

## HEALTHWEST

### Policy and Procedure

No. 10-003

Prepared by:

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Approved by:

Subject: Contracting with New Service  
Providers, Compliance, and Site  
Reviews

DocuSigned by:



Rich Francesco, Executive Director

#### I. POLICY

HealthWest will ensure there is a process in place for contracting with new providers of necessary/required services. These service providers may be in-network or out-of-network as necessary to meet the required provision of services for HealthWest consumers. HealthWest staff will also ensure initial and ongoing compliance with standards of care.

#### II. PURPOSE

This policy will describe the process for contracting with new service providers for both in-network and out-of-network, as HealthWest maintains an open panel for contracting agencies. HealthWest prefers to contract with accredited agencies. Contracts for services with non-accredited or single entities will be considered only if they are able to meet established eligibility criteria, or if services are of a highly specialized nature for which there is a limited provider pool listed in the application.

#### II. APPLICATION

Applies to Contracted Vendors/Providers of mental health services and substance abuse services for adults or children with mental illness, developmental disabilities and/or substance abuse. Also applies to all HealthWest staff and services for its consumers.

#### III. DEFINITIONS

**Completed Network Application:** Documents sent out and collected by the Lakeshore Regional Entity (LRE) and/or HealthWest Contract Staff comprise the **Provider Application Packet**. It is reviewed by the LRE and HealthWest Contract Staff to ensure it contains all required and completed documents.

**Designated Reviewer:** The HealthWest Contract Staff and/or the LRE Credentialing Staff assigned to the Provider or their designee.

**Open Panel:** Accepting new contract providers as needed/requested by HealthWest consumers and/or internal HealthWest staff as an agency of choice. Providers may contract with HealthWest at any time if they meet the requirements of the Standard Common Contract for the Lakeshore Regional Entity (LRE) of Region 3 in the State of Michigan.

A panel may be closed to new providers if accessibility to the requested service(s) is less than eighty-five percent (85%) capacity. When capacity for a service has been reached, a Request For Proposal (RFP) or a Request For Information (RFI) for any qualified new providers may be posted through the County of Muskegon Procurement Department to expand the capacity of the specific service(s) needed.

#### IV. PROCEDURES

##### A. New Provider is identified.

1. Agency contacts HealthWest to request a contract be initiated, or a HealthWest staff person identifies the need for a new Provider of Service(s). The Requestor of the new or expanded requested service(s) will complete a HealthWest Request for New Service Provider Form (#\_\_\_\_) and have it signed by their Program Supervisor.
2. The Program Supervisor will forward this Request Form to the Manager of Procurement and Provider Network who will schedule a meeting of appropriate leadership team members to review the request. Following their discussion and group approval to move forward with procurement, the request must be approved via signatures by the Manager of Procurement and Provider Network, the Chief Financial Officer, and the Executive Director. A Board Motion is submitted to the HealthWest Board of Directors for approval to go forward with the procurement process. A HealthWest Contract Staff will be assigned to execute a contract following the procedures outlined in this Policy/Procedure.
3. There will be times when an urgent/emergent placement of a consumer is required either same day or within a few days. For those occasions, there may not be time to complete the paperwork necessary to present a motion to the Board of Directors and complete the credentialing processes within the short time frame. Staff will contact all known providers to see if any provider is willing and appropriately trained to take our consumer immediately; this would be considered a sole source procured provider. HealthWest Staff will review documentation that the Provider's staff is trained to manage the special needs of the specific consumer and a site review visit must occur prior to the placement.

For those emergent/urgent placement situations, it will be necessary to have the Provider sign a Single Case Agreement for up to forty-five (45) days at which time the HW Contract Staff will have presented a board motion, have the LRE credential the Provider (if not already in our system), and have a signed contract with the provider completed. If there are extenuating circumstances, a continuation Single Case Agreement may be necessary.

Should this Provider not be willing to continue the placement beyond the forty-five (45)-days, a thirty (30)-day notice is required from the Provider to HealthWest

Staff. HealthWest Staff will need to seek another appropriate placement right away.

- B. Following the procurement process for new Provider(s) selection, the assigned HealthWest Contract Staff will check within the LRE Credentialing SharePoint system for information on the selected Provider(s) already received by another CMHSP in the region. If present in the LRE SharePoint system, the documentation will be downloaded into the Provider file in the Current Contracts section of the Contracts Department. Any other additional information from the Provider as applicable shall be requested, including HealthWest specific forms. If the Provider is not located in the LRE SharePoint, the HealthWest Contract Staff verifies the Provider is not pending with the LRE Credentialing Committee by contacting the LRE Credentialing Staff.

