

Supplier Handbook



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ABOUT HAMILTON HEALTH SCIENCES

Hamilton Health Sciences Corporation (“HHSC”) is a family of seven unique hospitals, a Cancer Centre and an Urgent Care Centre, serving more than 2.3 million residents of Hamilton and south central Ontario. HHSC is the second largest hospital group in Ontario and the largest employer in the Hamilton region with a staff of approximately 11,000. The breadth and scope of services offered by HHSC, in combination with the hospital's focus on academics and research, make it an employer of choice. As an academic teaching hospital with more than 1,100 beds and an affiliation with McMaster University and Mohawk College, HHSC is committed to providing exemplary health care while advancing excellence in education and health research.

Our facilities offer a range of acute and specialized services, catering to health care needs from preconception through to aging adults. Each of our hospitals has specific areas of expertise and together, HHSC is one of the most comprehensive health care systems in Canada. Through our affiliation with McMaster University's Faculty of Health Sciences, we are able to offer an academic environment where patients benefit from some of the most innovative treatments and are cared for by some of the most talented medical professionals in the country.

Staff of HHSC share a commitment to providing the best possible care to our patients and their families. Guided by our values of respect, caring, innovation and accountability, HHSC is focused on uniting the best health care has to offer and ensuring our patients have access to the type of care they need when they need it most.

The breadth and scope of services offered by HHSC, in combination with the hospital's focus on academics and research, make it an employer of choice for many people. Physicians, nurses and clinicians find it attractive to work in HHSC's diverse environment where they can be part of a health care team focused on providing the best possible care to patients and their families. Non-medical professionals enjoy bringing their varied talents and skills to a field where priorities are driven by care, not profit.

www.hamiltonhealthsciences.ca

HAMILTON HEALTH SCIENCES PROCUREMENT POLICY

Broader Public Sector Procurement

Broader Public Sector (BPS) Procurement is an Ontario wide supply chain directive mandated to all Public Sector Organizations.

The principles of this directive include: accountability, transparency, value-for-money, quality service delivery and process standardization. HHSC has aligned their procurement strategy and procedures to these guidelines.

HHSC will acquire publically funded goods and services, including construction, consulting services and information technology, through a process that is open, fair and transparent. There will be clear lines of accountability for delegation of authority and procurement approvals.

To ensure that all goods and services are acquired through a process that is open, fair and transparent, it is the aim of this document to ensure goods and services are purchased with maximum value-for-money in a manner that complies with provincial and federal legislation and trade agreements.

Guiding Policies

1. Accountability

HHSC employees are accountable for the results of their procurement decisions and the appropriate processes.

2. Transparency

HHSC must be transparent to all its stakeholders. Wherever possible, stakeholders must have equal access to information on procurement opportunities, processes and results.

3. Value-for-Money

HHSC must maximize the value they receive from the use of public funds. A value-for-money approach aims to deliver goods and services at the optimum total life-cycle cost.

4. Quality Service Delivery

Front-line service provided by HHSC, must receive the right product at the right time and in the right place.

5. Process Standardization

Standardized processes remove inefficiencies and create a level playing field.

Exceptions

Any exceptions to these policies require written justification and the approval of the Director, Procurement and Supply Chain.

Scope

The HHSC Procurement Policy applies to all individuals involved with HHSC Procurement or other supply chain related activities at HHSC.

LOCATIONS**Hamilton General Hospital**

237 Barton St. E. Hamilton, Ontario, L8L 2X2

Juravinski Cancer Centre

699 Concession Street, Hamilton, Ontario, L8V 5C2

Juravinski Hospital

711 Concession St., Hamilton, Ontario, L8V 1C3

McMaster Children's Hospital

1200 Main St. West, Hamilton, Ontario, L8N 3Z5

McMaster University Medical Centre

1200 Main St. West, Hamilton, Ontario, L8N 3Z5

St. Peter's Hospital

88 Maplewood Avenue, Hamilton, Ontario, L8M 1W9

West Lincoln Memorial Hospital

169 Main Street East, Grimsby, Ontario, L3M 1P3

SUPPLIER RELATIONS

It is the aim of HHSC to develop an open and constructive business relationship between the supplier community and client stakeholders; to promote contract compliance and best practices and, resolve contract management issues.

