



## Texas Children's Ramps Up its Vendor Compliance Program with GHX

### Organization

- Texas Children's Hospital
- Houston, Texas

### GHX Products & Services

- Vendormate Credentialing

### Highlights

Texas Children's Hospital minimizes exposure to financial, legal and safety risks using Vendormate Credentialing to screen vendor entities and representatives.

## Overview

Committed to creating a community of healthy children through excellence in patient care, education and research, Texas Children's Hospital (TCH), a non-profit in Houston, is consistently ranked among the nation's top healthcare organizations. The hospital boasts multiple pediatric subspecialties and features facilities devoted to treating cancer and heart ailments. Like healthcare organizations nationwide, it is held to a high set of standards, even in choice of business partners, which if not managed properly can create a potential threat to the provider's supply chain and patient safety.

## Challenge

To help minimize exposure to financial, legal and safety risks, TCH needed a program to screen vendors and to verify its vendor representatives complied with internal standards, such as background checks and immunization requirements. Realizing its vendors—which could

number 1,000 or more in a large health system—could be apprehensive about fulfilling these requirements and the added costs to credential employees, TCH knew it needed to communicate the value of a credentialing program in order to gain buy-in from its vendors and drive adoption.

## Solution

To meet this challenge, TCH implemented Vendormate Credentialing from GHX. Vendormate Credentialing screens the vendor entity and representative documents, centrally tracks policy acknowledgments, provides monthly federal and multi-state sanction checks, and verifies critical business data. It also screens and monitors business partners for non-compliance with TCH's policies and regulatory requirements. The ability to screen both vendor companies and representatives helps TCH verify its policies are implemented as a standard procedure.

**“With help from GHX, we implemented a policy that requires the majority of vendors (there are exceptions) to register and become credentialed with the hospital prior to receiving any contractual payments. Now, all requests for proposals include a clause requiring vendor credentialing in order for the vendor to qualify to do business with TCH.”**

**– Ed Lewis, assistant director of Supply Chain Services, Texas Children's Hospital**

A policy requiring all vendors to be registered and credentialed prior to doing business with the hospital provides incentive to comply with the new registration program. In order to conduct business with a new vendor, the TCH contracts administrator asks representatives to register in the Vendormate Credentialing system. The vendor is not authorized to do business with the hospital until registration is complete, and the assistant director of Supply Chain verifies the vendor's compliance with hospital policies. Subsequently, if no transactions occur with the hospital for 18 months, the company is placed on “inactive” status and must re-register to be considered active and resume business activities with TCH.

For representatives coming onsite, the vendor entity and representative credentialing status is linked to the badging system—allowing or denying representatives access to the hospital based on compliance at both levels. The badges also reflect specific hospital locations where a representative has approved access and the time of his or her scheduled appointment.

Additionally, Vendormate Credentialing provides a “score card” functionality that allows TCH users to rate vendors and share the information with staff throughout the facility. These score cards are vital to helping hospitals and vendors build accountable relationships that encourage both parties to strive toward mutual goals and objectives.

Not surprisingly, TCH found that long-time partners had the most difficulty complying with the new policies. But, after communicating how its credentialing requirements relate to the goal of improved patient safety, TCH found most companies were supportive.

## **Keys to Success**

TCH owes the success of its vendor registration program to several factors including executive team buy-in and support, signifying to the entire organization the importance of credentialing business partners. It also credits proactive efforts to educate its vendors on new hospital policies and regulations.

For example, to ensure vendors complied with TCH’s registration policy, the hospital required suppliers to complete registration before being added to the accounts payable system. While most vendors complied with the hospital’s requirements up front, linking registration to payment provided the extra incentive some needed to complete the process.

“The vendor credential program at Texas Children’s is successful due to executive backing, continued education and implementing policy that is now part of the culture of the hospital,” said Lewis.

TCH is committed to utilizing Vendormate Credentialing throughout all departments in the hospital including hundreds of cost centers—not just the supply chain—in order to continue achieving the benefits of the program. With the help of GHX, TCH is training administrative assistants on how to use the software for appointment scheduling (compatible with Microsoft® Outlook) and other functionality important to driving adoption. TCH continues to educate staff throughout the facility on why the hospital is passionate about its credentialing policy.

## About GHX

GHX offers a complete solution for vendor management, compliance and contracting that leverages our network of 68,000 credentialed vendors, representing virtually every category of spend. With access to this vast network of better vendor data and integrated solutions, providers are positioned to streamline every stage of the contracting lifecycle, as well as make decisions that better support supply chain and compliance goals.

**Learn More.** Contact us at 1.800.YOUR.GHX for more information or visit [GHX.com](http://GHX.com).



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