



Title: Loaner Tray Requirements

Standard Operating Procedure

Department: Supply Chain

Approval Date: July, 1, 2020

I. PURPOSE

Supplier shall abide by the following mandatory requirements (“Loaner Tray Requirements”) for all loaner instruments, equipment and supplies (“Loaner Trays”):

1. **ALL LOANER TRAYS ARE REQUIRED TO BE DELIVERED AT LEAST 48 HOURS BEFORE THE APPLICABLE SCHEDULED SURGERY TO THE CORRECT SCRIPPS HEALTH FACILITY STERILE PROCESSING DEPARTMENT (“SPD”) LOCATION. SHOULD SUPPLIER FAIL TO DELIVER ANY LOANER TRAY PURSUANT TO THIS SECTION 1, SCRIPPS HEALTH WILL INCUR DAMAGES AND MAY ELECT TO USE ANOTHER SUPPLIER’S PRODUCT FOR THE APPLICABLE SCHEDULED SURGERY.**
2. All Loaner Trays must have a verification form that correctly reflects all contents, including implants.
3. All Loaner Tray instruments and equipment must be **functioning and be free of bioburden.**
4. Without exception, the following information must be attached to all Loaner Trays: the name of the Loaner Tray(s); the name of the surgeon(s); the date of surgery; and the Instructions for Use (“IFU”).
5. Supplier must ensure a SPD-designated Scripps Health employee verifies all Loaner Tray contents and records it on the verification form. Scripps will not be responsible for the loss of any Vendor instruments, equipment or supplies, unless the item has been included on a verification form.
6. **Supplier shall retrieve Loaner Tray(s) within 24 hours after surgery completion. Supplier must confirm the Loaner Tray(s) contents match the signed verification form prior to departing Scripps Health and notify a supervisor immediately if there are any discrepancies. Scripps Health will not be responsible for any discrepancies noted after Loaner Tray(s) have been removed from the Scripps Health facility or for any Loaner Trays not picked up within 24 hours after surgery completion.**
7. Supplier shall visually inspect the Loaner Trays for cleanliness. If Supplier is dissatisfied Supplier shall notify SPD and/or an SPD supervisor immediately. **Supplier may not remove a wrapped or sterile Loaner Tray from SPD. All Loaner Trays must be open and inspected.**
8. **If multiple surgical cases are scheduled back to back, or the surgery involves bilateral extremities that require a double set-up, Supplier must provide sufficient Loaner Trays for the surgical procedure(s) so no turnover is required from SPD.**
9. **If a Loaner Tray is to be used for another procedure at a Scripps Health facility, a new inventory sheet and new verification form must be completed. Loaner Trays shall not remain in SPD for more than 48 hours in advance of a surgery. If a Loaner Tray is consigned and remains at a Scripps Health facility, Supplier shall be responsible for inspecting, inventorying, and assembling all Loaner Trays.**



10. Should Supplier fail to abide by these Loaner Tray Requirements, Scripps Health, in its sole discretion, may cease using Supplier's products and services.

11. Performance Warranty. Supplier warrants it will maintain sufficient product inventory, transportation arrangements and service staff to comply with delivery time, Fill Rates, performance time and performance standards, if any, expressly enumerated in this Agreement. In the event Supplier anticipates it will not be able to comply with stated performance requirements, Supplier will promptly notify Scripps Health and attempt to resolve the issue in a manner agreed by Scripps Health. Supplier acknowledges that Scripps Health is likely to incur damages should Supplier violate a material provision of the Agreement or commit persistent violations of non-material provisions or consistently underperform to the requirements of the Agreement or to industry standards. In the event of two (2) or more instances of underperformance by Supplier causing Scripps Health to delay or cancel the provision of care to patients during any six (6) month period or of any single circumstance which adversely impacted the safety or use of any Scripps Health facility, then Scripps Health may, in its sole discretion, provide notice to Supplier of a breach qualifying for Termination with Cause, unless Supplier will negotiate damages to be paid to Scripps Health. The following levels of performance are deemed critical by Scripps Health:

- a. **Product Performance.** Supplier shall meet or exceed any Fill Rate expressly stated herein on orders from Scripps Health. Products required to be on trays shall be on the trays in time for surgery, and shall perform in compliance with any warranties expressly provided by Supplier and by law.
- b. **Service Performance.** Services to be provided hereunder by Supplier shall be performed timely and in a workman-like manner by Supplier's assigned personnel trained to meet industry standards. Providing trays on time is critical for Scripps Health to conduct its business. Such Services will conform to the requirements of applicable industry, accreditation, and regulatory standards, as well as applicable federal, state and local laws, regulations, and ordinances (including those of the Joint Commission and Medicare/Medicaid conditions of participation). In the event Supplier or any of its agents fail to achieve 95% adherence to scheduled arrivals and performance achievement dates, Scripps Health may, in its sole discretion, take action including, but not limited to: a) deducting 1% from invoices submitted thereafter until Scripps Health reasonably determines all deficiencies have been corrected; b) submitting a negative review in vendor credentialing systems; or c) temporarily or permanently barring vendor's agent(s) from servicing Scripps' accounts. These remedies are cumulative to any other remedies which Scripps Health has by law and contract.



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APPROVALS

Function	Name/Title
Subject Matter Expert	Greg Allsup, Manager, Sterile Processing Department
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