

Dear Vendor,

Presbyterian Healthcare Services values your contribution as a business partner who helps us in our purpose to improve the health of individuals, families and communities. I wanted to make you aware of a new requirement Presbyterian is implementing with vendors that will allow us to improve patient safety and better manage our compliance with regulatory issues in the complex healthcare environment.

Our new Presbyterian Vendor Program will enforce protocols for a more professional and consistent relationship between vendors and Presbyterian. It will allow us to maintain a repository of contact, financial, legal, and product information for our vendors. The program will also serve as a platform for policy and documentation exchange. We appreciate your participation in this program.

By July 1, 2008, all existing vendors must be listed in the system in order to continue doing business with Presbyterian. Please direct the person responsible for managing your company's relationship with Presbyterian to the website address, <https://phs.vendormate.com>, to register your business.

Below is a short list of the reasons why we are implementing the Presbyterian vendor program:

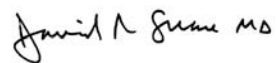
- **Health & Human Services Office of Inspector General (OIG)** – Federal government mandate to check all vendors against the “List of Excluded Individuals/Entities” for a Medicare/Medicaid Fraud sanction list
- **U.S. Treasury - Office of Foreign Assets Control (OFAC)** – Federal government mandate to continuously monitor that no vendor representatives are on the terrorist watch list
- **Deficit Reduction Act** – Federal regulation requires vendor training regarding Presbyterian policies about False Claims
- **Stark Law / Anti-kickback** – Federal statute governing our relationships with vendors
- **Joint Commission Audits** – Accreditation requires facility access controls and documentation of immunizations and product/service competency
- **Ensure contact information is always current** – Internal initiative to create a system-wide centralized location for all company and representative contact information, professional credentials and company / product information
- **Compliance with all corporate policies** – Internal initiative to develop a systematic approach to deliver and accept or upload corporate policies and required documents

There is a nominal annual fee for vendor registration which is per company, not per representative. The fee ranges from \$25 to \$250 per year and the actual fee is determined based on your risk profile as a vendor (for example, a vendor to the operating room represents a potentially high risk). The annual fee is paid to our partner, Vendormate, Inc., and is used to cover the cost of obtaining background information, perform screening, store compliance documentation, notify vendors of training, policy changes, and compliance regulations, and monitor company status throughout the year.

We expect each of your sales representatives who interact with us to register and provide details regarding his/her professional experience and credentials. Only the first representative to register will be charged the fee (which then covers the company for that year).

I thank you for your service to Presbyterian Healthcare Services and appreciate your participation in this program. If you have business questions or require technical assistance in completing the registration, please contact [phs@vendormate.com](mailto:phs@vendormate.com).

Sincerely,

A handwritten signature in black ink that reads "David R. Scrase M.D." The signature is written in a cursive style.

David R. Scrase, M.D.  
Executive Vice President and Chief Operating Officer  
Presbyterian Healthcare Services

**Presbyterian business locations include\*:**

<b>Location Name</b>	<b>Location Street, City, State</b>
Presbyterian Hospital	1100 Central Ave. SE, Albuquerque, NM
Presbyterian Kaseman Hospital	8100 Constitution NE, Albuquerque, NM
Presbyterian Administrative Center / Presbyterian Health Plan	2501 Buena Vista SE, Albuquerque, NM
Presbyterian Northside	5901 Harper Drive NE, Albuquerque, NM
Albuquerque Ambulance	4012 4 <sup>th</sup> Street NW , Albuquerque, NM
Presbyterian Healthplex	6301 Forest Hills NE, Albuquerque, NM
Presbyterian Rio Rancho Emergency Center / Day Surgery Center	4100 High Resort, Rio Rancho, NM
Plains Regional Medical Center	2100 North Thomas, Clovis, NM
Espanola Hospital	1010 Spruce Street, Española, NM
Lincoln County Medical Center	211 Sudderth, Ruidoso, NM
Socorro General Hospital	1202 Highway 60 West, Socorro, NM
Dr. Dan C. Trigg Memorial Hospital	301 E. Miel de Luna, Tucumcari, NM
Colfax General Long Term Care	Springer, NM

\*Not shown are the related facility-based clinics and physician practices

**Presbyterian Vendor Program**

<b>Risk Profile (1)</b>	<b>Fee (2)</b>	<b>Begin Date</b>	<b>Deadline Date</b>
Active High profile vendors	\$250 per year per company	11/8/2007	7/1/2008
Active Medium profile vendors	\$100 per year per company	11/8/2007	7/1/2008
Potential and Low Profile vendors	\$25 per year per company	11/8/2007	7/1/2008

(1) The risk profile is predetermined by Presbyterian Healthcare Services and not by the vendor

(2) The fee is per company and not per representative