

<p><u>POLICY & PROCEDURE</u></p> <p>SUBJECT: Contracts ADM.114 CC *IHN*</p> <p>DEPT: ADMINISTRATION, CORPORATE COMPLIANCE</p>	<p>Page 1 of 5</p> <p>EFFECTIVE Date: 12/01/1997</p> <p>REVIEW Date: 04/13/2021</p>
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I. POLICY

All contracts for Inspira Health Network services are maintained in a centralized database and as appropriate are reviewed by finance, compliance, administration and legal counsel prior to implementation. Contract review is completed yearly for all contracts that are specific to patient care (contracted services) to determine if indicators for cost and quality are met prior to renewal. This review is built into the computerized contract management system. Other contracts are reviewed when renewal dates approach. Inspira Health and its subsidiaries and affiliates (collectively “Inspira”) will ensure that upon expiration of a contract the owner or responsible party is responsible for the orderly termination of the arrangement including notification to the Finance Department, Corporate Compliance Department and other impacted operational areas.

II. RESPONSIBILITY

Management Personnel and all Inspira individuals identified as a “contract owner’ for oversight of the policy.

III. PURPOSE

To provide rules and guidelines for contract services and notification requirements of expired contracts.

IV. PROCEDURE

New Contracts

1. A contract request form along with accompanying documentation is completed by the responsible party and submitted to contracts@ihn.org
2. Contracts are reviewed and approved, as applicable, by compliance, finance, legal counsel, and administration.
3. A sanction check will be performed on the third party.
4. Please see Sanctioned Individuals ADM.156 Policy in PolicyTech.
5. Once approved, the contract will be signed by the designated Inspira responsive party and forwarded to the other party for countersignature.
6. Once the contract has been fully executed, it will be activated in the contract management program by the Office of Corporate Compliance.
7. Please note that any Group Purchasing Organization (GPO) letters of participation (LOP) or pricing agreements are managed and maintained by the Materials Management Department and are not included as part of this policy.

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B. Renewal of Contracts

Notification of renewal is sent by e-mail to the contract's responsible party prior to the expiration or renewal date of the contract at intervals beginning 180 days prior to the contract expiration date. The responsible party should respond to the emails advising to continue the contract or terminate. (See Section C for additional renewal information)

C. Termination of Contracts

1. When a contract expires and does not contain auto-renewal or continuation language:

- A. All terms of the arrangement will terminate effective upon the expiration date.
- B. The contract owner will provide for an orderly transition to ensure that all goods and services as provided under the terms of the contract cease.
- C. The contract owner will contact the Legal Department to generate a termination letter to the vendor. A copy of the termination letter will be forwarded to contracts@ihn.org so that it may be included in the contract database.
- D. The contract owner will contact Finance, Corporate Compliance, and other applicable operational areas when the contract has expired.
- E. The Office of Corporate Compliance will mark the contract in the contract database as terminated and transfer it to the archive files.
- F. If the intent is to continue the arrangement, the contract owner will initiate this action via e-mail to contracts@ihn.org (please see Section III.A) so that a request for extension can be processed. Please explain that it is a request to continue the agreement within the email. The contract owner is required to make this notification no later than 30 days prior to the expiration date.
- G. If the intent is to end the contract prior to the expiration date stated in the contract, the contract owner should contact the Legal Department to discuss options that may be available under the terms of the contract.
- H. Under no circumstances should payments be made, and services should not be provided after the expiration date listed in the contract.

2. When a contract contains auto-renewal or similar language:

- A. If the intent is to terminate the contract and not auto-renew it, the contract owner shall review the termination language in the contract and contact the Legal Department with sufficient timeframe to generate a termination letter. Once signed, a copy of the letter should be forwarded to contracts@ihn.org.

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B. If the intent is to auto-renew the contract, the contract owner must review the contract for the following:

- If there is a fair market valuation as part of the contract, the contract owner is responsible for determining whether the valuation should be updated.
- The terms and responsibilities of the contract should be reviewed to make sure they are consistent with the current arrangement.
- If the contract was made with an entity other than Inspira Health (i.e., South Jersey Health, Underwood Memorial Hospital, etc.) please contact the Legal Department so the contract may be updated.
- If there has been an annual vendor evaluation completed on the agreement if it is required.

C. If the contract does not contain an expiration date:

- Contracts without an expiration date shall remain active in the contract database for a period of one year from the execution date. Unless a notice is sent from the contract owner to contracts@ihn.org to continue the arrangement, the contract will be archived.

D. Vendor Evaluations

1. Contract evaluations are completed annually through the contract database. These forms are maintained in the database. The owner of the contract is responsible for the timely completion of the form, completing the form accurately and placing a signature upon completion.
2. Please see an example of the vendor evaluation form on Page 3.
3. Failure to follow the terms of this policy can result in disciplinary action up to and including termination of employment or contract with Inspira.

Vendor Evaluation

This Vendor Evaluation form must be completed for all contracts and suppliers

Contractor Name: _____ Contractor Number: _____

Please check one:

- Clinical Contract : (Service is part of patient Care or provides service that touches a patient) *(complete section I, II and III)*
- Non-Clinical Contract: (This service does not touch a patient) *(complete section III only)*

Section I:

Evaluate the following aspects of the contracted service and rate as Meets expectations (M) Exceptional (E) or Needs Improvement (NI). If the question does not apply, check N/A.

	Meets Expectations	Exceeds Expectations	Needs Improvement	Does Not Apply
Equipment Performance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Timeliness of Response	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Appropriateness of Service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Quality of service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

If any of the above are scored as “Needs Improvement,” explain:

What needs to be improved? _____

How you will assess whether improvement has occurred _____

Section II:

1. During the past twelve months, have you received any complaints from patients/family/ physicians/staff regarding this service?

Yes ___ No ___ If yes, explain: _____

2. During the past twelve months, has there been a patient injury or service delay as a result of the contract service?

Yes ___ No ___ If yes, explain, and describe corrective actions taken _____

Section III: *If any of the below are answered “No” please explain on the second page of this document*

- 1 Is Scope of Service being provided? Yes No
- 2 Does contractor abide by standards set by the hospital’s accrediting/regulatory agencies and/or governing bodies? Yes No
3. Does the contractor perform the responsibilities that are required within the contract? Yes No

Signature: _____

Date: _____