It is HHSC's policy to maintain and practice the highest possible standards of business ethics, professional courtesy, and competence in all our dealings. At all times, applicable laws and regulations must be scrupulously observed. In this regard, the following is observed when dealing with suppliers and their representatives:

- Accord prompt and courteous reception, as well as fair and equitable treatment, to all suppliers and their representatives.
- Provide fair and equal opportunity to all suppliers to make price and specification quotations.
- Guarantee the confidentiality of all specifications and price quotations made by suppliers.
- Decline to take advantage of the supplier's errors or omissions and show consideration for the supplier's difficulties by cooperating whenever possible.
- Facilitate and coordinate meetings between the supplier and the end users.
- Explain as clearly and fully as possible to suppliers the reasons for rejection of their proposals.
- Avoid putting the supplier to unnecessary expense or inconvenience.
- Remain scrupulously free of obligations to any supplier.
- Keep informed about sources of supply, clinical and technical innovations, methods, services, and supplies.
- Keep suppliers informed about changes to hospital operations that may affect them or their products and/or services.
- If for any reason, one supplier is allowed to re-quote, his or her competitors are to be given the same opportunity. Re-quoting is kept to an absolute minimum.
- Develop and maintain effective working relationships with the supplier community for effective management of contractual agreements.
- Provide information to the supplier community on contract management policy; promote contract compliance and best practices. Help prevent and/or resolve supplier issues.

SUPPLIER RESPONSIBILITY

- Handle all written and personal communications with the hospital through HHSC Procurement unless instructed by HHSC Procurement to communicate directly with the requesting Department (for clinical or technical reasons), in which case, HHSC Procurement is to receive copies of all correspondence and be kept informed of any verbal communications.
- Negotiate HHSC Procurement contracts and all sales exclusively with HHSC Procurement.
- Conduct negotiations ethically, without attempt to influence through offering personal incentives, gifts or entertainment.
- Make available through HHSC Procurement or other designated hospital representatives, all available clinical, technical, systems, services and other initiatives that might improve the hospital's present or future services.
- Advise HHSC Procurement or other designated hospital personnel of any new products as soon as such information is available.
- Suggest ways and means of conducting joint efforts in research and development that might be of benefit to both organizations.
- Inform HHSC Procurement of changes in economic or other conditions that might affect the hospital's procurement or operating decisions.
- Inquire through the Manager, HHSC Procurement Services for further information concerned with selling products or services to the hospitals.

Conflict of Interest

All staff members recommending HHSC Procurement goods and services must disclose in writing, any personal, family or financial interest in a prospective supplier to the HHSC Procurement Manager. The individual will withdraw from the decision-making process, if that is deemed appropriate.

Business Gifts

HHSC employees are allowed to receive items with a small intrinsic value of less than \$100. These items could include pens, business diaries or calendars, in accordance with HHSC policy. It is HHSC's belief that large funds allocated to gifts and hospitality would be better utilized for cost containment. This would have the greatest overall benefit to the organization.

Personal Purchases

Personal purchases by hospital employees are not permitted to be processed through the HHSC Procurement department or obtained in Receiving.

All HHSC employees should adhere to the internal Conflict of Interest Policy.

COMPETITIVE BIDDING PROCESS

In accordance with BPS Procurement Directives, HHSC policy dictates that all goods and services should be purchased through competitive bidding whenever possible. Exceptions to this can only occur with thorough documentation and advanced approval. The HHSC Procurement department is responsible for selecting suppliers.

Posting Competitive Procurement Documents

Calls for competitive procurement shall be made through Electronic tendering Systems (i.e. Biddingo.com) for goods and services valued over \$100,000.

Timeline for posting Competitive Procurements

HHSC will provide suppliers a minimum response time of 15 calendar days for procurement of goods and services valued at \$100,000 or more.

