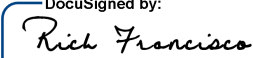




Policy/Procedure Title: Contracting with New Service Providers, Compliance, and Site Reviews	Policy and Procedure #: 10-003	<u>Review Dates</u>	
Category: Provider Network Subject: This policy describes the process for contracting with new service providers for both in- network and out-of-network, as 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.	Prepared by: Name: Jackie Farrar Title: Provider Network Manager Approved by: DocuSigned by:  Rich Francisco, Executive Director	07/30/2025	
	Effective Date: 10/1/2005	Last Revised Date: 04/24/2026	

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. APPLICATION

Applies to Contracted Vendors/Providers of mental health services and substance use disorder services for adults or children with mental illness, developmental disabilities and/or substance use disorder. 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 based on agency needs and consumer choice. Providers may request to 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, complete the Pre-Contracting Assessment tool with responses that meet a satisfactory threshold as determined by HealthWest, and undergo review and approval by the Network Adequacy Committee. HealthWest will provide written notification

of the committee's decision. HealthWest may limit provider expansion in cases where the network is deemed sufficient or if quality assurances, oversight, or financial considerations may be impacted.

A panel may be closed to new providers if accessibility to the requested service(s) exceeds eighty-five percent (85%) capacity. When capacity is 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. PROCEDURE

A. New Provider or Service is identified.

1. Agency contacts HealthWest to request a contract be initiated.
2. The potential provider will be required to complete the Pre-Contracting Assessment Tool provided via email to the requester. Once completed, it will be reviewed and discussed internally at the Network Adequacy meeting to determine next steps.
3. If approved, a Board Motion will be submitted to the HealthWest Board of Directors. A HealthWest Contract Staff will be assigned to execute a contract following this Policy/Procedure.
4. There will be times when an urgent/emergent placement of a consumer is required either on the 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 available documentation to confirm the provider's ability to meet the specific needs of the consumer. When available, consideration may also be given to prior placements, information shared by other CMHSPs, and the provider's established reputation. A site review will be completed as appropriate, taking into consideration the urgency and specific circumstances of the placement. (Home and Community Based Final Rule Requirements must still be followed in urgent placement considerations)

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.

5. Adding Service(s) to an existing Contract
HealthWest staff identifies the need to add a new service(s) to an active agreement. The Requestor of the new or expanded requested service(s) will complete a

HealthWest Request for Services Form in Laserfiche. This form will be signed by the requester's supervisor, Manager of Procurement/Provider Network, Chief Financial Officer, and Executive Director.

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. HealthWest will notify the LRE Credentialing Department of intent to contract with a new provider.
2. The LRE will initiate credentialing and approval process. For Licensed Independent Practitioners (LIP), the HealthWest Credentialing Department will initiate the application and approval process. LRE Credentialing Staff will be notified of new LIP contracting case another Region 3 CMHSP is interested in the same provider service(s).
3. All Provider Applications for contracted services will be added to the LRE site review list and 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. HealthWest will review out of region providers and may utilize alternative sources including obtaining provider site review from home PIHP or fellow CMHSP when available. If needed, site reviews will be conducted virtually or in person by HealthWest staff.

D. Pre Contract Compliance Verification and On-going Monitoring

1. Contract Staff will work with the LRE and provider to correct or add to the credentialing profile, any information sent or otherwise verified by the Provider that is required as part of the credentialing process Information acquired by telephone will not be acceptable verification for license, insurance, accreditation, financial solvency, conflict of interest, and/or rate for service.
2. When the application is complete, the LRE will initiate a site review or obtain a review from another CMHSP who is already contracting with the Provider.
3. Designated Credentialing Reviewer (LRE Staff or HW Staff) will assure full compliance. All non-compliance or partial compliance must be documented on the Site Review Forms with sufficient information to permit follow-up. The LRE will provide an approval letter so that contract may be issued to the Provider.
4. The Site Review Forms will be filed in the Compliance Review section of the Provider's HealthWest contract file and/or stored on the LRE SharePoint.

