

SUBJECT Contract Management		CHAPTER 01	SECTION 06	SUBJECT 03
CHAPTER Administration		SECTION Provider Network		
WRITTEN BY Lisa K. Morse		REVIEWED BY Jamie Bishop		AUTHORIZED BY PIHP Board

I. APPLICATION:

- PIHP Board CMH Providers SUD Providers
 PIHP Staff CMH Subcontractors

II. POLICY STATEMENT:

It shall be the policy of Region 10 PIHP to maintain a system of contract management in accordance with applicable federal, state, and local laws and the MDHHS.

III. DEFINITIONS:

- A. Administrative Contract Manager: Refers to the assigned administrative staff that is responsible to coordinate the overall contract process. (This includes developing new contracts, processing contract renewals and amendments, overseeing contract compliance, managing the contract files, etc.) This will be the PIHP Chief Executive Officer or designee.
- B. Contract Amendment: An authorized change to an already established contract that may include/involve change in service provision and budget provision that will require negotiation-offer/acceptance.
- C. Contract Team: This includes but is not limited to Administrative Contract Manager, Chief Financial Officer, Chief Information Officer, and Quality Improvement Staff.
- D. Contractual Agreements: A written agreement between two (2) or more parties establishing the parties' responsibilities, duties and obligations that is enforceable by law. This may include: contracts, service agreements, letters of understanding and grant projects.
- E. Provider: For the purposes of this policy "Provider" generally means a provider of Mental Health or Substance Use Disorder services, however it can also be a "Vendor Provider" e.g. software, telephone system, etc.
- F. Quality Improvement Staff: Refers to the individual responsible for developing contract performance indicators, monitoring and reporting quarterly/annual the provider's performance on the indicators. Review Contract Provider's Annual Quality Improvement Plan and Annual QI Summary Plan from the previous year.
- G. Routine Renewal: An authorized continuation of an expiring contract with no significant change or only minor changes to the previous provisions.

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IV. STANDARDS:

- A. Unless otherwise indicated by the Board, all of the following contracts must go to the Board for approval:
1. All new contracts with a budget of \$100,000 or more,
 2. Any renewed contract with a budget change of \$100,000 or more, or significant program changes,
 3. Any amendment with a budget change of \$100,000 or more, or significant program changes.
- B. Any contracts with prior low or insufficient performance issues must be presented and approved by the Board when requested.
- C. Unless otherwise indicated by the Board, the following may be approved by the PIHP Chief Executive Officer; or in the Chief Executive Officer's absence, designee:
1. New contracts with a budget of less than \$100,000.
 2. Renewed contracts or contract amendments with a budget change of less than \$100,000, or non-significant program changes.
 3. Employment contracts.
- D. All contract correspondence must be copied to the contract file and Administrative Contract Manager if the correspondence is not from the Administrative Contract Manager.
- E. A summary of service contract management activity with a budget of \$5,000 or more detailing vendor, contract name/type and actual expenditure will be presented to the Board annually, if requested.
- F. Through the contract process, the PIHP may delegate managed care functions to a provider once capacity to perform has been assessed and when the function is monitored. Specifics related to delegated functions are outlined in the contract language and monitoring tool.
- G. All contract files will be reviewed annually to assure all contract materials and information is submitted as requested.
- H. Audit Review or Site Visits will be completed at least annually on any delegated functions for review of the Contract Compliance Monitoring Form with the Provider.
- I. The Board has authorized the Chief Executive Officer to sign amendments on behalf of the Board that are of a routine or one-time nature or those involving less than \$100,000.
- J. Requests for amendments can be generated from either party.

V. PROCEDURES: N/A

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VI. EXHIBITS: N/A