VENDORS GUIDE

TO DOING BUSINESS

AT

PENN STATE MILTON S. HERSHEY MEDICAL CENTER

AND

PENN STATE COLLEGE OF MEDICINE

Please visit our website for the most up-to-date information:

http://www.hmc.psu.edu/purchases
Welcome to Penn State Milton S. Hershey Medical Center

At Penn State Milton S. Hershey Medical Center and Penn State College of Medicine (PSM/HMC / PSCOM, we work hard to maintain open communication and productive working relations with our vendors. We are pleased to see the interest by vendors for information concerning the best way to do business with the institution. In this guide, we hope to answer all of our vendors’ questions dealing with the PSM/HMC / PSCOM’s business policies.

The PSM/HMC / PSCOM subscribes to the following National Association of Education Buyers CODE OF ETHICS:

1. Give first consideration to the objectives and policies of the institution.
2. Strive to obtain the maximum value for each dollar of expenditure.
3. Decline personal gifts or gratuities.
4. Grant all competitive vendors equal consideration insofar as state or federal statute and institutional policy permit.
5. Conduct business with potential and current vendors in an atmosphere of good faith, devoid of intentional misrepresentation.
6. Demand honesty in sales representation whether offered through the medium of a verbal or written statement, an advertisement or a sample of the product.
7. Receive consent of originator of proprietary ideas and designs before using them for competitive purchasing purposes.
8. Make every reasonable effort to negotiate an equitable and mutually agreeable settlement of any controversy with a vendor; and/or be willing to submit any major controversies to arbitration or other third party review, insofar as the established policies of my institution permit.
9. Accord a prompt and courteous reception insofar as conditions permit to all who call on legitimate business missions.
10. Cooperate with trade, industrial and professional associations and with government agencies for the purposes of promoting and developing sound business methods.
11. Foster fair, ethical and legal trade practices.
12. Counsel and cooperate with NAEB members and promote a spirit of unity and a keen interest in professional growth among them.
PURCHASING OBJECTIVES

The primary objective of the Department of Purchases is to obtain maximum quality, value and service for dollars expended, in compliance with ethical trade practices. We recognize the important services rendered by you, our vendor, in helping us to fulfill requirements in an economic and efficient manner. As our vendor you are our link with technology, and as such, you are very valuable to us. This guide is distributed to assist vendors in serving our facility more effectively. Our goal is to acquire (buy, lease, rent) goods and services that the PSMSHMC / PSCOM departments need at the optimum quality and best price. Specifically, the Department of Purchases:

- Strives to obtain the maximum value for each dollar of expenditure
- Considers quality, prices and ability to deliver on schedule
- Researches markets for new products, ideas, and sources resulting in cost savings for academic programs and research, and improved patient care
- Treats all proposals in strict confidence insofar as state law allows

The Department of Purchases business hours are between 8:00 AM and 4:30 PM, Monday through Friday. It is recommended that appointments be made to assure that the buyer will be available at the time of each visit.

PROCUREMENT RESPONSIBILITIES

The Department of Purchases is responsible for the procurement of supplies, equipment and services necessary for the operation of the PSMSHMC / PSCOM. There is delegation of purchasing responsibility to Food Services and Pharmacy for their respective areas.

Each vendor is cautioned against accepting verbal or written requests for materials from departments or individuals without written purchase orders or authorized purchasing card. The PSMSHMC / PSCOM cannot and will not be responsible for orders taken or shipped to the PSMSHMC / PSCOM unless duly authorized by a purchase order or purchasing card transaction. Even the departments mentioned above as having delegated responsibility must use a purchase order or purchasing card.
THE PURCHASING PROCESS

The primary method for the purchase of goods and/or services is via an official purchase order with an authorized purchase order number. The PSMSHMC / PSCOM will NOT accept liability for goods and services ordered and/or shipped to the institution without an approved purchase order. There are four types of purchase orders issued by the PSMSHMC / PSCOM.

1) **Regular Purchase Orders:** Issued by the Department of Purchases for goods and services.

2) **Standing Purchase Orders:** Issued by the Department of Purchases, specifying actual shipment dates, specific time period, dollar limit, and product(s) that may be purchased against the order.

3) **Web Based Orders:** Web based ordered are allowed on a limited basis. Contact Purchases for more information.

4) **Purchasing Card Orders:** Purchasing cards may be used for the purchase of supplies within established guidelines and limits. Please contact the Purchasing Card Coordinator for specific information.