5. If a Plan of Correction is required for ongoing monitoring, it must be written by the Designated Reviewer, and if completed by HealthWest, copy will be provided to the LRE.
6. LRE Designated Reviewer and/or HealthWest Contract Staff must verify and document all corrective actions.
7. Re-credentialing occurs every three years by the LRE. Periodic monitoring through desk audits and on-site reviews occur by both LRE and HealthWest through various audit mechanisms.

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 and file.
2. If the Provider is non-accredited, this will be noted in the CRM during Accreditation recertification and compliance monitoring on-going

B. Conflict of Interest (Conflict of Interest Compliance Certificate Form completed and signed)

1. Upon review, if a conflict of interest is not identified, this will be noted on the signed conflict of interest form.
2. If a conflict of interest is identified, Executive Director/designee will review conflict of interest circumstances and assure Corporate Counsel recommendations are implemented and documented if needed.

C. Insurance (Insurance Requirement Form)

1. HealthWest will ensure Provider submits proof of required applicable insurance policies.

D. Financials

1. HealthWest contract staff will ensure applicable financial forms are sent to the Finance Department for review and approval.

As part of on-going financial monitoring, submitted audits will be reviewed by Chief Financial Officer

E. Disclosure of Ownership (DOO) 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 will obtain completed DOO forms and keep on file.

- F. Provider Facility or Other License (Copies of all Licenses, Registrations, etc., included.)
- HealthWest Contract Staff will ensure that licenses are active and in compliance. Provider will submit license renewals.
- G. Policies and Procedures and Guidelines
1. Providers will develop policies and procedures per the requirements of the Provider Service Agreement and licensing regulations including but not limited to those required in the Environment of Care Policy (#10-009). In addition, providers are responsible to follow all applicable HealthWest policies.
- H. Delegation of Administrative Functions
- 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.
- J. Staff Credentialing, Competency and Training
1. Providers are responsible for following state requirements regarding credentialing and recredentialing for their employees and sub-contractors. . HealthWest will credential and re-credential its contracted Licensed Independent Practitioners practicing independently or employed by a non-accredited agency.
 2. For any site reported as having specialty medical equipment, Designated Department must verify evidence of equipment-specific training by a qualified trainer and maintenance of that equipment by the manufacturer or other qualified maintenance provider.
- K. Background Check Authorization
- Appropriate Department will ensure that background checks for LIPs are completed as required by state requirements. These checks must be completed prior to Contract Providers working individually with HealthWest consumers.
- L. Attestation Questions
- Provider will complete required attestations as part of the LRE credentialing process.
- M. HCBS Approval Process
- LRE HCBS Lead initiates HCBS reviews of applicable programs and provides provisional approval indicating the program is in compliance with the HCBS Final Rule. Contract may only be executed after this approval is provided.

This approval process also applies to any services that are added to an established contract that would require HCBS approval. (i.e. an addition of a new group home).

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

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 Exhibit or Attachments. Training compliance is monitored during regional and state audits as well as random HealthWest audits.

O. Compliance Tracking

1. Designated Reviewer will notify the Provider in writing of the results of the site review and/or audit, 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 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

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

[HealthWest Request for Services Form](#)

Precontracting Assessment Tool

Notification Letter

LRE/HealthWest Site Review Form

Background Check Authorization Form

Training Requirements for Providers

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)

Authors Initials JF/hb

RFS - REQUEST FOR SERVICES/CONTRACT CHANGES HealthWest

Please complete the entire RFS form. Incomplete submissions may delay processing.

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):

Contract Category: Choose a contract type.

Click here to enter a date.

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.

Rationale for Service (Board Motion Summary):

Include: why needed, gap in network, urgency, and why existing providers cannot meet the need, etc.

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.

RFS - REQUEST FOR SERVICES/CONTRACT CHANGES
HealthWest

Please complete the entire RFS form. Incomplete submissions may delay processing.

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.](#) _____