C. Application

1. All New Providers are required to complete a LRE Provider Application Packet prior to the issuing of a contract unless there is a current one already on file with the LRE.
2. LRE Credentialing will send out the Application Packet for all agency providers and complete their credentialing process. For Licensed Independent Practitioners (LIP), the HealthWest Contract Staff will send out the Provider Application Packet with instructions to return to HealthWest. LRE Credentialing Staff will be sent a copy of the LIP's credentialing packet for their records in case another Region 3 CMHSP is interested in the same provider service(s).
3. All Provider Applications for contracted services will be surveyed for compliance through a site review completed by the Lakeshore Regional Entity if within Region 3 or by a HealthWest Contract Staff if out of Region 3. Another alternative is to contact the Provider's "home" CMHSP for a copy of their Provider site review and any other information they may wish to share regarding the Provider.

D. Preparation for Monitoring Process

1. Contract Staff will forward the Application Packet to the LRE Credentialing Staff and will complete a review of the Packet submitted by the Provider.
2. Upon receipt of the Provider Application Packet, the Contract Staff will verify the packet is complete, and follow-up with the Provider to acquire missing content and proof documents.
3. Contract Staff will correct or add to the Application Packet any information sent or otherwise verified by the Provider. Information acquired by telephone will not be acceptable verification for license, insurance, accreditation, financial solvency, conflict of interest, and/or rate for service.
4. When the Provider Application Packet is complete, the LRE will initiate a site review or obtain a review from another CMHSP who is already contracting with the Provider.

5. Designated Credentialing Reviewer (LRE Staff or HW Staff) will document all full compliance categories. All non-compliance or partial compliance must be documented on the Site Review Forms with sufficient information to permit follow-up. Only when the Provider is in full compliance with HealthWest and LRE standards will a contract be issued to the Provider.
6. Once the Provider is in full compliance, the Site Review Forms will be filed in the Compliance Review section of the Provider's HealthWest contract file and/or stored on SharePoint.
7. Requests for Plans of Correction must be written by the Designated Reviewer, and copies sent to the LRE/Contract Staff to be filed in SharePoint/contract file. The Provider responses must also be filed in SharePoint/contract file.
8. LRE Designated Reviewer and/or HealthWest Contract Staff will monitor all corrective action plans and conduct follow-up site reviews as necessary to assure full compliance; copies of all reports will be forwarded to the LRE/HealthWest Contract Staff upon completion.
9. LRE Designated Reviewer and/or HealthWest Contract Staff must verify and document all corrective actions.

#### V. REVIEW PROCESS

- A. Accreditation (Copy of Accreditation Letter/Certificate Must be Included in Returned Packet)
  1. HealthWest Contract Staff must review all accreditation documents. If accredited without a plan of correction, Contract Staff will document the date he/she has verified full compliance on the Provider Application Review Form.
  2. If the Provider is non-accredited, Contract Staff will document N/A on the Provider Application Review Form.
  3. If the Provider is required to complete corrective actions by the accrediting body, Contract Staff will document such and the need for follow-up on the Provider Application Review Form.
- B. Conflict of Interest (Conflict of Interest Compliance Certificate Form completed and signed)
  1. Upon review, if a conflict of interest is not identified or is identified but corrective actions are sufficient to remediate the conflict, HealthWest Contract Staff will document full compliance (Provider Application Review Form). Contract Staff may seek Corporate Counsel opinion.
  2. If a conflict of interest is identified, Contract Staff must submit a copy of the forms to the Executive Director. Executive Director/designee will schedule Corporate Counsel review and assure Corporate Counsel recommendations are implemented and documented.

Executive Director will notify the Contract Staff when full compliance can be documented.

C. Insurance (Insurance Requirement Form)

1. If the type, amount, and coverage dates of insurance meet Agency requirements, HealthWest Contract Staff will contact the Provider for the appropriate Insurance certificate. Coverage dates meet compliance if they cover the first day of the contract. A separate monitoring process is in place to identify coverage which expires during the contract year.
2. If type, amount, or coverage date(s) do not comply with Agency requirements, Contract Staff must initiate and document immediate follow-up with the Provider until full compliance can be documented and the contract initiated.

D. Financial Solvency (Contractor Fiscal Certification Form, W-9 Form, and Audits completed and signed)

1. The most current financial forms/audit reports will be forwarded to the HealthWest Chief Financial Officer for review and approval once received by the Contract Staff.
2. Financial forms/audit reports approved by the HealthWest Chief Financial Officer will be noted and documented as "in compliance". Formal audits returned by the Chief Financial Officer with questions or recommendations will be considered non-compliant and will be followed-up by the HealthWest Contract Staff until full compliance in this area can be verified and the contract initiated.

