

**NORTHERN MICHIGAN REGIONAL ENTITY
ADMINISTRATIVE MANUAL**

PROCEDURE NAME: DELEGATION OF MANAGED CARE FUNCTIONS PROCEDURE
CHAPTER: FIVE – PROVIDER NETWORK & CONTRACT MANAGEMENT
PROCEDURE #: 05-02-003
EFFECTIVE DATE: March 26, 2014

PURPOSE

The Northern Michigan Regional Entity (NMRE) is committed to effectively managing the Medicaid resource for mental health, intellectual/developmental disabilities, and substance use disorder services. Effective management indicates that certain managed care functions, particularly those involving local community presence and control, should be delegated to Community Mental Health Services Programs (CMHSPs). This procedure governs the delegation and oversight of the local management of the provider network.

APPLICATION

All managed care functions specifically delegated by the NMRE, via written contract to a member CMHSP.

PROCEDURE

A) Establishment of Expectations, Criteria, and Evaluation Methods

- 1) Specification of Functions
Appropriate NMRE staff will define the specific function to be delegated and identify relevant statute or regulation.
- 2) Criteria and Evaluation Process
Appropriate criteria and evaluation process will be defined by the NMRE as applicable to the Balanced Budget Act (BBA) and the MDCH/PIHP Medicaid Managed Specialty Supports and Services Contract, and the current Medicaid Manual.
 - a) The criteria and process for evaluation will be reviewed by the NMRE Quality Oversight Committee (QOC).
 - b) The criteria and process for evaluation will be shared with the NMRE Operations Committee.
 - c) The NMRE Quality Manager (or staff assigned by the NMRE Chief Executive Officer) will conduct the evaluation of the delegated function.

B) Pre-Assessment

- 1) Prior to delegating the identified function to a CMHSP, the NMRE will conduct an assessment of the CMHSP's ability to perform the tasks as specified in A(1) above.
- 2) The pre-assessment will include:
 - a) Review of CMHSP policies and/or procedures relating to the function;
 - b) Review of personnel and /or clinical records relevant to the particular function;
 - c) Interviews with staff involved in the process; and
 - d) Other items as necessary.
- 3) The pre-assessment will result in a written evaluation of the CMHSP's compliance with established criteria, historical performance of the function to be delegated and identification of any corrective actions or improvements expected.

Development of Written Agreement

- 1) The delegation of a managed care function will require a written agreement between the NMRE and the CMHSP. The agreement will include, at a minimum:
 - a) Specific activities to be performed by the CMHSP;
 - b) Specific reporting requirements for the CMHSP;
 - c) Identification of specific performance criteria;
 - d) Any corrective actions specified in the pre-assessment;
 - e) Monitoring processes; and
 - f) Provision for corrective actions and/or sanctions, up to and including not granting the delegation.
- 2) The written agreement will be consistent with the requirements of the MDCH/PIHP Medicaid Managed Specialty Supports and Services Contract and all applicable Federal, State, and local statutes and regulations.
- 3) Dispute resolution will be consistent with the written agreement with the parties.

C) Routine Monitoring and Annual Review

- 1) The NMRE will review the CMHSP performance at least annually. The review will be consistent with the contractual expectations.
- 2) Each evaluation will result in a written report, which will include:
 - a) Established standards and expectations;
 - b) Findings of the evaluations;
 - c) Trend analysis, as appropriate; and
 - d) Specific reference to any previously noted deficiencies or corrective actions.
- 3) Findings of partial or non-compliance will result in corrective action plans.
- 4) Repeat citations will result in corrective actions, including potential sanctions and/or revocation of the delegation.
- 5) Written evaluations will be reviewed by the QOC, which will be responsible for monitoring corrective actions.
- 6) Summary evaluation data will be reported to the NMRE Board of Directors and the Operations Committee.

REFERENCE

REVISED:

REVIEWED: March 26, 2014

Signed copy is on file with NMRE

Dave Schneider
Northern Michigan Regional Entity Chief Executive Officer

Date