Vendor Policies:

UNIVERSITY OF NORTH CAROLINA HEALTH CARE SYSTEM
VENDOR REPRESENTATIVE POLICY and VISITATION GUIDELINES

PURPOSE
This policy will provide an outline for University of North Carolina Health Care System (UNC HCS) procedure for receiving sales personnel or vendor representatives for medical/surgical supplies, durable equipment, or pharmaceutical sales representatives. If any UNC HCS employee has a problem or question regarding the behavior of a vendor representative which is not specifically covered by this policy, they should contact the Purchasing Manager or the Director of Pharmacy. It should be remembered that the representative is a guest of UNC HCS and, as such, should provide services in accordance with accepted rules of conduct and in a manner which will provide the greatest benefit to patients, UNC HCS, and its staff.

The UNC HCS has adopted a value analysis approach to product evaluation and selection. Therefore, all factors will be considered for product selection including changes in clinical practice, the financial goals and objectives of the Health Care System and specific or special needs required to deliver an acceptable level of patient care. As an integral part of this process, several committees have been established to oversee the procurement and utilization of products, services and equipment within UNC HCS. The committee designated to oversee specific products or services can be identified by the Purchasing Department or the appropriate department head.

SCOPE
These guidelines shall apply towards anyone representing or promoting products or pharmaceuticals that could be used by or sold to UNC HCS. It does not apply towards manufacturers representatives who are in the Hospitals solely to deliver or pick-up product (i.e. therapeutic beds), outside contractors working under the authority of the Engineering or Project Management Department, or consultants retained for specific purposes. Other exceptions to the policy should be presented to the Purchasing Manager or the Pharmacy Director for consideration.

Guidelines for pharmaceutical sales representatives (PSR's) have been approved by the Pharmacy and Therapeutics Committee and the Executive Committee of the Medical Staff. Copies of the Policy are available from the Department of Pharmacy. **PSR's are expected to comply with both policies unless exceptions are specified.** Furthermore, sales representatives calling on the Surgical Services Department should be aware of and abide by visitation guidelines specific to that area. These guidelines can be obtained at the Surgical Services Business Office.

Please note that while this policy is applicable to all entities that comprise the University of North Carolina Health Care System, specific sign-in procedures may vary. Sales representatives calling on locations other than the main campus at 101 Manning Drive should determine the sign-in procedure specific to that location.

GUIDELINES

The Purchasing Department recognizes and encourages staff personnel to interface with outside vendor representatives in order to maintain and improve the quality of care offered at UNC HCS. The Pharmacy Department recognizes that pharmaceutical service representatives can offer valuable information regarding pharmaceuticals, but their discussions should be limited to scheduled appointments with clinical staff in accordance with policy outlined below. Additionally, meetings with medical **and** pharmacy staff **should comply with the Pharmacy Vendor Representative Guidelines**. The following guidelines, however, should be consistently observed:

PROCEDURE

Registration: All vendors are required to check in at the Information Desk located in the main lobby. At the Information Desk, the vendor is required to enter the duration and location of his or her stay at the hospitals in the Sales Representative Log. The Information Desk will then issue a temporary badge to each representative, which must be prominently displayed during the visit along with their own identification tag showing their name and the name of their company. The Hospitals issued badges are self-expiring and may be discarded.

Vendor representatives other than PSR's entering UNC HCS must have a previously scheduled appointment. It is unacceptable to enter the hospitals hoping to find or track someone down. Sales representatives should arrive just prior to their appointment and depart immediately after. They are further required to inform the appropriate Purchasing Department Purchasing Agent of their appointments on a parallel basis. In cases where in-service is required, the sales representative must work in conjunction with Nurse Education (where applicable) or the affected department in scheduling the session. Pharmaceutical sales representatives should comply with guidelines for contacting staff and faculty as outlined and approved by the Pharmacy and Therapeutics Committee.

Authorized Areas: Representatives should not be in any patient care area (including Emergency Department, Inpatient Units, Operating Room areas, Clinics, etc.). An exception is made only for prearranged appointments with a member of the medical staff, the area director or designee or other Hospitals department head. Single invitations are not to be construed as blanket approval for future visits. A sales representative's presence in or about patient care areas, medical staff offices, or other public or private areas in the UNC HCS for the purpose of making an appointment, or of detailing product or product lines will not be tolerated. Service representatives should make initial contact via telephone to schedule appointments. The use of the Hospital's paging system is expressly prohibited by sales representatives.