  HMC Purchasing Card Coordinator: Finance (717) 531-8862
  COM Purchasing Card Coordinator: Purchases (717) 531-8220

CONSTRUCTION

Larger construction projects, those in excess of $100,000.00, are processed through Department of Facilities. Contractors must be pre-approved to be included in project bids. To gain pre-approved status, contractors must contact the Department of Facilities and meet the established criteria for approval.
THE BIDDING PROCESS

A primary responsibility of the Department of Purchases is to allow for open competition among vendors. To be awarded a purchase order for goods or services, a vendor must be the lowest responsive, responsible bidder in the bid solicitation process. This vendor must also meet the minimum specifications as required.

For purchases less than $10,000.00, bids are not required. However, bidding may be utilized when the buyer feels a better price will be obtained by competitive bidding.

Purchases between $10,001.00 and $25,000.00 must show evidence of competition and must be documented. This is accomplished through formal bidding, fax bids, phone pricing, comparison to or use of state and federal contracts, comparison to or use of volume purchase agreements, use of previous formal competitive quotations, or other means to ensure competitive pricing. In the absence of bidding, documentation may be requested from the vendor certifying that no better price is offered to other customers.

Purchases over $25,000.00 require formal bidding, negotiation process conducted by Purchases, or use of an existing contract, all of which are solicited by the Department of Purchases.

The bidding process is ten working days, allowing vendors enough time to respond. Requests for proposals generally allow twenty working days for the vendor to respond. By policy, all bids, quotations, purchase order copies and related correspondence, which indicated price for goods and/or services, regardless of department location, are confidential and may be revealed only by the Department of Purchases.

BAA - Business Associate Agreements

In order to comply with and satisfy the requirements of HIPAA, Privacy and Federal Regulations, each vendor engaged in business at Penn State Milton S. Hershey Medical Center and Penn State College of Medicine must sign a BAA agreement.

CONDITIONS

The Department of Purchases has the responsibility to conduct all negotiations concerning price and conditions of sale for all purchases and anticipated purchases for the PSMSHMC / PSCOM. All bids and quotations must be submitted to the Department of Purchases, although it is acceptable for vendors to provide preliminary quotations to departments for budgetary purposes only.

Terms and conditions, which govern all purchase orders, may be found on our website:

http://www.hmc.psu.edu/purchases
CONTRACTUAL AGREEMENTS

Only an authorized agent of the PSMSHMC / PSCOM may commit on behalf of the institution. Contracts must be reviewed by the Department of Purchases. The PSMSHMC / PSCOM will not be held responsible for any contracts signed by a non-authorized individual. This includes, but is not limited to, volume pricing agreements, service and/or maintenance agreements, lease or lease/purchase agreements, and software licenses (which require signature by the Controller). It is recommended that vendors contact the Department of Purchases when a contract and/or agreement need to be signed.

COMMONWEALTH OF PENNSYLVANIA CONTRACTS

The Pennsylvania State University, as an instrumentality of the Commonwealth of Pennsylvania, is entitled to access all Commonwealth of Pennsylvania contracts when they are most advantageous to the institution. Vendors are encouraged to provide the appropriate buyer with up-to-date contract information.

SOLICITATION

Vendor representatives, as guests of the PSMSHMC / PSCOM, are expected to be aware of the PSMSHMC / PSCOM vendor policy. All vendor representatives must be registered with Vendor Credentialing Services (VCS) prior to engaging in any promotion or information activities. All vendor representatives must register at the Vendor Credentialing Services (VCS) website at www.vcsdatabase.com. After successful online registration, the company representative will receive a plastic vendor photo ID card. This card will contain the vendor information and will be used to sign in for a paper vendor badge at the hospital kiosk for each visit.

Vendor representatives must check in at a designated badging site upon each visit to obtain an official hospital identification badge. This badge must be worn at all times while visiting the Medical Center. The kiosk is located by the Gift Shop.

Note: Access to patient care areas is strictly prohibited unless requested by clinical staff for educational purposes. These areas include:

- Nursing Units
- Emergency Department
- Outpatient Practice Sites
- Main Operating Room Complex
- South Operating Rooms
- All other inpatient/outpatient areas.
PHARMACEUTICALS

In addition to the guidelines described in the previous section, the following additional guidelines are for Pharmaceutical sales representatives.

The PSMSHMC / PSCOM has a closed Formulary and only those drugs assessed and approved for use on campus are stocked. Sample medications are utilized only in ambulatory care settings at the PSMSHMC / PSCOM. Samples must be registered with the Pharmacy Department and be identified with an HMC sticker for use in the clinics. Federal regulations apply for distribution of samples to physicians.

Education programs must complement the medication-use decisions of the Pharmacy and Therapeutics Committee. Presentations may not be associated with non-Formulary drugs without the approval of the Director or Assistant Director of Pharmacy.

All Pharmaceutical sales representatives must be registered with the Pharmacy Administrative offices, located in CG637. Each representative is responsible for obtaining a copy of the complete set of guidelines. The Pharmacy office phone number is (717) 531-6378.

