



Procurement & Strategic Sourcing Vendor Guidelines

1. Introduction

We appreciate your interest and potential business, and hope this brief guide will be of benefit to you as a new supplier or as one of our present suppliers. Our philosophy is to award business to those suppliers who help us achieve our business objectives.

Affinity Health Plan is a not-for-profit, mission-driven organization. Our *Mission Statement* declares why the organization exists and what we are trying to accomplish. Our *Vision Statement* describes how we regard ourselves and how we want to be regarded by others. Our *Values Statement* expresses how we relate to each other, to the community and to the world. Our statement of *Success Principles* expresses how we translate our Values into action.

MISSION

The mission of Affinity Health Plan is to improve the health and well-being of its Members, their families, and their communities in collaboration with primary care providers.

VISION

Affinity strives to be the health plan of choice for its Members and its providers, and to be known for assuring access to high quality, cost-effective care; delivering the best customer experience; and contributing significantly to achieving a patient centered health care system.

VALUES

We at Affinity Health Plan recognize and accept the importance of shared personal values in achieving our mission, in increasing personal effectiveness, and in demonstrating our commitment to our Members, our providers and our employees.

The values that are most important to us are:

- Commitment to improving health and health care
- Integrity and honesty in our dealings with others
- Respect and caring for people
- Partnership and collaboration with those who share our values and goals
- Pride in our communities, our daily work, and our accomplishments
- Pursuit of constructive change and innovation
- Support and encouragement of personal and organizational achievements

SUCCESS PRINCIPLES

Affinity's five principles for success are as follows:

1. **Commit** to our ongoing success
2. **Respect** our customers; serve them well
3. **Build** a performance-based culture
4. **Deliver** on commitments to coworkers
5. **Value** your personal health

2. Policies and Procedures

a. Required Supplier Information

All new and/or existing suppliers are required to go through a supplier registration process. Participants are asked to complete a supplier questionnaire which will provide Affinity Health Plan's Purchasing Department and others involved in the procurement process with access to your company profile and capabilities. Affinity Health Plan's Supplier registration Portal is hosted by Dun & Bradstreet (D&B).

Refusal to register will result in disqualification from conducting business with Affinity Health Plan. This will ensure that Affinity Health Plan meets standard compliance requirements regarding supplier authentication and verification while also giving you, the supplier, the ability to update or establish your D&B profile.

By participating in the Supplier Registration program, your company will:

- Gain potential revenue opportunities by improving its visibility across all of Affinity Health Plan business units.
- Better understand the metrics Affinity Health Plan uses to evaluate suppliers.
- Help to ensure that Affinity Health Plan is making business decisions based on accurate and timely information.
- Enable you to receive Request For Proposal or Bid notifications pertaining to the products/services you have selected.

If you have questions or concerns about the registration portal or process, please note that D&B's Customer Support is available to help you. D&B's Customer Support will work directly with you to understand and update the information on your business profile and may be reached directly at:

- United States: 866-322-2761
- Outside the United States: +1-512-794-7718

The supplier registration process includes the following required supplier information.

- Documents available for download include Purchasing Vendor Guidelines, General Information (i.e. Corporate Business Name, Address, Contact Info, etc.)
- Financial information relating to supplier payment remittance and payment terms
- Compliance related attestations

b. Supplier Qualifications

Suppliers that wish to conduct business with Affinity Health Plan will be required to meet certain criteria including but not limited to the following.

- Low Risk Score as reported by D&B's Supplier Evaluation Risk Rating (SER)
- Low Risk Score as reported by D&B's Supplier Stability Indicator (SSI)
- Low Risk Score as reported by D&B's PAYDEX Score
- Active sanctions issued by Office of Inspector General US Department of Health & Human Services (OIG-HHS), Systems for Award Management (SAM), and NY State Office of the Medicaid Inspector General (OMIG) will result in automatic disqualification.
- In general, suppliers must be able to demonstrate that they have the products/services we need and be able to provide a proven track record of on time deliveries when requested.

c. Bidding Requirements

Bidding requirements for goods and services are valued at Affinity health Plan for several reasons. The bidding process:

- Allows for “comparative shopping” for the best pricing and service
- Allows for an informed and objective choice among potential suppliers
- Encourages competition among suppliers
- Provides a standard for comparing price, quality and service thus ensuring that you potential bid is evaluated fairly
- Provides access to Affinity Health Plan business for suppliers

Ascertaining when formal or informal Request For Quotation (RFQ) or Request For Proposal (RFP) is the sole responsibility of the Purchasing Department. Authorized Sourcing Agents of Affinity Health Plan will contact suppliers that meet our business needs to include them in our RFQ or RFP process as needed.

