


## COMMUNITY MENTAL HEALTH AUTHORITY

ADMINISTRATIVE POLICY AND PROCEDURES MANUAL				
Chapter Program Quality	Section Provider Network Management	Chapter 05	Section 05	Subject 06
Subject Contractual Relationships and Delegation	Authorization  	Approved: 12/26/17 Replaces: None		

Reviewed/No Updates: January 2022; October 2022

- I. **PURPOSE:** To identify the relationships between contractors, sub-contractors, and Community Mental Health Authority (CMHA) and to outline responsibilities for delegated functions.
  
- II. **APPLICATION:** Providers employed directly, contracted, or subcontracted by CMHA.
  
- III. **DEFINITIONS:**
  - A. **Delegate:** An entity under contract who performs functions on behalf of CMHA.
  - B. **Delegation:** The process by which an organization contracts with or otherwise arranges for another entity to perform functions and to assume responsibilities covered under these standards on behalf of the organization, while the organization retains final authority to provider oversight to the delegate.
  - C. **Delegation Agreement:** A document that outlines the agreement of delegated functions that includes, at minimum: the activities and report responsibilities that are delegated, responsibilities retained by CMHA, required performance expectations, the process used by CMHA to evaluate the delegate's performance, and provides for revoking delegation or imposing other sanctions if performance is inadequate.
  
- IV. **POLICY:** CMHA oversees and is accountable for any managed care functions and responsibilities that it delegates to any contractor. CMHA is accountable for eligible beneficiaries in its service area, regardless of the functions it has delegated to network providers.
  
- V. **PROCEDURE:**
  - A. Areas where some or all of the functions may be delegated are:
    1. Credentialing
    2. Customer Services
    3. Grievances and Appeals
    4. Provider Network Management
    5. Quality Improvement
    6. Utilization Management
  
  - B. Requirements of all Delegates include, but are not limited to:
    1. Must notify CMHA of any material change in the contractor's ability to perform delegated functions.
    2. Must adhere to the same standards and criteria as CMHA through a Delegation Agreement.

3. Must have adequate staffing and capabilities to perform and manage delegated functions.
4. Must have an adequate level of experience and success in performing delegated functions.
5. Must have a quality improvement program that continuously measures and improves the delivery of care.

**C. Pre-Delegation Assessment**

1. Prior to any delegation decision is made, CMHA will evaluate the prospective contractor's ability to perform the activities to be delegated. The review will consist of a policy and procedure review in addition to evaluating their capacity to perform the delegated function.
2. CMHA will review results of the pre-delegation evaluation and make a recommendation regarding the evaluation. The recommendation will be forwarded to CMHA's Chief Executive Officer (CEO) or designee for final decision.
3. A written Delegation Agreement will be part of the contract between CMHA and the contractor.

**D. Monitoring of Delegation**

1. CMHA will monitor the contractor's performance on an annual basis ensuring compliance with standards established by Federal, State, and regional regulations and applicable accreditation standards.
2. If deficiencies or areas for improvement are identified, corrective action will be required.
3. In the event that there is a failure to resolve the contractor's performance, CMHA will remove the delegation and assure the function's adequate coverage and performance elsewhere.

**VI. REFERENCES AND LEGAL AUTHORITY:** Balanced Budget Act, 1997, §438.230; PIHP/MDHHS Medicaid Managed Specialty Supports and Services Contract; URAC Standards Core 6 – 9; NorthCare Network Sanctions Policy; NorthCare Network Provider Oversight, Monitoring and Evaluation Policy; Northcare Network Contractual Relationships & Delegation Policy

**VII. EXHIBITS:** None