HHSC will consider providing suppliers a longer response time for procurements of high complexity, risk, and/or dollar value.

Group Procurement Organization

HHSC is an equity shareholder in Mohawk Medbuy Corporation, a National Group Procurement Organization (GPO) for Healthcare in Canada, as well as a Shared Services Organization (SSO). Mohawk Medbuy Corporation is a contracting agent for HHSC. Although pricing and contract terms are confidential, suppliers need to be aware that information will be shared with our contracting agents as required.

PROPOSAL EVALUATION PROCESS

Supplier Selection

The selection of suppliers is the joint responsibility of HHSC Procurement and End Users and requires a consideration of several factors.

Evaluation Criteria

Competitive procurement documents must clearly outline mandatory, rated and other criteria that will be used to evaluate submissions, including weight of each criterion.

Vendor Debriefing

Proponents may request a debriefing after receipt of a notification of the outcome of the procurement process. All requests must be in writing to the RFP Contact and must be made within sixty (60) days of such notification.

Bid Protest Procedure

In the event that a Proponent wishes to review the decision of HHSC in respect of any material aspect of the RFP process, and subject to having attended a debriefing, the Proponent shall submit a written protest ("Protest") to HHSC within 10 Days from such a debriefing. Any Protest that is not received within the foregoing timeframe will not be considered and the Proponent will be notified of same in writing.

A Protest shall include the following:

- (a) a specific identification of the RFP provision and/or procurement procedure that is alleged to have been breached;
- (b) a specific description of each act alleged to have breached the RFP provision and/or procurement procedure;
- (c) a precise statement of other relevant facts;
- (d) an identification of the issues to be resolved;
- (e) the Proponent's arguments and supporting documentation; and
- (f) the Proponent's requested remedy.

WORK INITIATION

HHSC Procurement advises all suppliers that delivery of goods or services should not be completed until a purchase order and contract have been formalized. No services are to be provided to HHSC until a formal contract has been signed by both parties.

Failure to proceed without an HHSC PO or Contract places all risks and responsibilities solely with the supplier.

Shipping/Receiving Conditions

All products are to be delivered to their destination according to the conditions, terms and special instructions as specified on the Purchase Order.

Products will be delivered Free On Board ("FOB") hospital destination or other, unless otherwise agreed to by HHSC Procurement.

Deliveries will be accepted at all sites between the hours of 7:00 a.m. and 3:00 p.m. Monday through Friday with the following exceptions:

The Juravinski Cancer Clinic hours are 7:00 a.m. – 3:00 p.m. Monday to Friday
West Lincoln Memorial Hospital hours are 8:00 a.m. – 4:00 p.m. Monday to Friday

St. Peter's Hospital hours are 8:00 a.m. – 3:00 p.m. Monday to Friday
After hours and rush shipments made by courier can be delivered directly to the department or unit.

Returns

Merchandise having quality related problems will be retained in the respective department.

HHSC Procurement will arrange for the representative to inspect the merchandise and arrange for final disposition. A Procurement representative will sign the HHSC disposal document and ensure that a credit is issued.

Invoicing

To ensure prompt payment of invoices, e-mail all invoices to the Accounts Payable Department, Hamilton Health Sciences Corporation,

Attn: HHSCAccountsPayable@hhsc.ca

PLEASE NOTE THAT OUR POLICY IS TO NOT PROCESS ANY INVOICE WITHOUT A VALID HOSPITAL PURCHASE ORDER.

* In exceptionally rare cases when a Purchase Order cannot be obtained, the **HHSC Program Number must appear on the invoice**. If you do not have the HHSC program number, please request it from the individual who secured the purchase of goods and services at HHSC. Example of HHSC Program Number is: 0371.1100000 (4+7 digits).

EDI - Data file formatted using one of several Electronic Data Interchange (EDI) standards; contains structured data stored in a plain text format; designed for transferring data between multiple organizations

GHX – Is our network gateway.