ENDORSEMENTS

The use of Penn State Milton S. Hershey Medical Center or any other name utilized to donate the same for public endorsement of commercial products in NOT permitted unless expressly approved in advance by the vice-president of administration.

HOSPITAL PRODUCT EVALUATION

The Joint Product Review Committee is the principle body involved in the selection of patient care commodities. The committee coordinates product evaluation and has approval authority for new and existing patient care products. Company representatives are to be aware of the costs to Materials Management, Nursing, and other departments, for in-use evaluations of their products, must provide products at no cost, and must reimburse the PSMSHMC / PSCOM for any indirect expenses incurred. These costs would include add-on personnel costs as well as any incremental product costs incurred for purchase of trial/evaluation products. Products that are to be evaluated in an actual clinical setting are to be delivered in properly sealed shipping cartons, paying particular attention to packaging that assures the integrity of sterile products until the point of use. Vendors should contact Purchases for further assistance.
HOSPITAL EQUIPMENT EVALUATION

When equipment is brought into the hospital for an evaluation or trial by any department, a purchase order must be issued specifying the terms of the arrangement. The Department of Purchases must be contacted on all equipment brought in for evaluation. All equipment used in patient care must be inspected and approved by the Clinical Engineering Department prior to its use. The Department of Purchases will make arrangements for this inspection.

TAX STATUS

As an instrumentality of the Commonwealth of Pennsylvania, The Pennsylvania State University is exempt from most state and federal taxes. This status has been affirmed by the Attorney General of Pennsylvania. Specifically, the University is exempt from the following taxes: Pennsylvania Sales and Use Tax, Pennsylvania Liquid Fuels Tax and Fuel-Use Tax, and Federal Excise Tax. Our Federal Tax ID number is #24-6000376.

INVOICES

Invoices should be sent in duplicate to the address listed below. Invoices should have a valid purchase order number on all copies. Partial shipments are not desirable and are not encouraged unless a shortness of supply demands split shipments. Please do not invoice prior to shipment. The Pennsylvania State University attempts to meet its obligations promptly. Discrepancies in shipment or invoicing, such as omission of the purchase order number, equally result in delay of payment.

Invoice Addresses:

Penn State College of Medicine:
The Pennsylvania State University
College of Medicine
Accounts Payable- G230
P.O. Box 850
Hershey, PA 17033-0850

Penn State Milton S. Hershey Medical Center
Penn State Milton S. Hershey Medical Center
Accounts Payable - A430
P.O. Box 857
Hershey, PA 17033-0857
The Receiving Department is located at the west end (underground) of the PSMSHMC / PSCOM in the Clinical Science Wing. Entrance clearance is 13’6”. Maximum trailer length is 48’. Receiving personnel will accept shipments only from 7:00 AM to 4:00 PM Monday through Friday. All purchases consigned to the PSMSHMC / PSCOM and PSCOM must be delivered to this area, for disposition, unless otherwise stipulated in writing by the Department of Purchases. All shipments must carry the Milton S. Hershey Medical Center or Penn State College of Medicine purchase order number and must be accompanied by a packing slip. If the shipment was ordered with a Purchasing card, it must contain the person’s name and room number.

Vendors sending bulk shipments or large dollar value shipments must call (717) 531-8225 for an appointment.

Sales representatives who wish to hand deliver items, must deliver such items through the Receiving Department so that necessary internal receiving reports may be processed.

The Department of Shipping and Receiving is responsible for returning materials for replacement/credit including items that are over shipped.

A shipout form must be completed by the ordering department prior to return of goods. Please contact Shipping and Receiving at (717) 531-8225 for additional instructions.

VENDOR PARKING

Parking is available and encouraged at the ASB Building on Academic Drive. Please park in the front of the building (rear parking lot is for employees). Shuttle service is provided at the front door of the ASB Building. Parking is also available in the parking garages. Please leave the parking lot spaces close to the main entrance for patients.

Important Phone Numbers

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<thead>
<tr>
<th>Service</th>
<th>Phone Number</th>
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<tbody>
<tr>
<td>Materials Management</td>
<td>(717) 531-6103</td>
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<tr>
<td>Department of Purchases</td>
<td>(717) 531-8220</td>
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<tr>
<td>Receiving Department</td>
<td>(717) 531-8225</td>
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<tr>
<td>Supply and Distribution</td>
<td>(717) 531-8090</td>
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<tr>
<td>Pharmacy Office</td>
<td>(717) 531-3719</td>
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Please direct questions or comments to:

Penn State Milton S. Hershey Medical Center
Department of Purchases, MC-A340
600 Centerview Drive, Suite 3101
P.O. Box 855
Hershey, PA 17033