Medical & Surgical Supplies, Services and Equipment Negotiations:
All bids and contracts are finalized by the Purchasing Department. A purchase order issued by the Purchasing Department is the only authorization to ship merchandise or complete a service as described in the order. All contracted services will be reviewed, re-bid, or re-negotiated as appropriate by a team composed of user department personnel, Materials Management staff, and other interested parties to ensure that the services provided are in the best interest of UNC HCS. The authority to contractually obligate UNC HCS for prices, quantities, services levels, discounts, and rebates resides solely with the Purchasing Department staff. UNC HCS staff are not authorized to discuss or negotiate pricing or existing cost. UNC HCS staff cannot imply or offer an intent to purchase. Pricing, terms, and commitment to purchase can only come from an authorized Purchasing Department staff member. All requests to vendors for price information, specifications, demonstrations, samples, and trials of routine goods and services should be coordinated through the Purchasing Department. *Management staff may request pricing information directly from a vendor representative for the sole purpose of budget preparation. This should not in any way be interpreted as a purchase order or a commitment to purchase.*

Pharmaceutical Negotiations: All bids and contracts are finalized by the Purchasing Department. A purchase order issued by the Purchasing Department is the only authorization to ship merchandise or complete a service as described in the order. Selected members of the pharmacy staff, designated by the Director of Pharmacy, are authorized to negotiate with pharmaceutical manufacturers for prices, contract terms, discounts, rebates, free goods and related programs (i.e. Indigent access programs). Prior to an offer of the intent to purchase, a Department of Pharmacy representative should seek review of the contract and/or terms by the Purchasing Department representative. The authority to contractually obligate UNC HCS for prices, quantities, service levels, discounts and rebates resides with the Purchasing Department except through the amendment of an existing approved contract (i.e. prime vendor, GPO, ODP).

Product Evaluation Conditions: Any equipment or supplies provided to the Hospitals for evaluation or trial purposes must be itemized on a 'no-charge' purchase order. This order must be issued by the Purchasing Department prior to any equipment or supplies entering the Hospitals. Evaluation dates, if known, must be specified on the order. All UNC HCS safety requirements must be met. When equipment evaluation is completed, the vendor is responsible for insuring that the equipment is properly packaged and leaves the Hospitals. All expense associated with the packaging and transportation of the equipment will be borne by the vendor. Product samples may be issued only at the request of the user and only if approved by the Surgical Services Products Committee for that area or by the Product Evaluation Committee (PEC) for all other clinical areas. Users wishing to sample product should communicate directly with the appropriate committee via e-mail or by utilizing the designated application form.

Investigational drug supplies are managed by the Department of Pharmacy's Clinical Investigations Services and guided by the related policies and procedures governed by the UNC Institutional Review Board (IRB) and the Department of Pharmacy. Please contact the Department of Pharmacy for more information. Investigational devices utilized in

clinical practice settings must be approved by the IRB. Documentation of that approval must be provided to the Purchasing Department prior to procurement.

Additional Guidelines: Displays, luncheons, conferences, seminars or other related group meetings shall be conducted for educational purposes only with the approval of an attending physician or department head. Under all conditions, vendors are required to remove all food, promotional materials, or any items brought into the UNC HCS for this purpose.

Representatives must provide their own equipment, sales or promotional aids and are not permitted to use UNC HCS equipment (i.e. slide projectors, video/audio equipment, etc) without the expressed consent of the sponsoring department.

New representatives shall schedule a meeting with the appropriate Purchasing Department agent as soon as it is practical after being assigned to the UNC HCS. New and departing representatives shall notify the Purchasing Department of any changes in the personnel representing the company.

Vendor representatives are expected to adhere to the UNC HCS policies and procedures and to follow accepted professional protocol and conduct.

UNC Hospitals Recourse: Actions taken by the UNC HCS as a result of infractions by a vendor representative to these guidelines will be dependent on the severity of the offense. These actions shall include, but not be limited to a verbal or written reprimand, suspension, or expulsion from the account. Deliberate violation of the policy by hospital staff will be handled in accordance with UNC HCS Code of Conduct and Human Resources Policies.

Effective Date: _October 30, 2000____