GS1 – GS1 is dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility of supply and demand chains globally and across sectors. The GS1 system of standards is the most widely used supply chain standards system in the world.

Over the past few years, GS1 Canada has facilitated meetings with the Canadian Healthcare Industry to plan for the introduction of global standards to improve our supply chain efficiency and costs, with an ultimate goal of improving patient safety.

Along with staff from HHSC, many of our vendors participated in these planning sessions, along with software suppliers and network gateways.

W.H.M.I.S. Information

Suppliers are required to provide two copies of current Material Safety Data Sheets and appropriate labels with every delivery of controlled product as defined in the WHMIS legislation. This applies to all ordered products as well as any substitutes approved by the HHSC Procurement Department, as well as products supplied for evaluation.

Specification Sheets

Suppliers are required to provide the Hospital with the most current detailed specification sheets for all capital equipment purchases. Should equipment and/or software changes be made/updated, the Supplier will provide the Hospital with these changes.

Electrical Equipment/Devices

All equipment purchased by HHSC must be C.S.A. approved and inspected by the Supplier prior to delivery to the Hospital. Furthermore, a biomedical technologist or Facilities Management staff member must inspect all electrical equipment prior to installation by the end user department.

It is further understood that the Supplier will supply the biomedical department or engineering with a set of manuals/specifications on the equipment for testing and training.

Should any specific licensing be required for the purchase/importation and/or use of said equipment, the Supplier will assist in obtaining this.

PRODUCT CHANGES OR SUBSTITUTIONS

Suppliers must ensure they give at least 60 days in advance notice to HHSC Procurement prior to delivery of new goods, including product name changes. Suppliers must provide all information where possible to ensure HHSC Procurement can efficiently go through the verification process. This will include MSDS and technical data sheet if it is a regulated WHIMIS product. Timely answers to end users seeking clarification of product specifications or properties by the supplier must occur. Suppliers who do not follow such procedure may face corrective action. After testing, if a product is not deemed suitable, alternate substitutes may be requested upon discretion of HHSC Procurement.

Medical Alert and Product Recall

Medical Alerts and Product Recalls must be directed to the Clinical Specialist, HHSC Procurement. HHSC Procurement will notify the departments concerned to initiate follow up action.

SUPPLIER PERFORMANCE

It is critical to the operation of the hospital that suppliers provide products and services of the highest quality and lowest cost. In addition to the inconvenience and administrative costs resulting from poor quality or improper delivery, such faulty supplier performance may result in substandard patient care. It is therefore essential that supplier performance be measured on a continual basis and that the placement of orders with any supplier is contingent on supplier performance.

It is the responsibility of HHSC to monitor the following supplier criteria:

- Quality
- Completeness of orders/services
- Late deliveries
- Costs
- Billing accuracy
- Representation
- Customer service

SUPPLIER REPRESENTATIVES

Suppliers are requested to abide by the following procedures in order to save time and provide a fair process for all suppliers. Supplier Representatives will not interfere with the well being, comfort and privacy of patients. This includes patients' legal right to confidentiality and rights contained in the HHSC Vision and Values statements.

The supplier will sign the Supplier Pledge of Confidentiality (Appendix 1) as part of the written contract. This will reside in the HHSC Procurement Department supplier specific file.

After coordination with Procurement/End User, upon arrival at any HHSC site:

- Go to the Information Desk to sign in
- Hand in a business card
- Obtain a vendor visitor badge
- Return badge and sign out at Information Desk at end of Visit

Initial Contact

Suppliers who have not previously dealt with HHSC must contact the HHSC Procurement department and speak with the representative responsible for commodities or services in which the supplier is interested in.

After initial contact, supplier representatives should maintain ongoing contact with the HHSC Procurement staff responsible for the procurement of the company's products. Suppliers should continue their communication with a HHSC Procurement staff member to ensure hospital staff are knowledgeable on the marketplace and suppliers.

Service Calls

Service or maintenance representatives can report directly to the areas needing such services as specified by the purchase order or service contact agreement.