It is our policy to obtain competitive bids whenever possible. However, purchases may be made without the use of a formal RFQ or RFP if there is no adequate time to prepare and allow suppliers sufficient time to respond (two to six weeks) or if the nature of the request falls within defined exceptions to Affinity Health Plan’s bidding policy.

d. Business Conduct

All business will be conducted in a legal and ethical manner. The Code of Ethics as listed in these guidelines must be adhered to at all times. Affinity Health Plan maintains a strict policy prohibiting the acceptance by its employees of gifts and/or gratuities from any supplier or potential supplier.

e. Compliance

Affinity requires our business partners to conduct business directly or indirectly related to Affinity in a compliant, ethical, and legal manner. As such, our vendor business partners must annually attest they reviewed, understand, and abide by Affinity’s Purchasing Vendor Guidelines and Code of Ethics. Additionally, vendors must actively monitor the activities of employees (paid or unpaid, including volunteers and interns) and contractors performing Affinity-related business. All vendors must maintain information relating to Affinity’s business, including evidence of training, for a period of ten (10) years and provide information upon request by Affinity, an Affinity representative, or an authorized party (i.e., the government) for monitoring and auditing purposes.

Additionally, business partners that perform or will be performing administrative services or health care services to a Medicare eligible individual on Affinity’s behalf must annually attest to the requirements set forth by the Centers for Medicare and Medicaid Services (CMS) in 42 CFR § 422.503 and 42 CFR § 423.504. As summary of these requirements are outlined below:

- Adopt and distribute a code of conduct as well as compliance policies and procedures to employees (paid or unpaid, including volunteers and interns) and contractors within 90 days of hire or contract and annually thereafter.
- Distribute annual compliance and fraud, waste, and abuse (FWA) training to employees (paid or unpaid, including volunteers and interns) and contractors within 90 days of hire or contract and annually thereafter. It should be noted that approved general compliance and FWA training is available on Affinity’s website at www.AffinityPlan.org under the Compliance tab or through the CMS Medicare Learning Network website at <http://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/ProviderCompliance.html>.

- Conduct exclusion screening prior to hire or contract and monthly thereafter to confirm employees and contractors are not excluded to participate in Federally-funded health care programs according to the OIG-HHS and SAM exclusion lists.
- Disclose current/changes to ownership and controlling interest, including any debarment or suspension status and any criminal convictions related to Federal health care programs of managing employees and anyone with an ownership or controlling interest in my organization or a related entity.
- Report actual or potential fraud, waste, and abuse (FWA) and Compliance concerns, suspected violations of applicable fraud laws and regulations, including the False Claims Act, as it relates to Affinity.

All business partners must cooperate with audits or investigations being conducted by Affinity, a party designated by Affinity, and a law enforcement, regulatory, or oversight agency.

Note: A First Tier, Downstream or Related Entity (FDR) provides administrative or health care services relating to Affinity’s Medicare contracts. Affinity’s business partners considered an FDR include hospitals, providers, ancillaries, and a portion of our vendors. Below is a list of administrative or health care services examples that qualify a vendor as an FDR:

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| <ul style="list-style-type: none"> • Sales and marketing • Utilization management • Quality improvement • Applications processing • Enrollment, disenrollment, membership functions • Claims administration, processing and coverage adjudication • Appeals and grievances • Licensing and credentialing • Pharmacy benefit management • Hotline operations • Customer service • Bid preparation • Outbound enrollment verification | <ul style="list-style-type: none"> • Provider network management • Processing of pharmacy claims at the point of sale • Negotiation with prescription drug manufacturers and others for rebates, discounts or other price concessions on prescription drugs • Administration and tracking of enrollees’ drug benefits, including true out-of-pocket (TrOOP) balance processing • Coordination with other benefit programs such as Medicaid, state pharmaceutical assistance or other insurance programs • Entities that generate claims data • Health care services |
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First Tier Entity: is defined as any party that enters into a written arrangement, acceptable to CMS, with a Medicare Advantage Organizations (MAO) or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the Medicare Advantage program or Part D program.