E. Disclosure of Ownership and Controlling Interest Statement (Completed and signed)

This form must be completed in its entirety for any individual in the Provider's organization with an ownership or controlling interest, including anyone with direct or indirect ownership of 5% or more, board members, or any managing employee such as general managers, business managers, administrators, and directors. This form is requested for new contracts, renewals, and when a provider has changes. LRE is the holder of this completed form.

F. Provider Facility or Other License (Copies of all Licenses, Registrations, etc., included.)

HealthWest Contract Staff will source-verify that the date of the license(s) cover(s) from the beginning contract date and will verify absence of sanctions or corrective action requirements. Licenses which expire during the contract year will be monitored by a separate monitoring process.

G. Policies and Procedures and Guidelines

Each policy must be separately monitored, including each Environment of Care policy.

1. All required HealthWest policies formally adopted by the Provider will be reported as in full compliance only when the Contract Staff and/or LRE staff has verified through the site review process that the Provider has evidence of procedures or processes in place for the policies.

2. HealthWest Contract Staff will request or review on-site the non-HealthWest policies which are included in the Provider Application Packet. The policies will be forwarded to the appropriate HealthWest staff member for formal approval or recommendations (e.g., Quality Improvement policy will be sent to HealthWest Quality Improvement Supervisor/Manager for review.) Contract Staff is responsible for tracking the flow of each document, follow-up, and documentation of any recommended changes, and final documentation of full compliance. (Attachment: Contract Provider Policy/Procedure Review and Approval Form) LRE Designated Reviewer will also review all required policies at their on-site review.

H. Delegation of Administrative Functions (See Form in Contract Packet

Provisions of the Balanced Budget Act (BBA) of 1997 allow for delegation of administrative functions through contracts between the PIHP and HealthWest, and HealthWest and Providers. For the purpose of HealthWest Provider contracts, HealthWest will not delegate Administrative Functions.

I. New Hire Employee Verification Form (For Substance Use Disorder (SUD) Treatment Staff Only)

Every SUD treatment staff member of the New Contracted Provider providing direct service must complete this form and ensure the staff's Supervisor and Program Director sign at the bottom of the last page. All forms must be returned with the LRE Application packet.

J. Staff Credentialing, Competency and Training (See Form)

1. Designated Reviewer (LRE Staff and/or HealthWest Contract Staff) will review the Provider's Credentialing and Re-credentialing policies and procedures to assure compliance with HealthWest Policy No. 10-004 and MDHHS Credentialing and Re-credentialing Processes. Accredited Providers are responsible for credentialing and re-credentialing their employees and subcontractors as part of the requirements for being accredited. HealthWest will credential and re-credential its contracted Licensed Independent Practitioners practicing independently or employed by a non-accredited agency. Designated Reviewer must verify each item in the Credentialing, Competency, and Training Section of the Site Review Form for all Providers.
2. For specialized residential services, Designated Reviewer must verify staff training in the Group Home Core Curriculum.
3. For any provider of clinical services to children and adolescents, Designated Reviewer must verify the annual documentation of twenty-four (24)-hours professional development training specific to children's issues.
4. For any site reported as having specialty medical equipment, Designated Reviewer must verify evidence of equipment-specific training by a qualified trainer and maintenance of that equipment by the manufacturer or other qualified maintenance provider.

5. Designated Reviewer must document any deficits on the Site Review Form.

6. Designated Reviewer will monitor until full compliance is achieved.

K. Background Check Authorization (Complete and sign form)

LRE staff or HealthWest Contract Staff will review the form for completion and have the background check completed by the HealthWest Human Resources Department or the LRE. These checks must be completed prior to Contract Providers working individually with HealthWest consumers.

L. Attestation Questions (Must be completed as part of the LRE Credentialing Packet)

This form is included in the LRE Credentialing packet and must be completed prior to a contract being issued to the Provider.

M. HCBS New Residential or Non-Residential Provider Survey (Must be completed and returned with the LRE Credentialing Packet)

The purpose of the provisional approval survey is to ensure that the settings in which new providers wish to provide Home and Community Based Services are not institutional or isolated in nature. LRE Staff must ensure all new providers complete this initial survey, and the LRE Staff will review and determine provisional approval.

N. Training Requirements for New and Ongoing Service Providers (See Attachment I list)

The training requirements are set up by services to be provided. Based upon the New Provider's services, there is a list for each service on the Training Requirements Form, Attachment I.

