

	Subject: Independent Contractor Services Policies and Procedures	
Issuing Department: Finance Subject Matter Consultation: Tax Department	File Under: _____ Section - _____	Original Procedure Date: July 21, 2014
Latest Revision Date:	Page 1 of 7	Approved By: 
		Gerald Bojsvert, Interim HHC Chief Financial Officer

Purpose:

The purpose of this policy is to identify individuals performing services for Hartford HealthCare and/or its member entities ("HHC") who should be properly characterized as independent contractors and to comply with regulatory requirements and HHC policy.

Scope:

This Policy shall apply to HHC.

Policy:

HHC will follow the guidelines and analysis set forth in this policy in evaluating independent contractor status in accordance with regulatory requirements for individuals performing services for HHC and its member entities. If individuals are not approved as independent contractors, a determination will be made as to whether they will be employed.

Individuals classified as independent contractors are not eligible for any employee benefits, are not covered by worker's compensation, malpractice or errors of omission insurance, and payment for services is not subject to income tax withholding.

Individuals who are currently employed by HHC may not also be retained as an independent contractor.

Procedure:

The Tax Department will be responsible for classifying an individual as an independent contractor. Human Resources will review and validate independent contractor determination before any work can be performed by any individual seeking independent contractor status.

Individual managers, supervisors or principal investigators are responsible for submitting the necessary paperwork (proposal and Independent Contractor Determination Form and applicable agreements such as intellectual property, Business Associate Agreement, confidentiality agreements etc.) to the Human Resources Department prior to any work being performed by the individual seeking independent contractor status.

After independent contractor status is approved by the Tax Department, the contractor will be required to undergo a background check as well as any other applicable pre-retention requirements.

The appropriate classification of a worker depends upon the extent of the organization's right to control and direct the individual's work, which includes the result as well as the means by which the result is accomplished. The length of time over which the result is accomplished, or the existence of a written contract classifying the individual as an Independent Contractor will not be determinative. In making a determination, the Tax Department will consider a number of factors including, but not limited to, the following:

- A. Whether the person is an expert advisor in a specialized field, who is engaged in the general independent business of offering and performing similar services for the general public (other organizations); whether the person has invested in facilities used to perform the services; whether indication of carrying on an independent trade exists;
- B. Whether the person possesses knowledge and special abilities not generally available within HHC;
- C. Whether the person will supervise or be supervised directly by HHC employees; whether the person will be instructed or trained by HHC employees; whether the services will be integrated into HHC operations; whether the person may be discharged for failure to follow instructions or may choose to end the relationship at any time;
- D. Whether the person will work on HHC premises, be assigned office space, work set hours, require administrative services provided by HHC or use equipment provided by HHC;
- E. Whether payment for services will be made on a project or daily basis, rather than on an hourly basis; whether the services are project-driven, generally provided on an intermittent basis as required, or over a short steady period of time; (with few exceptions, individuals providing services on a steady full-time, or part-time basis for an extended period, or for a period of indefinite duration are considered to be employees).
 - a. **Requesting Department.** The requesting department representative must initiate the completion of the Independent Contractor questionnaire and will forward the questionnaire and all required documentation to the Tax Department for review and approval (Attachment A).
 - b. The requesting department representative is responsible for obtaining any supporting documentation and attaching it to the Independent Contractor Questionnaire (i.e. w-9, proposal, etc.)
 - c. The requesting department must ensure that all documents (including a BAA agreement and consultant agreement) are completed and signed after the Tax Department has approved independent contractor status. A consultant agreement (a template of which can be found on the Legal Department SharePoint site) may not be entered into and signed unless the Tax Department has approved independent contractor status.
 - d. The requesting department shall not renew any independent contractor agreements without Tax Department approval.
 - e. The requesting department will complete part I of attachment B and forward both attachments B and the approved copy of attachment A to Human Resources for further processing.

Independent Contractor

- a. The independent contractor must complete and sign the Independent Contractor Questionnaire.
- b. The Independent Contractor will furnish HHC with all applicable contract information.
- c. The requesting department will outline for HHC the expectations for the assignment that the independent contractor will undertake.
- d. If work performed is for medical services, then licensing, insurance etc must be provided.
- e. If necessary, the requesting department will secure a confidentiality agreement provided by the HHC, and signed by the independent contractor.
- f. The independent contractor may not subcontract work without HHC written permission.

Human Resources/ Tax Department/ Supply Chain Management (SCM)

- a. The Tax Department will be responsible for classifying an individual as an Independent Contractor.
- b. Human Resources will review and validate independent contractor determination before any work can be performed by any individual seeking Independent Contractor status.
- c. The Human Resources & Tax Departments will provide ongoing education of those individuals involved in hiring Independent Contractors or in processing payments for such individuals.
- d. Human Resources will not approve attachment B without the signature of the appropriate manager, supervisor or principal investigator.
- e. Once all reviews, approvals and validations are completed, the requesting department Manager will be responsible for sending a copy of all documentation to the SCM manager. SCM will conduct an exclusion screening in accordance with the *HHC Government Exclusion form Participation Policy*. The SCM manager will be responsible for uploading all information into the hospital's contract management system (Meditract).
- f. Background checks and any other applicable pre-retention requirements will be conducted by Human Resources, Occupational Health Services, and/or other applicable departments.

