



Supply Chain
Management

Subject: Emergency Procurement Policy

Effective: 01/01/2007 **Revised:** 01/08/2007

Supersedes: none

Policy No.:

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Approved by: Henry Ford Health System Executive Administration

1.0 Philosophy/Purpose:

1.1 To outline the procedure for processing a procurement necessitated by an emergency situation occurring outside of normal working hours (Monday through Friday, 7:30 a.m. to 4:30 p.m., holidays excluded) when attempts to contact an HFHS Senior Buyer or Buyer have failed.

2.0 Scope:

- 2.1 This policy applies to all employees at the Corporate Offices of Henry Ford Health System, Henry Ford Hospital, Henry Ford Wyandotte Hospital, Henry Ford Bi-County Hospital, Henry Ford Medical Group and Health Network, Henry Ford West Bloomfield Hospital, Behavioral Health Services and Community Care Services.
- 2.2 This policy directly applies to vendors that provide or wish to provide services and supplies for HFHS.

3.0 Responsibility:

- 3.1 Supply Chain Management as well as throughout Henry Ford Health System, who deal with vendors and their representatives, will be held accountable to these standards of conduct.
- 3.2 It is the responsibility of Henry Ford Health System department managers and clinicians to adhere to company policies when committing the System' financial resources for the purchase of goods, services, and equipment.
- 3.3 HFHS leaders are responsible for communicating these policies to all of their employees and ensuring that they are also adhering to these policies.
- 3.4 Vendors are responsible for understanding and adhering to this policy along with the Vendor Policies and Procedures and other policies directly related to purchasing practices.

4.0 Policy:

- 4.1 Only HFHS Shared Services Materials/Supply chain Management is authorized to make procurement commitments on behalf of the health system.
- 4.2 Emergency procurements are only to be used in the case of a genuine emergency as described in the definition section below.
- 4.3 Such procurements will be utilized with absolute discretion and not as a substitute for sound advance planning.

5.0 Procedure/Requirements:

Requesters will proceed as follows in making emergency purchases:

- 5.1 Purchase will be made by telephone from a local vendor, if at all possible and appropriate, and arrangements made for HFHS pick up of the item if the vendor cannot deliver immediately.
- 5.2 In cases of after-hours purchases (before 7 a.m. or after 4:30 p.m.), as soon as possible after-the-fact, the requester will notify HFHS Director of Procurement (734-365-3655) of the emergency procurement.
- 5.3 In instances of emergency after-hours purchase, the following procedure must be followed:



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- 5.3.1 The requester will complete a purchase requisition; mark it "Emergency Procurement".
- 5.3.2 Attach the vendor's invoice or packing slip verifying receipt of all the items indicated on the invoice or packing slip.
- 5.3.3 Memorandum detailing the circumstances necessitating the emergency action.
- 5.3.4 Route this package through the Department Director and to the Director of Procurement.
- 5.4 Upon receipt of the requisition package, the Director of Procurement will review the circumstances leading to the emergency procurement.
- 5.5 Purchase Order to follow at earliest date.

6.0 Compliance Monitors and Audits:

6.1 Staff Responsibilities

- 6.1.1 All staff and Vendors are responsible for complying with this policy.
- 6.1.2 Vendors or staff in violation of this policy are to be immediately reported through the use of the Red Form available through HENRY.

6.2 Compliance

- 6.2.1 Staff found not to be in compliance with this policy will be reported to their supervisor for action. Depending on the severity of the situation, discipline up to and including discharge may be warranted.
- 6.2.2 The Office of Compliance, Pharmacy, and Purchasing will report all disciplinary action to Staff Services, the Chief Medical Officer, and the Chief Operating Officer.

7.0 Definitions:

- 7.1 An emergency exists when the health or safety of HFHS patients are involved, there is immediate danger of loss or damage to HFHS or some phase of critical operations maybe interrupted if immediate action is not taken. **Failure to anticipate a need is not of itself considered a bona fide emergency.**

10.0 References:

Please refer to the following additional Supply Chain Management policies

- Business Associate Agreement Policy
- Consignment/Loan Policy
- New Product Introduction Policy
- Product Recall (RASMAS) Policy
- Supply Chain Management Policy
- Vendor Policy and Procedures