O. Compliance Tracking

1. Designated Reviewer will notify the Provider in writing of the results of the site review, noting that the Provider was found either in full compliance or out of compliance, and copy the report to the LRE and HealthWest Contract Staff.

2. If the Provider is found to be out of compliance, a letter of notification will require them to submit a Plan of Correction for approval within thirty days (30) of receipt of the letter identifying how the deficit(s) will be brought into compliance along with a target date when compliance will be achieved.

3. HealthWest Contract Staff will review the Plan of Correction once it is received from the LRE Designated Reviewer and assist the Provider with any corrections which fall under the CMHSP category for correction.

P. Latitude 43 (PCE) Account Access (Forms to be completed at Orientation of New Provider)

New Providers must choose the appropriate link below for their organization to request access to HealthWest's Electronic Health Record (EHR) system. Access will allow the

New Provider to view their consumers' clinical documentation, enter claims, and bill for rendering providers.

1. Behavioral Health Contracts-Provider Access Form

BH Provider EHR User Account Form  
SUD New Hire Employee Verification Form

2. Substance Use Disorder Contracts-Provider Access and Credentialing Forms

SUD Provider EHR User Account Form  
SUD Providers Requiring ASAM Continuum Training- Online Course Required for SUD Clinical Staff that will be completing assessments.

VI. ATTACHMENTS

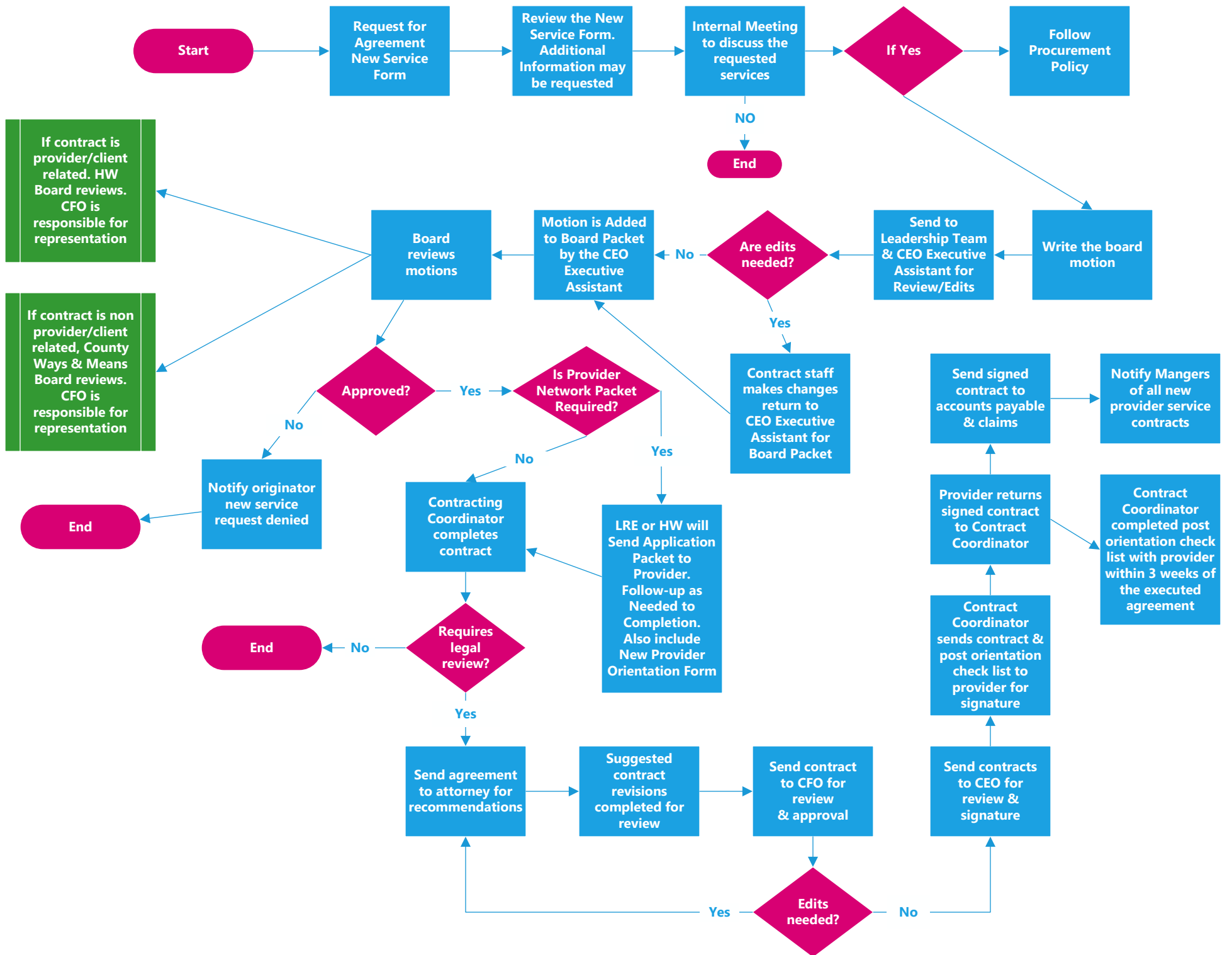
Provider Application Review Form (#\_\_)  
Action Transmittal Form (A098)  
HealthWest Request for New Service Provider Form (#\_\_)  
Contract Provider Policy/Procedure Review and Approval Form # \_\_\_\_\_  
LRE/HealthWest Site Review Form (Need this form)  
Background Check Authorization Form  
HCBS New Residential Provider Survey  
HCBS Non-Residential Provider Survey  
Training Requirements for Providers: Attachment I  
Conflict of Interest Form  
Insurance Requirements Form  
Contractor Fiscal Certification Form  
W-9--Request for Taxpayer Identification Number and Certification Form  
Disclosure of Ownership and Controlling Interest Statement Form  
New Hire Employee Verification Form (For Substance Use Disorder (SUD) Treatment Staff Only)

