 <p>B.S. Aquino Drive, Bacolod City, Negros Occidental, 6100</p> <p>DR. PABLO O. TORRE MEMORIAL HOSPITAL</p>	Document Code:	DPOTMH-K-86-P03
	Effective Date:	03-31-2022
	Document Type:	Policy
	Page Number:	1 of 4
	Department/Section:	Procurement
	Document Title:	<b>SELECTION OF SUPPLIERS</b>

### **PURPOSE:**

To standardize the criteria in the determination, evaluation, and selection of suppliers before the procurement of supplies and equipment within the right quality requirement threshold, at the right cost, in the right quantity, at the right time, from the right source, and in compliance with the applicable hospital policies.


### **LEVEL:**

Procurement Staff, BioMed/Engineering Staff, Section Heads, Department Heads, Division Heads

### **DEFINITION OF TERMS:**

1. **Supplies and Equipment.** Operationally, these refer to medical and non-medical supplies and equipment that passed through evaluation and are recommended for use in the hospital's medical and business operations.
2. **Supplier Determination.** This refers to the identification of legitimate potential suppliers (accredited or whose accreditation is on process) based on the required specifications of the end-users. This is where RFx is conducted denoting the common acronym in the procurement landscape about requests in general, where x can be either I (Information), Q (Quotation), or P (Proposal).
3. **Supplier Evaluation and Selection.** This refers to the process of assessing and selecting the best supplier available based on the ff. criteria: technical specifications of the product offered with 50% weight (all but not limited to product performance, product reliability, and spare parts availability); commercial terms with 30% weight (all but not limited to purchase price, delivery lead time, and payment terms); and after-sales with 20% weight (all but not limited to warranty, preventive maintenance, response time, and technical support).




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### **POLICY:**

1. This policy applies to items with two or more legitimate potential suppliers. *Exempted from this policy are the following (provided the requisition is approved):*
  - 1.1 Proprietary items – these items are patented/trademarked/registered that can only be obtained from the proprietary source (e.g., spare parts or accessories of the existing brand in use);
  - 1.2 Sole-sourced items – items when no other supplier is suitable or acceptable to meet the requirement of the hospital;
  - 1.3 Items sold by an exclusive dealer or distributor in the locality – items sold only by the exclusive dealer;
  - 1.4 Repeat order items – items with recurring purchases, subject to canvassing periodically and supplier performance assessment;
  - 1.5 Emergency purchases – when there is an unforeseen contingency requiring the immediate purchase of the items.
2. The technical evaluation of the product offered by short-listed suppliers shall be done by end users, Infection Prevention and Control Unit (IPCU), and BioMed/Engineering, if applicable. Please refer to supplementary policies, i.e., Medical Supplies Evaluation and Inclusion Policy, Medical Equipment Procurement Policy, and Non-Medical Equipment Procurement Policy.
3. The comparative commercial and after-sales evaluation shall be done by the Procurement Team. Combining the three general criteria – technical, commercial, and after-sales, the ranking, and endorsement to MPHHI shall be done by the same. Hence, the selection of the supplier is based on the highest weighted score.
4. Negotiation of supplies and non-medical equipment shall be done at a hospital level by the Procurement Team.



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5. Final negotiation of all medical equipment shall be done by MPHHI CWC (Metro Pacific Hospital Holdings Inc. CapEx Working Committee).
6. End users, IPCU, and Biomed/Engineering are not allowed to make any purchase commitment to suppliers. Only approved Purchase Order shall constitute as such.
7. Supplier selection shall be done to the highest ethical and professional standards following the applicable hospital-wide policies.

**DOCUMENTATION:**

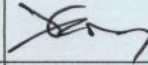

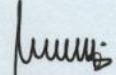
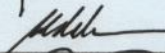
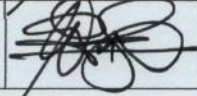
Revised Policy

**DISSEMINATION:**


Communicator Bulletin  
Weekly Management Meeting

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**APPROVAL:**

	Name/Title	Signature	Date
Prepared by:	<b>DALLIA C. MALA-AY, CSSP, PhD</b> Procurement Manager		8/31/2022
Reviewed:	<b>DENNIS C. ESCALONA, MN, FPSQua</b> Quality Assurance Supervisor		08-31-2022
Recommending Approval:	<b>RICKY G. SALIDO</b> Logistics Division Head		3-31-2022
	<b>SOCORRO VICTORIA L. DE LEON, CPA, PhD, FPCHA</b> VP – Chief Operating Officer		03/31/2022
Approved:	<b>GENESIS GOLDI D. GOLINGAN</b> President and CEO		9/1/22



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	Effective Date:	03-31-2022
	Document Type:	Standard Operating Procedure
	Page Number:	1 of 5
	Department/Section:	Procurement Section
	Document Title:	<b>PROCESS ON ACCREDITATION OF NEW SUPPLIERS</b>

**PURPOSE:**

To establish a standard guidelines and procedures in processing the accreditation of new suppliers.