Definitions:

For the purposes of this Policy on Independent Contractor Services, the following definitions shall apply:

Member Entity: An organization that is a corporate member of the Hartford HealthCare Corporation.

HHC: Hartford HealthCare Corporation and any and all Member Entity and Joint ventures in which Hartford HealthCare or Member Entity have a majority interest.

Related Policy:

HHC Government Exclusion from Participation Policy

Attachment A

**HARTFORD HEALTHCARE CORPORATION (HHC)
INDEPENDENT CONTRACTOR QUESTIONNAIRE**

VENDOR # _____

To be completed by prospective independent contractor (i.e., the individual providing a service)

To assist in determining the appropriate classifications please check the appropriate response for each of the following questions. If you are unable to answer any questions, please comment below:

I. **Vendor Name** _____

2. Will HHC Entity have the right to direct or control where to purchase supplies and services?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3. Are you currently, or were you in the past, employed by HHC	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4. Will you bear the risk of making a profit or losing money under the proposed arrangement?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5. Have you invested in facilities (such as an office and equipment) in order to perform the services?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
6. Do you make your services available to general public on a regular basis? (E.g. Do you advertise your services?).	Yes <input type="checkbox"/>	No <input type="checkbox"/>
7. Is the work to be performed part of HHC entity's regular business activity?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
8. Do you have a business license or professional designation? (e.g., CPA, Attorney, Ph.D., certified teacher, etc.) If yes, please provide license number or type of professional designation:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
9. Will HHC entity pay for all business expenses?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
10. Do you pay your own employees? If yes, do you carry worker's compensation insurance? Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
11. Will HHC entity furnish or have the right to direct or control the tools or equipment that will be used?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
12. Will HHC provide training, supervision, or instruction on how (i.e., methods used) to complete this engagement?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
13. Will HHC entity have the right to direct or control the manner, hours, and location of the work that will be performed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
14. Will HHC entity have the right to direct or control what assistants to retain to help with the work that will be performed?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
15. Will HHC entity pay you by the hour, week or month rather than by the job?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
16. Do you have your own insurance coverage (e.g., umbrella liability, other liability)? List insurance type:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
17. Are you employed full time by another organization? If so, list:	Yes <input type="checkbox"/>	No <input type="checkbox"/>
18. Will the relationship be long-term, continuous, and/or open-ended?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
19. Will HHC entity provide any employee benefits?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
20. Are you able to perform more than de minimis services for businesses unrelated to HHC entity?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

21. Describe the services to be provided: _____

22. Total dollar amount to be paid for services including estimated reimbursable expenses (if applicable): _____

Specify type(s) of reimbursable expenses (if any) _____

23. Term of service (including specific dates of service, if known) _____

24. Date(s) reports (if any) are due: _____

Attachment A Cont'd

PART II -- To be read and signed by individual providing the service -- SIGNATURE REQUIRED FOR PAYMENT

By signature below, I warrant and affirm that the information provided herein is true, complete and correct. I agree to personally, indemnify and hold HHC and/or its member entity harmless from any claim, damages or liabilities resulting directly or indirectly from reliance thereon. I understand that, should I be engaged as an independent contractor, I would be responsible for any taxes resulting from this engagement and would not be provided any employee benefits. **I understand that I shall NOT begin work until I have received a signed copy of this form from HHC and have entered into a Consulting Agreement with HHC.** Failure to enter into a Consulting Agreement will result in nonpayment for services.

Name (print) _____ Title _____

Signature _____ Date: _____

Return this signed form to the HHC department/unit that seeks to engage you to perform services.

**PART III -- SIGNATURE REQUIRED FOR PAYMENT
THIS PART TO BE COMPLETED BY THE HHC TAX DEPARTMENT:**

I have reviewed the information provided on this form, and any provided and attached supplemental information, and contacted the department/unit representative for additional information as I deemed necessary. Based upon my review and/or my conversations with _____, I have concluded that the:

(Department Representative Name & Title)

Individual named in Part I _____ qualifies as an independent contractor
_____ does not qualify as an independent contractor

Authorized Tax Department Representative _____
(Sign Name)

Attachment B

**Hartford HealthCare Corporation (HHC)
Independent Contractor/Employee Authorization Form**

I. This form is to be completed and approved before the purchase of any service provided by an individual or outside vendor other than a generally recognized consulting firm or temporary employment agency.

Vendor number _____ (if previously existing)

Name of Individual Providing Service: _____

Type of Service Provided (Please be specific): _____

Address: _____
Street Address City State Zip

Taxpayer ID Number SS# ____ - ____ - ____ or EIN ____ - _____

Vendor to complete and sign a W-9 Form.

Legal form of business (circle one): Individual / Partnership / Corporation / Other = _____

Requesting Manager _____

Requesting Department Name _____

Requesting Department # _____

Requesting Business Unit Name _____

Telephone # _____

Department Contact _____ Phone _____

_____ Director (print)

_____ Director (Signature)

_____ Date Submitted

HR Use Only:

II Review of this request indicates that the individual is appropriately classified as:

1. ____ An independent contractor based on Attachment A

Additional Comments _____

Authorization granted for payments during the period _____ to _____ (not to exceed one year)

2. ____ An employee. Department notified and referred to _____ in Human Resources for assistance.

3. Authorized Human Resources Department Signature: _____

Date: _____