

PURPOSE

The purpose of this policy is to establish guidelines for interactions between Vendors and all WPAHS Personnel. This policy documents the framework for interaction with vendors and is aimed at assuring such relationships are ethical, do not impair professional judgment, and do not create a potential conflict of interest that could endanger patient safety, impair data integrity or damage the reputation of WPAHS.

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 including:

1. Code of Ethics
<http://home.wpahs.org/compliance/Policies/2011%20Code%20of%20Ethics%20FINAL.pdf>
2. Conflicts of Interest Policy
<http://home.wpahs.org/compliance/Policies/COI%20Policy2011.pdf>
3. Vendor-Promotional Training Policy
<http://home.wpahs.org/compliance/Policies/vendorplc%20062011FINAL.pdf>
4. Policy on Disclosures of Proprietary or Financial Conflicts in Continuing Medical Education, Graduate Medical Education and Continuing Education for Nurses and Allied Health Professionals Activities Policies www.aghcme.org
5. ASRI Conflict of Interest and Commitment in Research Policy
<http://home.wpahs.org/asri/policy/9170%20Conflict%20of%20Interest%204.11.pdf>
6. Consulting Agreement Policy
<http://home.wpahs.org/PCN/images/PCN/Consulting%20Agreement%20Policy%201-24-11.pdf>
7. Gifts, Entertainment and Business Courtesy Policy for Senior System Management
8. Vendor Access Policies
9. Distribution of Drug Samples Policies
10. Allegheny General Hospital-Western Pennsylvania Hospital Medical Education Consortium Policy on Industry Funding of Medical Education
<http://home.wpahs.org/compliance/Policies/Industry%20Funding%20of%20ME9-2009.pdf>

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Approved: Roger Gopalan

Subject: Vendor Interaction Policy

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. 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, with the WPAHS Chief 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,

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clocks or apparel. A “gift” does not include “entertainment” as defined below. Except as otherwise provided by policy, 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.

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.

FOOD AND MEALS

Food and meals may be accepted from Vendors only in connection with accredited educational events whether on or off site as per the Disclosure of Proprietary or Financial Conflicts in Continuing Medical or Dental Education, and Continuing Education for Nurses and Allied Health Professionals Activities Policy. The availability of meal service for accredited educational events should be reviewed with each respective WPAHS facility dietary department. 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

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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 products, 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 (including Executive Compliance Council approval) are obtained in advance. Vendor paid site visits to foreign countries are generally not permitted. Consult the WPAHS Vendor Promotional Training Policy for further detail. Also consult with System Compliance.

OTHER VENDOR INTERACTIONS

WPAHS personnel must 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

Physician consulting relationships are governed by WPAHS policy.

<http://home.wpahs.org/PCN/images/PCN/Consulting%20Agreement%20Policy%201-24-11.pdf>

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Education Support

Vendor solicitation for research and education grant support should be limited to Continuing Medical Education (CME) and Allegheny Singer Research Institute Administrative Offices strictly in accordance with their respective policy guidelines. For GME related vendor solicitations AGH-WPH Medical Education Consortium policy on industry funding must be followed. The GME solicitations should be coordinated by Department Chairs with the Development Office. A direct non-GME related solicitation from a Physician to a Vendor for donations is not permitted. Solicitations should always be from the Development Office.

PROCESS OF APPROVAL

VENDOR CONTRACTING

In order to ensure that 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 or could benefit from interactions with Vendors.

Individuals having a direct role, or indirect role because of supervisory responsibility, in making decisions on equipment, products, services or drug procurement must disclose any financial or ownership interest they or their immediate family have in companies (whether or not the proposed Vendor) that might benefit from the decision. The disclosure must be made in writing on the attached form to the individual's Department Chair (if applicable), Department Vice President, and the WPAHS Compliance Office 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.

Where the individual is a Vice President, such disclosures must be made to the applicable Executive Vice President and to the Chief Compliance Officer. In the case of Executive Vice Presidents and all other officers of the System such disclosures must be made to the System Chief Executive Officer and the Chief Compliance Officer, with the Chief Compliance Officer informing the Chair of the Audit and Compliance Committee of the Board. System Compliance will work with appropriate senior management and/or the Chair of the Audit Committee to determine mitigation plans, which may

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include recusal from the decision making role, any material amendments of the relationship, and periodic board review of the relationship and disclosures to patients as appropriate.

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 of 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. In general the System Development Office is responsible for such Vendor solicitations.

REPORTING AND ENFORCEMENT

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 disciplinary action in accordance with WPAHS Human Resources Policy.

Violation of any of the above procedures by Vendor Representatives shall be reported to the Chief Compliance Officer, the Vice President of Corporate Contracting and corresponding Supply Chain Team and Medical Staff Committee Chairpersons as appropriate 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.

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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.

**WEST PENN ALLEGHENY HEALTH SYSTEM
PROCUREMENT INTEGRITY DISCLOSURE FORM**

Name (Please print): _____

Employer:

- | | |
|---|--|
| <input type="checkbox"/> WPAHS Corporate | <input type="checkbox"/> Allegheny General Hospital |
| <input type="checkbox"/> Allegheny Singer Research Institute | <input type="checkbox"/> Allegheny Valley Hospital |
| <input type="checkbox"/> Alle-Kiski Medical Center Trust | <input type="checkbox"/> Canonsburg General Hospital |
| <input type="checkbox"/> Forbes Health Foundation | <input type="checkbox"/> Forbes Regional Hospital |
| <input type="checkbox"/> Suburban Health Foundation | <input type="checkbox"/> The Western Pennsylvania Hospital |
| <input type="checkbox"/> The Western Pennsylvania Hospital Foundation | |

Item(s) being evaluated or considered:

Vendor(s) being evaluated or considered:

Have you, your spouse, your family members or your department/employer received or been promised items or services listed below from the vendor(s) being evaluated or considered within the past two calendar years? Please mark any that apply. If none apply, mark "None".

- | | | |
|--|---|---------------------------------|
| <input type="checkbox"/> None | <input type="checkbox"/> gifts | <input type="checkbox"/> grants |
| <input type="checkbox"/> favors | <input type="checkbox"/> entertainment | <input type="checkbox"/> meals |
| <input type="checkbox"/> honoraria | <input type="checkbox"/> continuing education | |
| <input type="checkbox"/> cash or cash equivalents (gift certificates, tickets, etc.) or services | | |
| <input type="checkbox"/> personal services (i.e. consulting, employment) | | |

For those items checked above (other than "None"), please provide the following additional information:

1) Person with relationship:

- Self Spouse Family Member

2) Item(s) received or promised:

3) Name of vendor(s) item(s) was received from or promised by:

4) Dollar value: _____

Signature / Date

Printed Name