately or by the host company) or overnight lodging unless the event is vendor-sponsored training pursuant to the Vendor-Promotional Training Policy. Consult the WPAHS Entertainment Policy for further detail.

FOOD AND MEALS

Food and meals may be accepted from Vendors only in connection with accredited educational events whether on or off site WPAHS facilities or as otherwise defined above. Vendors providing meals for events or meetings held on-site shall be encouraged to procure such meals through a WPAHS dietary department per the specific WPAHS facility policy. Meals or entertainment intended to serve all or part of a department, whether on or off site, with no associated business purpose shall not be accepted.

SAMPLES

Samples, including medical, non-medical, pharmaceutical and non-pharmaceutical items, provided by Vendors will be limited to those items listed on the WPAHS approved formularies. The WPAHS approved formularies include items contained in the WPAHS Corporate Contracting master item file, any of the hospital approved pharmacy formularies, and the pharmacy formulary included as part of the WPAHS employee health benefit plan. However, during a Corporate Contracting sponsored product evaluation event, samples may be permitted from Vendors for products not listed on the WPAHS approved formularies provided such samples are cleared in advance through Corporate Contracting, are requested using a \$0.00 purchase order and are received by the hospital Materials Management and/or Pharmacy departments. Questions regarding a sample item can be resolved by contacting Corporate Contracting (master item file items), hospital pharmacy (hospital pharmacy formulary items), or Human Resources (employee benefit plan formulary items).

Acceptance and distribution of such samples must be done in compliance with WPAHS policy.

Vendor Site Visits

Vendor site visits are visits by WPAHS personnel to Vendor sites including, but not limited to, Vendor corporate headquarters, Vendor manufacturing sites, Vendor show sites, or Vendor customer sites where compensation is limited to reimbursement of reasonable travel expense and the purpose of the site visit is to evaluate new technologies, strategic relationships, or qualify Vendors and products for an authorized bid event.

Vendor site visits, including travel and lodging, may be accepted when the business value to the organization outweighs any recreational or entertainment value of the training event provided the appropriate approvals are obtained in advance. Consult the WPAHS Vendor Promotional Training Policy for further detail.

OTHER VENDOR INTERACTIONS

WPAHS personnel should avoid potential conflicts of interest in all other vendor interactions and consult with the Department Chair, Executive Vice President, Hospital Operations, Compliance Officer and/or the Vice President of Corporate Contracting if further guidance is needed in any of the following situations:

Consulting Relationships

Agreements that identify specific tasks and deliverables restricted to non-marketing purposes and efforts with funding and/or payment commensurate with the tasks assigned and deliverables required.

Grant Support

Grants for general support of research and education procured and processed through WPAHS authorized divisions of research and education that may exclude requirements for tasks and deliverables; provided the grants are not designated for use by specific individuals.

Education Support

Support for education and training, including continuing medical education events that comply with the WPAHS policies and/or ACCME Standards for Commercial Support of Educational Programs whether or not credit is awarded for attendance at the event and are negotiated through, and executed by, WPAHS departments. For more specific guidance consult the WPAHS Policy on Disclosures of Proprietary or Financial Conflicts in Continuing Medical Education, Graduate Medical Education and Continuing Education for Nurses and Allied Health Professionals Programs.

Industry Sponsored Meetings, Speakers Bureaus or Industry Support for Off-Campus Meetings

Vendor-sponsored meetings, speakers' bureaus or other off-campus meetings where Vendor support is provided to promote evidence-based practice and/or advance research or instances where WPAHS Personnel are participating as speakers.

Support for Scholarship or Fellowships or Other Support of Students, Residents or Trainees

Acceptance of industry support from Vendors for scholarships or discretionary funds to support trainee or resident travel or non-research funding support.

PROCESS OF APPROVAL

VENDOR CONTRACTING

In order to ensure decision making for Vendor products and services is based solely on the best available information, it is the policy of WPAHS that committees overseeing item formularies and Vendor contracting may exclude WPAHS personnel who have benefited from interactions with Vendors.

Individuals having a direct role in making decisions on equipment, products, services or drug procurement must disclose any Vendor interaction and any financial interest they or their immediate family have in companies that might substantially benefit from the decision to the Department Chair, Department Vice President, the WPAHS Compliance Office and Committee Chair, if applicable, prior to participating in any such decision making process. They must also disclose any research or educational interest they or their department have that might substantially benefit from the decision.

VENDOR INTERACTIONS

All Vendor interactions except gifts, entertainment, food and meals, samples and vendor site visits as defined by this policy require prior written approval of the Department Chair and Executive Vice President, Hospital Operations. Prior to approving such Vendor interactions, the Department Chair and Executive Vice President, Hospital Operations, shall consult with the Vice President of Corporate Contracting, the Vice President, Compliance, and other constituents to review such Vendor interactions for conflicts with any current WPAHS contractual term and commitment and determine if any waivers or additional limitations on such interactions shall be placed. In any event, WPAHS will require all Vendor interactions to be in compliance with WPAHS policies.

REPORTING AND ENFORCEMENT

WPAHS personnel shall disclose all of their Vendor interactions. Alleged violations may be reported to Managers, Directors, Vice Presidents, Chairpersons, Executive Vice President, Hospital Operations and Compliance Officers or through the Compliance Hotline at 1-877-TOSPEAK or 1-877-867-7325. These allegations shall be investigated by the WPAHS Compliance Office. Violations of this policy shall be reported to the violator's Department Chair, Executive Vice President, Hospital Operations and WPAHS Compliance Officer who shall determine what actions, if any, to take. Violations of this policy may result in any of, or any combination of, the following actions depending upon the seriousness of the violation, whether the violation is a first or repeat offense, whether the violator knowingly violated the policy or attempted to hide the violation:

1. written reprimand, entered into the violator's personnel record;
2. banning the violator from any further Vendor interaction for a period of time;

3. requiring that the violator disclose and return any items or benefits received from the improper Vendor interaction;
4. requiring the violator to complete additional training on conflict of interest;
5. removing the violator from supervision of trainees or students;
6. revoking the violator's WPAHS hospital privileges;
7. termination for cause.

Violation of any of the above procedures by Vendor Representatives shall be reported to the Vice President, Corporate Contracting, and corresponding Supply Chain Team and/or Medical Staff Committee Chairpersons and shall result in disciplinary action which may include, but shall not be limited to, the following:

1. First violation: verbal and written warning to Vendor Representative; written notification to district manager or Vendor Representative's supervisor.
2. Second violation: suspension of Vendor Representative and/or Vendor from WPAHS Facilities for six months.
3. Third violation: suspension of Vendor Representative and/or the Vendor from WPAHS Facilities for one year or more and review of multi-source products obtained from the Vendor for conversion.

Vendor Representatives found in violation of vendor access protocol as defined in this policy will be escorted from the premises and the Vendor notified as appropriate. Furthermore, Vendor Representatives not registered in the VendorStat application may be denied access to WPAHS Facilities at the sole discretion of WPAHS.