VII. REFERENCES

MDHHS/HealthWest Contract (Current)  
Lakeshore Regional Entity/HealthWest Contract (Current)  
Medicaid Provider Manual: Mental Health/Substance Abuse Section (Current Revision)  
CARF Behavioral Health Standards Manual (Current)

/jec (Revised 8/17/23)





## REQUEST FOR NEW PROVIDER SERVICES

### HealthWest

Please fill out the entire Request for New Provider Services form. An incomplete form may result in a delay.

**Request Date:** Click here to enter a date.

**Requestor Name:** Enter First and Last name.

**Date Needed (please allow up to 2 months until contract execution):**

Click here to enter a date.

**Contract Category:** Choose a contract type.

#### Type of Service(s)

- 1.
2. Choose an item.
3. Choose an item.

#### Population:

- MI Adult       MI Child  
 DD Adult       DD Child  
 SUD Adult       SUD Child

#### Additional Types of Service(s), if applicable:

If there are more than three types of services requested, please add additional types here.

#### Rational for Service (narrative for the board motion):

Please enter the rational for the services requested.

Potential Service Code(s)	Current CMH Rate	Estimated Rate for Service
Choose a service code.	Click here to enter rate.	Click here to enter rate.
Choose a service code.	Click here to enter rate.	Click here to enter rate.
Choose a service code.	Click here to enter rate.	Click here to enter rate.

#### Additional Service Code(s), if applicable:

If there are more than three potential service codes, please add additional codes here.

#### Budgeted Item?

Yes

No

#### Projected Utilization:

**e.g.** Is this short-term, long-term, one-time, or ongoing, etc? how many days or units? Or indicate how many consumers will be served. We are looking for some base information to calculate the annual projected expenditure.

#### Annual Financial Expenses (to determine procurement method):

- \$0 to \$9,999.00  
 \$10,000 to \$24,999.99  
 \$25,000 to \$149,999.99  
 \$150,000 or more

#### Funding Source:

**Service Location:** Choose location where the service will be provided.

**Identified Service Provider/Vendor:** Enter name of Identified Service Provider.

**Provider/Vendor Contact:** Enter name of contact person for the provider/vendor.

## REQUEST FOR NEW PROVIDER SERVICES HealthWest

**Please fill out the entire Request for New Provider Services form. An incomplete form may result in a delay.**

**Email:** [Click here to enter email.](#)

**Phone:** [Click here to enter phone number.](#)

**Systems Needed:**     Latitude 43

**Notes:**

Enter any additional notes (i.e. client information for single services).

**Program Supervisor Signature:**

[Print and Sign here.](#) \_\_\_\_\_

**Manager of Procurement and Provider Network Signature:**

[Print and Sign here.](#) \_\_\_\_\_

**Chief Financial Officer Signature:**

[Print and Sign here.](#) \_\_\_\_\_

**Executive Director Signature:**

[Print and Sign here.](#) \_\_\_\_\_

**REQUEST FOR NEW PROVIDER SERVICES**  
**HealthWest**

**Please fill out the entire Request for New Provider Services form. An incomplete form may result in a delay.**