Samples, Gifts and Demonstrations

Suppliers wishing to distribute gifts or samples to patients must request permission through the appropriate clinical director. Demonstration of product(s) should be scheduled through the HHSC Procurement department or pharmacy.

Inappropriate Behaviour

When the HHSC Procurement Department is informed of a Supplier Representative not complying with the responsibilities detailed in this Policy, the Supplier Representative will be warned to comply, in writing by the HHSC Procurement Department.

If after two written warnings, the Supplier Representative fails to comply, visiting privileges will be revoked. The Supplier Representative/Manufacturer may request permission to allow a different Supplier Representative to visit HHSC.

Parking

Parking is available at each of the respective hospitals. Please review the individual parking maps for each site available at www.hamiltonhealthsciences.ca. Click on 'Directions and Parking' on the top right corner of your screen.

The cost of parking is the supplier's responsibility. Failure to follow parking regulations may result in a traffic ticket according to City bylaws.

APPENDIX 1:

Supplier Pledge Of Confidentiality

HHSC & THE SUPPLIER / SERVICE PROVIDER PRIVACY & SECURITY TERMS AND CONDITIONS

CONFIDENTIAL INFORMATION

1.01 **Confidential Information – Definitions.** This Agreement, the specifications for the Services, and any information including, but without limiting the foregoing, relating to HHSC, the Personal Health Information of its patients, or otherwise proprietary to HHSC, issued to, used by, accessed by, or disclosed to or developed by The Supplier/Service Provider in connection with the performance of the Agreement are confidential (“**Confidential Information**”).

“**Personal Health Information**” has the meaning given to it in the *Personal Health Information Protection Act, 2004* (“**PHIPA**”) and includes information that identifies (or could reasonably identify) an individual and that is collected in the course of providing health care services to that individual, such as:

information that relates to the physical or mental health of that individual;

that individual’s family history, as reflected in the patient’s record at the Hospital;

that individual’s payment or eligibility for funding for health care;

information that relates to that individual’s donation of a body part or bodily substance;

the identity of that individual’s substitute decision-maker; and

that individual’s health card number.

The Supplier/Service Provider shall ensure that their employees, agents or sub-vendors, if any, to which personal health information may be disclosed agree to the same restrictions and conditions to which the Suppliers/Service Providers are subject.

The obligations of the Supplier/Service Provider in this Schedule will survive the termination of the Agreement.

1.02 **Use of Confidential Information.** The Supplier/Service Provider shall use the Confidential Information provided by HHSC solely for purposes of providing the Services and for no other purpose whatsoever.

1.03 Disclosure of Confidential Information. The Supplier/Service Provider shall not disclose HHSC Confidential Information to any person or entity except to The Supplier/Service Provider's personnel (which includes both staff and independent contractors, for the purposes of this Article) who legitimately and reasonably require same in connection with performing The Supplier/Service Provider's obligations under this Agreement.

1.04 Access to Confidential Information. If The Supplier/Service Provider receives a request for access to personal health information from a person other than the Hospital, The Supplier/Service Provider must promptly advise the person to make the request to the Hospital unless the Agreement expressly requires The Supplier/Service Provider to provide such access and, if the Hospital has advised The Supplier/Service Provider of the name or title and contact information of an official of the Hospital to whom such requests are to be made, The Supplier/Service Provider must also promptly provide that official's name or title and contact information to the person making the request.

The Supplier/Service Provider shall make personal health information available to the Hospital so that the Hospital can make and incorporate amendments to personal health information in accordance with applicable law.

The Supplier/Service Provider shall make available all information required to provide the Hospital with an accounting of any disclosures made pursuant to applicable law.

1.05 Correction of Personal Health Information

Within 5 business days of receiving a written direction from the Hospital to correct or annotate any personal health information, the Supplier/Service Provider must annotate or correct the information in accordance with the direction.

When issuing a written direction, the Hospital must advise the Supplier/Service Provider of the date the correction request to which the direction relates was received by the Hospital.