Downstream Entity: is defined as any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicare Advantage (MA) benefit or Part D benefit, below the level of the arrangement between an MAO or applicant or a Part D plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.

Related Entity: is defined as any entity that is related to an MAO or Part D sponsor by common ownership or control and (1) Performs some of the MAO or Part D plan sponsor’s management functions under contract or delegation; (2) Furnishes services to Medicare enrollees under an oral or written agreement; or (3) Leases real property or sells materials to the MAO or Part D plan sponsor at a cost of more than \$2,500 during a contract period.

f. Equal Opportunity

Affinity health Plan will not make purchasing related decisions based on race, religion, creed, color, sex, orientation or national origin.

g. Confidentiality

Prior to contracting and sharing confidential information with a vendor, the vendor will be required to complete a Non-Disclosure Agreement (NDA) and or Business Associate Agreement (BAA) when applicable. Each agreement entered into by Affinity with a vendor will assure compliance with the privacy and security regulations issued under the Health Insurance Portability and Accountability Act. HIPAA is an amendment to the Internal Revenue Code of 1986 added to improve portability and continuity of health insurance coverage in the group and individual markets, to combat waste, fraud, and abuse in health insurance and health care delivery, to promote the use of medical savings accounts, to improve access to long-term care services and coverage, to simplify the administration of health insurance, and for other purposes.

h. Billing & Payment

An approved Purchase Order number issued only by authorized Buyers of the Purchasing Department must be referenced on all invoices, packing slips and correspondence relevant to the order. Invoices can be submitted electronically to accountspayable@affinityplan.org or they can be mailed to Affinity Health Plan, Attention: Accounts Payable, 1776 Eastchester Road, Bronx NY 10461. Payment is made to the vendor after receipt of invoice, along with delivery and acceptance of materials/services as pre-negotiated on the Purchase Order. Standard terms of payment are Net 30.

i. Authorized Buyers

Only authorized buyers (Sourcing Agents) are permitted to issue orders and no shipments should be made or services performed without a properly authorized Purchase Order or purchase agreement. Neither should a supplier accept any revision to an order or agreement except from an authorized buyer.

3. Ethical Standards

We will conduct all business relationships in a professional and ethical manner that will ensure that our suppliers know we value their business.

- Each employee must follow all applicable federal, state, and local laws and regulations.
- Each employee must keep vendor and other business information confidential in accordance with applicable legal and ethical standards.
- Each employee will not use their position to profit personally or to assist others in profiting in any way at Affinity's expense.
- Each employee must not accept or request money or valuable gifts in exchange for the receipt or promise of services or goods.
- Employees are committed to treating our suppliers with respect, dignity, and courtesy.
- We shall not knowingly and/or willfully offer, pay, solicit, or receive money, goods, or services from a potential referral source to induce the referral of business that is reimbursable under a federal or New York State health care program.
- We shall review all invoices, purchase orders and other expense items for accuracy prior to seeking approval for payment.

We know that we can assist you by:

- Directing your attention to our present and future needs
- Consolidating our requirements
- Arranging for demonstrations or presentations before the proper audience
- Aiding in obtaining the greatest yield for your time and effort

We hope you will help us by:

- Keeping us informed concerning new items and trends
- Remembering that contractual commitments may be made only by personnel authorized to do so

4. Purchasing Contact Information

For general questions that can be answered by any authorized Buyer of Affinity Health Plan you can send an email to purchasingdepartment@affinityplan.org. If you have questions relating specifically to our Supplier Registration process please email SupplierRegistration@affinityplan.org.

5. Compliance Contact Information

The below grid provides contact information for Affinity’s Compliance department contingent on the type of question you may have.

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| <p>For questions about the Code of Conduct, compliance policies and procedures or to report suspected violations of the Code of Ethics, company policies and procedures, or the law.</p> <p>(This includes reporting potential fraud, waste, or abuse activities related to employees, providers, members, or other business partners.)</p> | <p>Compliance Officer Phone: (718) 794-5731 Email: compliance@affinityplan.org</p> |
| <p>For any question or concern that you would prefer to report anonymously</p> | <p>The Ethics Line Phone: (866) 528-1505</p> |



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