

VENDOR CERTIFICATION



2009



Wheaton Franciscan Healthcare

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OUR MISSION STATEMENT

Wheaton Franciscan Healthcare (WFH) is committed to living out the healing ministry of Jesus by providing exceptional and compassionate health care service that promotes the dignity and well being of the people we serve.

OUR VALUES

Our values, which flow from our mission and Catholic tradition, must have meaning for every one of us. Through them we put the healing ministry of Jesus into practice throughout the Wheaton Franciscan System. The following are behaviors that are expected of all associates, physicians, volunteers, and anyone else acting on behalf of the organization. We hope these behaviors will influence for the better every person whose life we touch.

Respect: We value each person as sacred, created in the image and likeness of God, which gives worth and meaning to each person's life.

Integrity: We value honesty and words and actions that build trust.

Development: We value personal and professional growth that combines the physical, emotional, spiritual and relational aspects of life and work.

Excellence: We value superior performance in our work and service.

Stewardship: We value our responsibility to use human, financial and natural resources entrusted to us for the common good, with special concern for those who are poor.

INTRODUCTION

Wheaton Franciscan Healthcare was founded in 1983 as the parent corporation for the 21 health, shelter and human service organizations sponsored at that time by the Wheaton Franciscan Sisters. Wheaton was incorporated to:

- preserve and strengthen Judeo-Christian values,
- provide a framework for lay expertise and involvement,
- respond to an increasingly complex environment,
- ensure continuity of Franciscan sponsorship, and
- assure system wide viability and excellence.

Welcome to Wheaton Franciscan Healthcare and the Supply Chain department, serving 10 hospital and related clinics and labs in southeastern Wisconsin and northeastern Iowa. We are pleased to see and work with those of you who are interested in selling quality products and services that support the health care

system's Mission of patient care. Please take the time to read this document carefully. You will be required to sign and date this document prior to doing business with WFH. We wish to develop and maintain professional business relationships that are mutually beneficial to our hospitals and your company. We believe these guidelines are an important step toward developing and maintaining the relationship.

Wheaton Franciscan Healthcare needs competent, reliable suppliers whose primary objectives support our Mission and Values by providing for improved products and services for optimal patient care. We believe in a relationship with these suppliers based on mutual confidence, understanding and respect. In an effort to achieve this goal, we have provided basic information that each sales and service representative should know when calling on our organization.

"Suppliers" will include manufacturers, distributors, wholesalers, service companies, and any other business enterprises that contract with, or seek to contract with WFH to provide products and services.

WHEATON'S EXPECTATION OF ITS SUPPLIERS

It is our expectation that all WFH suppliers will conduct themselves in a **responsible, truthful, and ethical manner** in all dealings with Wheaton Franciscans Healthcare facilities.

Suppliers shall:

- Honor the terms and conditions as well as the **spirit of intent** of the Agreement between WFH and Supplier.
- Honor the Agreements that WFH executes with other competing Suppliers. Supplier will not "counter-detail" and otherwise undermine competing agreements. Supplier will show the same respect to this competing Supplier and its relationship with WFH as the relationship they expect to enjoy with WFH. Should Supplier lose a contractual position with WFH, said Supplier will develop a **reasonable and appropriate transition plan** to facilitate the movement of WFH facilities to the competing Supplier.
- **Promote competition** in the marketplace. Suppliers will not attempt to block, delay or undermine legitimate product evaluations. WFH Suppliers shall provide detailed product information, including non-proprietary information concerning product composition when requested to do so.
- Provide **market competitive pricing** to WFH that reflects the committed nature of the organization. Supplier will also proactively review the marketplace and offer changes to the Agreement to ensure that WFH agreements remain market competitive.
- **Support the adoption of innovative new technology** that will benefit the healthcare industry and the patients we serve. This support would include the ongoing research and development by Supplier of new products and services. It shall also mean that if a Supplier cannot offer the latest innovative technology, they would not hamper WFH's efforts to contract with a competing Supplier in order to offer this new technology to WFH.

- **Support the educational needs** of WFH's associates. This would include adequate in-service training for Suppliers, products, and services as well as other educational opportunities that might be available from Supplier or through WFH.
- Support WFH's efforts to promote and support **Historically Underutilized Business (HUBs)**.
- Support WFH's **Environmentally Preferred Products (EPP)** initiatives by proactively providing information on EPP products, and facilitating the analysis of product components that may be detrimental to the environment.
- Support the health care industry's efforts to fully implement a **Universal Product Numbering (UNSPSC) structure as well as the bar coding** of products down to the unit of use level.