Within 5 business days of correcting or annotating any personal health information, the Supplier/Service Provider must provide the corrected or annotated information to any party to whom The Supplier/Service Provider disclosed the information being corrected or annotated, if it is reasonable to do so.

If the Supplier/Service Provider receives a request for correction of personal health information from a person other than the Hospital, The Supplier/Service Provider must promptly advise the person to make the request to the Hospital and, if the Hospital has advised The Supplier/Service Provider of the name or title and contact information of an official of the Hospital to whom such requests are to be made, The Supplier/Service Provider must also promptly provide that official's name or title and contact information to the person making the request.

1.06 Retention and Destruction of Personal Health Information.

Unless the Agreement otherwise specifies, the Supplier/Service Provider must retain personal health information until directed by the Hospital in writing.

The Supplier/Service Provider agrees that it will destroy all paper personal health information collected by the Hospital. The destruction of personal health information will render the information unreadable, undecipherable and non-reconstructable.

The Supplier/Service Provider agrees that it will destroy personal health information in electronic media by:

Ensuring that electronic media containing personal health information is destroyed by, physically damaging them by rendering them unusable and discarding it (e.g., CD Shredding) or, removing data (wiping) from the medium rendering its reconstruction impossible.

The Supplier/Service Provider agrees that the destruction of personal health information will be performed in a professional manner, in accordance with industry standards and practices and by properly trained employees.

If The Supplier/Service Provider enters in a subcontract with a third party for the purposes of performing record destruction The Supplier/Service Provider shall notify and receive written approval by the Hospital ahead of time.

If The Supplier/Service Provider receives proper approval by the HOSPITAL to enter in a subcontract for the purpose of health record destruction, the third party shall agree, in a written contract with The Supplier/Service Provider to comply with all standards and procedures required of The Supplier/Service Provider by the Hospital.

A copy of the subcontract between the Supplier/Service Provider and a third party shall be provided to the Hospital at the time it is entered into. The Supplier/Service Provider remains liable for all services performed for the Hospital.

The Supplier/Service Provider agrees to provide the Hospital with a certificate of destruction. The certificate of destruction will document the date, description of the information destroyed, destruction method, signature of the individual completing the destruction along with the signature of the HOSPITAL Director, Health Information Management. The certificate of destruction will be stored at HOSPITAL.

If requested by the hospital, an authorized representative of the Hospital may, at any time, inspect the record destruction process, including by attending The Supplier/Service Provider facilities.

Pending their destruction the records shall be stored in a secure manner, ensuring physical security and restricted access.

Return of Confidential Information. On completion or termination of this Agreement for any reason, the Supplier/Service Provider shall forthwith return to HHSC all the Confidential Information either obtained or developed in the course of this Agreement. The Supplier/Service Provider's obligations with respect to Confidential Information shall survive the expiration or termination of this Agreement for any reason.

1.08 Exclusions from Definition of Confidential Information. Notwithstanding any other provision in this Agreement, the Confidential Information shall not include information that is or becomes a part of the public domain through no fault of the Supplier/Service Provider or the Supplier/Service Provider's personnel, is received by the Supplier/Service Provider from a third party free of restriction, or can be established by written evidence to be already in the Supplier/Service Provider's possession without obligation of confidentiality prior to disclosure by HHSC.

1.09 Ownership of Confidential Information. All title, right and interest whatsoever, including copyright, in all material and data created or written by the Supplier/Service Provider using or based on the Confidential Information, regardless of media or form, shall vest in and ensure to the benefit of HHSC.

PROTECTION OF PERSONAL HEALTH INFORMATION

General

2.01 **Protection of Personal Health Information.** In addition to the confidentiality obligations in this Agreement, which apply to Confidential Information generally, there are additional obligations required with respect to Personal Health Information as set out below and with which the parties shall comply.

2.02 **Good Faith Compliance with PHIPA.** The parties acknowledge that this Agreement is intended in good faith to meet the requirements of PHIPA that address the protection of Personal Health Information.