**SCOPE:**


Applies to all Logistics Division and Procurement Section staff of Dr. Pablo O. Torre Memorial Hospital

**PERSON RESPONSIBLE:**

Procurement Staff, Logistics Division Head

**GENERAL GUIDELINES:**

1. Accreditation process must be applied to all prospective new suppliers.
2. The accreditation of new suppliers must be the responsibility of the Procurement Section (PS) of the Logistics Division (LD).
3. In some instances, accreditation must be done in coordination with the end-user/requisitioning department. However, all accreditation documents must reside at the Procurement Section of the Logistics Division.
4. The following are the General Documentary Requirements to be submitted for accreditation:
  - a) Supplier Registration Form
  - b) Company Profile
  - c) List of Products/Services
  - d) Business/Mayor's Permit
  - e) BIR Certificate of Registration
  - f) SEC/DTI Registration
  - g) Audited Financial Statements last 3 Years


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- h) Photocopy of Invoice, Delivery Receipt, Provisional Receipt & Official Receipt bearing TIN
  - i) Certificate of Exclusive / Authorized Distributorship from Principal or Manufacturer
  - j) Returns Policy
  - k) Third-Party Due Diligence Questionnaire and Certification
  - l) Third-Party Compliance Affirmation
  - m) Third-Party Engagement Documentation Form
5. The following are the Additional/Secondary Documentation Requirements for Drugs/Medicines Suppliers but not limited to the following (Note: to be submitted to MPHHI for RFQ Technical Requirements and to RMCi Pharmacy for Formulary Inclusion):

Documents Required for Formulary Inclusion	In-Patient	Out-Patient
Certificate of Product Registration (CPR)	Yes	Yes
Certificate of Pharmaceutical Products (CPP)	Yes	No
Certificate of Analysis on latest batch/lot (except antineoplastic/biological agents); Certificate of Analysis for Injectable Generic Drug from any of the local Bio-Assay Center (LaSalle, CEDRES or UP-PGH)	Yes	No
Evaluation report of drugs for formulary (product monograph) – Product Details	Yes	No
Current Certificate of Good Manufacturing Practices (CGMP)	Yes	Yes
Certificate of Patent Registration issued by IPO of the Philippines for new drugs	Yes	No
At least 2 clinical trials for safety and efficacy for new drugs (preferably Phase 3 RCT, peer-reviewed, published)	Yes	No
Bioavailability, Bioassay and/or bioequivalence report	Yes	Yes
Bioavailability and/or bioequivalence report using Filipino subjects for generic equivalents in capsule & tablet forms	Yes	No
Three (3) signed product endorsements from doctors using personal prescriptions	No	Yes
Accomplished Vendor Application Form	Yes	Yes
FDA License to Operate	Yes	Yes
BIR Form 2303	Yes	Yes
Return Policy	Yes	Yes

Note: Inclusions to RMCi Formulary is subject to the approval of the Pharmacy and Therapeutics Committee



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6. The following are the Additional/Secondary Documentation Requirements for Building, Construction and Renovation Contractors but not limited to the following:
  - a) Philippine Contractors Accreditation Board (PCAB) Certification
  - b) Certificates of Accreditation from other companies
  - c) List of Tools and Equipment owned by the company
  - d) List of at least ten (10) completed projects and at least ten (10) on-going projects for the last five (5) years indicating Client Name to include Contact Person and Contact Details, Project Nature, Project Location, Project Value, Start Date, Date of Completion or Date Completed
7. Information/Data must be subjected to verification by the Procurement Section of the Logistics Division. Verification must include but not limited to the following: site visit, cross-checking with existing clients, and confirmation of information provided and of legal documents presented.
8. Suppliers that were accredited by MPHHI are exempted from the accreditation process. However, they must submit a copy of the same required accreditation documents to RMCI.
9. Exceptions to supplier accreditation are limited to the following:
  - a) Emergency Purchase – acquisition requiring immediate delivery in which the time frame is shorter than the standard lead time.
  - b) If the materials and services requested are not available or found cost- effective than in any of the suppliers on the list of accredited vendors.
10. All exceptions to supplier accreditation require the approval of the Logistics Division Head

#### **PROCEDURE:**

1. New or prospective supplier accomplishes and submits the Supplier Registration Form together with the required accreditation documents (in soft and hard copies) to the Procurement Section of the Logistics Division.