VENDOR PRESENTATIONS

In an effort to standardize and align our purchases, it is a requirement of all vendors to make their initial contact with any WFH organization through a member of the Supply Chain department at the WFH Corporate Services Office in Glendale, WI. Formal presentations for products and services are to be made at the Supply Chain department to the appropriate buyers and site-based clinical representatives. Regional site visits are appropriate only for vendors with contractual arrangements with WFH, or with the approval of a WFH buyer.

REPRESENTATIVE PERMIT BADGE

All vendors are required to register with RepTrax and wear their Reptrax badge when visiting any of the WFH sites. Appointments are required for access to all clinical departments. Contact the Supply Chain department at (414) 465-3300 or the Logistics Departments at the specific locations for assistance.

PRODUCT INFORMATION

New products and possible changes to existing products, excluding drugs, shall be introduced to the hospital through the Supply Chain department. Contact the Pharmacy Departments directly for pharmaceutical products.

PRODUCT PRICING

Vendor's representative shall be responsible for ensuring that the WFH Supply Chain office has in its possession the most current contract price list. These documents should be supplied in an electronic format. Contractual agreements with WFHC are required for all products and services provided to our facilities.

EQUIPMENT EVALUATIONS

Equipment shall not be brought into any WFH facility without receiving a trial purchase order authorizing the evaluation. WFH is not responsible for equipment that is introduced or left for trial without a purchase order. All electronic and electrical equipment will be inspected by the biomedical engineer or maintenance department prior to a trial.

PRODUCT DISPLAYS

Displays of commercial products will not be permitted within the hospital except for such educational display as may be approved by the Director of Purchasing, or the site Administrator.

PURCHASE ORDERS

No vendor is authorized to accept orders, verbal or written, without first receiving a WFH purchase order issued by a WFH buyer. No billable products may be left at any WFH facility without first receiving a purchase order. Purchase order numbers must appear on all shipments, delivery slips, and invoices. Orders are considered to be shipped Free on Board (FOB) ship to location unless otherwise specified on the purchase order.

SALES TAX

Sales/use tax laws vary from state to state. Generally, at the time of a taxable purchase, state sales tax is due when collected by the seller from the buyer. Sales tax is also typically due when a taxable service is rendered, furnished or performed. State use tax usually complements the state sales tax. Commonly, when a taxable good or service is purchased or obtained outside the state for use in the state, it is subject to state use tax.

In many states, however, nonprofit organizations are wholly or partially exempt for state sales/use tax. The Supply Chain associates will provide and necessary tax exempt certificates to the vendor.

COMMUNICATIONS EXCISE TAX

Communications excise tax is a federal tax equal to 3% of amounts considered to be taxable. Certain nonprofit facilities are not subject to this tax. The Supply Chain associates will provide the necessary paperwork to determine exempt status for the appropriate facilities.

SPECIFIC TERMS AND CONDITIONS

We cannot accept retroactive price increases and request 60 days notice on price adjustments whenever possible.

INVOICES

Invoices are paid 30 days following receipt of goods unless other terms are mutually agreed upon. Discounts are taken from date of receipt of invoice or date of actual receipt of material, whichever is later.

STATEMENTS

No payment will be made from vendor statements. If a statement shows an outstanding balance beyond the vendor payment terms, copies of the outstanding invoice(s) will be requested from the vendor. The invoices received will be processed through the respective approval and payment process. After resolution of outstanding invoices/credits, the Accounts Payable staff will retain statements for a three month period. After such time, statements will be confidentially recycled.

DELIVERIES

All vendors will be required to promptly deliver goods and services according to the delivery date agreed upon at the time the order was placed

QUOTATION/BIDS

Vendor bid requests will be initiated by the Supply Chain department. The department will assure that contracts and quotations are properly interpreted and evaluated. Purchases are evaluated on the basis of definitive specification, quality of products, service, advantageous pricing, and delivery. Any alleged oral agreements made by a vendor with any department or employee of WFH will be disregarded.

GROUP PURCHASING ORGANIZATION AFFILIATION

WFH has a group purchasing affiliation with HPG. Every effort is made to purchase items in compliance with HPG group purchasing contracts.

CONTRACTS

Supply and service contractual agreements will be entered into by the Supply Chain department of WFH and vendors/suppliers will utilize the WFH standard terms and conditions.

Vendor is hereby given notice and acknowledges that only supply and service contracts or agreements signed by a WFH purchasing representative/buyer are legally binding upon WFH and all related subsidiaries.

