

Acquisition of Medical/Surgical Supplies & Related Equipment

DEPARTMENT: Supply Chain
POLICY DESCRIPTION: Acquisition of Medical/Surgical Supplies & Related Equipment

APPROVED:
EFFECTIVE DATE: July 6, 2006

SCOPE: All University of Utah Hospital Departments & Clinics and Vendors doing business with the University of Utah Hospitals & Clinics.

PURPOSE: To communicate to vendors and departmental staff; the terms and conditions for the acquisition, approval, and payment of medical/surgical supplies and related equipment for use at the University of Utah Hospitals & Clinics.

POLICY STATEMENT: As a member of the University Healthsystem Consortium, the University supports and provides priority purchase consideration to the Novation Purchasing Group. All supplies and equipment that are used at the University of Utah Hospitals & Clinics must be approved through the process described in this document or in separately executed contracts. Violation of this policy could result in the loss of vendor's right to do business with the University of Utah Hospitals & Clinics (UHC).

Purchase Orders & Pricing

Purchasing Department personnel are the only authorized representatives of the University allowed to commit funds and to place and authorize purchase orders. Supplies and equipment received without an authorized UHC Purchase Order and/or without pricing approval by the appropriate department Manager will be considered as donated product, free of charge to UHC.

Agreement on pricing of all medical/surgical supplies and related equipment brought into UUHC for the first time must be established between UHC and the vendor prior to the issuance of any Purchase Orders. Where Novation contracts are available, they will be reviewed by the University for pricing. The University may agree to pricing based upon available contracts. However, the University also reserves the right to negotiate pricing for any item whether it is offered through its Group Purchasing Organization or other available contract. If there is no contractual or market reference for equivalent items or supplies, UHC and vendor must negotiate a mutually acceptable price prior to the introduction of any items into UHC. In the event that an enhanced product, not yet on contract, is utilized as an alternative to a product model that is on contract, the price for the enhanced product will be identical to that of the contracted product, until such time as a contract price for the enhanced product can be negotiated.

UHC also reserves the right to review pricing for items purchased prior to the above effective date that it deems are eligible for better pricing. At UHC's discretion, an authorized

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representative may meet with vendor representatives to renegotiate pricing or notify them of its intent to change products.

PROCEDURE

Appointments & Identification

All Vendors must make an appointment with the Department Manager they wish to see before arriving at UUHC for sales related calls. Service calls and/or delivery of vendor representatives' "trunk stock" products for scheduled procedures do not require an appointment. Vendor representatives must wear a visitor's badge in addition to their personal company ID where these badges are available. In the absence of visitor's badges, vendor representatives will wear their own company ID. Appropriate business agreement documents and HIPAA related information must be on file at UUHC with vendor's signature before visits to UUHC facilities may commence.

Product Introductions, Changes and Upgrades

All equipment and supplies must be submitted for trial & evaluation according to policy and approval through the Supply Chain Value Analysis Team, which is a panel comprised to review new products. **Before** they are used in UUHC facilities, products must be submitted on the form "***Application for Product Consideration***" by UHC staff and routed through their Manager to the Value Analysis Team for processing. Products brought in for trial and evaluation must be provided in proper quantity and for a period of time which allows UHC to determine the benefit of such products at no cost for the items while on evaluation. Decisions will be made in consultation with UHC's Medical Staff and based on what is best for patients in terms of clinical outcomes and availability of equivalent products. Items that do not meet these criteria will not be paid for if they are used and an invoice is issued.

*The above procedures may be postponed in situations where it is determined by UHC clinical or physician staff that a medical emergency exists.

Failure to follow this procedure may result in Vendor's loss of access to UHC.