2.03 **The Supplier/Service Provider is an Agent under PHIPA.** The parties acknowledge and agree that the Supplier/Service Provider, when accessing Personal Health Information, acts as an agent of HHSC while performing the Services under this Agreement, as the term “agent” is defined in PHIPA and with all the responsibilities of an agent under PHIPA.

2.04 **No Contact with Patients.** The Supplier/Service Provider, although an agent of the Hospital, shall not have any contact with patients for any purpose whatsoever, unless expressly authorized by HHSC.

The Supplier/Service Provider Personnel

2.05 **Written Agreement of Personnel.** The Supplier/Service Provider shall ensure that its personnel, including any independent contractors or subcontractors, are aware of and agree in writing to be bound by the confidentiality provisions that are set out in this Agreement.

Confidentiality and Security Safeguards

2.06 **Confidentiality and Security Safeguards.** In order to safeguard the confidentiality of the Personal Health Information that is accessed or used by The Supplier/Service Provider, the following procedures shall be followed:

The Supplier/Service Provider shall institute confidentiality policies, procedures and protocols that endeavor to protect against the disclosure of Personal Health Information to people who are not authorized to have that information.

The Supplier/Service Provider shall prepare a plain language description of Services provided to HHSC, including a description of all safeguards in place to protect Personal Health Information. This plain language description shall be provided to HHSC and may be made available to the public at HHSC discretion. The Supplier/Service Provider shall further provide to HHSC a general description of security safeguards implemented, and any directives, guidelines and policies that apply to the provision of Services to HHSC. For greater certainty, the Supplier/Service Provider is not obligated to disclose its trade secrets or confidential scientific, technical, commercial or labour relations information in this plain language description.

The Supplier/Service Provider shall provide HHSC with a report of how the provision of Services under this Agreement may affect patient privacy. In particular, the Supplier/Service Provider shall provide to HHSC an assessment of any threats, vulnerabilities and risks to the security and integrity of the Personal Health Information.

The Supplier/Service Provider shall undertake monitoring activities to assist in ensuring that the confidentiality provisions of this Agreement are being followed by its personnel. In particular, the Supplier/Service Provider shall monitor and be capable of reporting to HHSC, upon request, all access, use and disclosure of Personal Health Information by the Supplier/Service Provider, including person accessing and time of access.

In the event that the Supplier/Service Provider becomes aware that Personal Health Information has been stolen or lost, or a person has obtained unauthorized access to Personal Health Information, or the Supplier/Service Provider has used, disclosed or disposed of the Personal Health Information other than as contemplated in this Agreement, The Supplier/Service Provider shall at the first reasonable opportunity notify HHSC Chief Privacy Officer by telephone followed by written notice.

HHSC may, upon reasonable notice, assess and review the Supplier/Service Provider's procedures for receiving and processing Personal Health Information under this Agreement, for the purposes of ensuring that the confidentiality provisions of this Agreement are being complied with. For these purposes, the Supplier/Service Provider shall provide HHSC with reasonable access to the policies, procedures and protocols used for purposes of providing the Services and any documents that may be relevant.

The Supplier/Service Provider will cooperate with any privacy assessment or audit conducted by HHSC or any third party retained by HHSC.

COMPLAINTS

3.01 **Complaint by HHSC.** In the event that HHSC makes a formal complaint to the Supplier/Service Provider in respect of the Supplier/Service Provider's compliance with the confidentiality provisions of this Agreement, the Supplier/Service Provider shall, within two Business Days of receipt of the complaint, investigate the matter and provide HHSC with an oral report stating the cause of the deficiency, if any, and the steps taken to prevent a recurrence, if required. Within a further three Business Days, the Supplier/Service Provider shall provide HHSC with a written report documenting the complaint, investigation, deficiency, if any, and the steps taken to prevent a recurrence, if required.

3.02 **Cooperation with Complaint to HHSC.** The Supplier/Service Provider shall cooperate with HHSC in responding to any complaints that may relate to the Supplier/Service Provider's Services or its confidentiality obligations under this Agreement.

I certify that (Company Name) agrees to the Agreement printed above.

Print Full Name (first, last, Title)

Signature

Date