REPAIRS, RETURNS, EXCHANGES

A vendor representative must sign a completed shipping order, provided by the Logistics/receiving Dock, before removing any supplies or equipment from any WFH facility. A purchase order must also be issued authorizing repairs. WFH reserves the right to return merchandise, which does not meet specifications. It is understood that such goods are to be returned at the vendor's expense. Debit Memos will be issued for any items returned due to vendor error.

GIFTS AND GRATUITIES

WFH does not allow for gifts, gratuities, favors or advantages to any employee of WFH. Monies, grants and/or credits must be payable to WFH or a subsidiary corporate entity.

ESCHEATMENT AND UNCLAIMED PROPERTY

Escheatment is the general rule that abandoned or unclaimed property becomes the property of the state. The escheatment laws governing unclaimed property may vary state to state, as do the types of property that are considered escheatable. All WFH entities will report unclaimed property on a timely basis in accordance with applicable state laws.

REGULATIONS

Patient Confidentiality is of our utmost concern. Vendors having patient contact or access to patient information must sign a Business Associate Agreement with WFH. A copy of the agreement may be obtained by contacting the Supply Chain department.

All vendors that are contracted by WFH to perform a service or provide a product are required to register with Reprax and provide any required credentials.

Listed separately are the health-related requirements for anyone working at a WFH facility and working in a patient care area.

Each worker, WFH Employee, Independent Contractor or Contract Worker shall be required to comply with reasonable health policies of the institution including certifying that he or she has received, prior to reporting to facility:

- a physical examination; are free from communicable disease, including tuberculosis (as documented by a negative Mantoux skin test or negative chest x-ray, dated after skin test conversion, and are free of signs and symptoms of tuberculosis);
- have documented immunity to rubella (positive titer) or shown evidence of vaccination;
- demonstrated immunity to rubeola (positive titer) or shown evidence of immunization for rubeola which meets ACIP definition of immunity (MMWR, May 22, 1998, vol 47, no RR-8);
- If reasonably anticipate being occupationally exposed to blood and other potentially infectious materials has been advised of the risks of hepatitis and have either signed a waiver or have begun the hepatitis B vaccination series.
- Workers shall also be instructed regarding General Infection Control (hand washing, etc.), information outlined in the OSHA Blood borne Pathogens Standard (standard/universal precautions, hepatitis B vaccination, etc.), the CDC Tuberculosis guidelines (epidemiology, signs/symptoms, practices to prevent transmission, etc.), and regarding additional precautions, procedures and safety practices that are expected of employees while in the Facility.

Additional requirements may be added at WFH's discretion and documented on Reprax.

ENFORCEMENT

If a Supplier consistently fails to live up to these expectations, the Supplier may be asked to explain its actions by a representative of the Supply Chain department. Continued violation of these guidelines could lead to one or more of these actions:

- Cancellation of one or more Agreements with Supplier
- Risk of losing future business with WFH
- Reporting of the behavior to the Senate Subcommittee on Antitrust Competition and Business and Consumer Rights, and the United States Federal Trade Commission, Bureau of Competition.

Vendor is prohibited from knowingly presenting or causing to be presented, claims for payment or approval which are false, fictitious or fraudulent. Vendor is required to promptly report any type of fraud or abuse involving WFH to: Compliance Officer 630-909-6903 or the Compliance Line 1-888-704-7794.

WFH LOCATIONS

SEWI

- Wheaton Franciscan Healthcare - All Saints
- Wheaton Franciscan Healthcare - Elmbrook
- Wheaton Franciscan Healthcare - St. Francis
- Wheaton Franciscan, Inc. - St. Joseph Campus
- Wheaton Franciscan, Inc. – The Wisconsin Heart Hospital Campus

- Wheaton Franciscan Healthcare -Marian Franciscan Center
- Wheaton Franciscan Healthcare -Franciscan Woods
- Wheaton Franciscan Healthcare -The Terrace
- Wheaton Franciscan Healthcare -Home Health and Hospice
- Wheaton Franciscan Healthcare - Laboratories
- Wheaton Franciscan Healthcare -Franklin
- Wheaton Franciscan, Inc. - Wauwatosa Campus
- Wheaton Franciscan Medical Group
- WFMG-Metro Physicians

Iowa

- Covenant Medical Center
- Mercy Hospital
- Sartori Memorial Hospital
- Covenant Clinic
- Covenant Home Health

This list is provided so vendors understand who to extend contract pricing to. Vendors are not to contact these sites without the approval of WFSI Supply Chain. All sales calls, literature, etc., are to be provided through the Supply Chain department at 400 W. River Woods Parkway, Glendale, WI 53212 – Phone 414.465.3300.

THANK YOU

The associates of the organization acknowledges with appreciation the courtesies and services extended to it by sales representatives and their companies.

