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**	

Updated: October 2024; Reviewed/No Update: October 2025

I. PURPOSE: To identify the relationships between contractors, sub-contractors, and Gogebic Community Mental Health Authority (GCMHA) and to outline responsibilities for delegated functions.

II. APPLICATION: Providers employed directly, contracted, or subcontracted by GCMHA.

III. DEFINITIONS:

A. Delegate: An entity under contract who performs functions on behalf of GCMHA.

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 provide 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 GCMHA, required performance expectations, the process used by GCMHA to evaluate the delegate's performance, and provides for revoking delegation or imposing other sanctions if performance is inadequate.

IV. POLICY: GCMHA oversees and is accountable for any managed care functions and responsibilities that it delegates to any contractor. GCMHA 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 GCMHA of any material change in the contractor's ability to perform delegated functions.

2. Must adhere to the same standards and criteria as GCMHA 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, GCMHA 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. GCMHA will review results of the pre-delegation evaluation and make a recommendation regarding the evaluation. The recommendation will be forwarded to GCMHA's Chief Executive Officer (CEO) or designee for final decision.
3. A written Delegation Agreement will be part of the contract between GCMHA and the contractor.

D. Monitoring of Delegation

1. GCMHA 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, GCMHA 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