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HealthWest
Muskegon's Behavioral Wellness Connection

| Policy/Procedure Title: Designated Collaborating Organization (DCO) | Policy and Procedure #: 10-016 | Review Dates | |
|---|---|---|---|
| **Category:** Provider Network<br><br>**Subject:** The purpose of this policy is to outline the provisions of the formal agreement, including designation of clinical and financial responsibilities, reporting requirements, and CCBHC oversight. | **Prepared by**:<br>Name: Jackie Farrar<br>Title: Provider Network Manager<br><br>**Approved by:**<br>DocuSigned by:<br>Rich Francisco<br>AA7FBD48ABB04A3...<br>Rich Francisco, Executive Director | 07/23/2025<br>04/02/2024 | |
| | **Effective Date:** 05/20/2022 | **Last Revised Date:** 10/13/2026 | |

I. POLICY

It is the policy of HealthWest, as a Certified Community Behavioral Health Clinic (CCBHC), to expand our service array and service access through formal relationships with Designated Collaborating Organizations (DCOs).

DCOs may be utilized to provide required and non-required CCBHC services; however, HealthWest retains full responsibility to ensure that all services provided through DCOs meet CCBHC certification standards for scope, quality, timeliness, and accessibility equivalent to services provided directly by HealthWest.

II. APPLICATION

Applies to all HealthWest contracted Designated Collaborating Organizations (DCOs).

III. SCOPE OF SERVICES

A. DCO is an entity that is not under the direct supervision of the CCBHC (HealthWest) but is engaged in a formal relationship through the execution of a signed DCO agreement.

B. DCO will operate under all the same requirements of the CCBHC and will be appropriately credentialed as an organization. Persons receiving HealthWest services from DCO personnel under the contract are HealthWest recipients.

C. DCOs providing required CCBHC services must deliver those services in a manner consistent with all CCBHC standards, including scope, timeliness, quality, and availability, equivalent to services provided directly by HealthWest.

D. DCOs must meet CCBHC access and availability standards, including timeliness of services, scheduling expectations, and coordination with crisis services, ensuring no difference in access between DCO and HealthWest-delivered services. DCOs must coordinate with HealthWest's crisis services to ensure seamless access to 24/7 crisis response and continuity of care.

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E. DCOs will participate in HealthWest's Quality Improvement program, including performance monitoring, corrective action processes, and continuous quality improvement initiatives.

F. DCO must follow all HealthWest, Federal, State, and CCBHC policies, procedures, guidelines, and practices, including requirements for confidentiality and data privacy.

G. DCO must follow the grievance procedures of HealthWest. All consumers served by the DCOs must have access to grievance procedures for services provided by the DCO, and the DCO must accommodate the outcome of the HealthWest grievance process.

H. Eligibility for CCBHC services through a DCO must be reviewed and approved by HealthWest. This will occur through the CCBHC Recipient Enrollment, Assignment, and Disenrollment processes outlined in the Michigan Certified Community Behavior Health Clinic Handbook.

## IV. PROCEDURES

### A. Credentialing and Privileging

1. DCO providers that furnish services under arrangement with HealthWest must be legally authorized in accordance with Federal, State, and local laws, and act only within the scope of their respective State licenses, certifications, or registrations and in accordance with all applicable laws and regulations, including any applicable State Medicaid billing regulations or policies.

2. DCO must have the necessary certification, license, and/or enrollments to provide services under their DCO agreement.

3. The staff providing CCBHC services within the DCO must have the proper licensure for the services provided. HealthWest will primary source verify DCO staff licensure at the time that staff are entered into the EHR, however, the DCO maintains the responsibility to meet all credentialing requirements as defined in policy 02-026 and as required per their contract.

4. DCO providers shall adhere to the following HealthWest/MDHHS Licensure and Credentialing policies and procedures listed below:
   a. #02-026: Credentialing and Re-Credentialing Requirements
   b. #10-004: Credentialing and Re-Credentialing of Providers
   c. MDHHS Credentialing and Re-Credentialing Processes
   d. MDHHS Substance Use Disorder Credentialing and Staff Qualification Requirements (Applicable to SUD Providers Only)

5. HealthWest will perform periodic spot checks of DCO staff credentialing files on a bi-annual basis to ensure the provider is performing and maintaining required documentation.

### B. Staff Training and Development

1. DCO staff who have contact with HealthWest consumers and their families will receive all required CCBHC trainings from HealthWest, which satisfies and includes requirements of the State Behavioral Health Authority and any

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accreditation standards on training which may be required by the State or other oversight authorities.

2. Cultural Competency training shall reflect the diversity within the population being served.

3. DCO providers shall ensure all staff complete the trainings listed on the DCO Required Training Grid (attached). HealthWest will ensure each DCO has population specific trainings assigned to their staff upon initiation of their contract.

4. DCO providers shall adhere to the following HealthWest policies, procedures, and guidelines listed below:
   a. #11-003: Orientation: Addressing Educational Needs of Persons Served
   b. #11-006: Assuring Appropriate Accommodations
   c. #10-007: Provider Compliance with Michigan Mental Health Code/MDHHS- ORR Recipient Right Requirements
   d. #04-001: Confidentiality/Disclosure, and Privileged Communications
   e. #04-002: Disclosure of Consumer Information
   f. #04-003: Consent
   g. #04-004: Duty to Warn
   h. #04-005: Responding to Subpoenas
   i. #04-006: Safeguarding the Right of Recipients
   j. #04-010: Services Suited to Condition, Dignity, and Respect
   k. #04-011: Change in Type of Treatment
   l. #04-019: Reporting of Clinical Incidents, Risk Events, and Sentinel Events
   m. #04-020: Reporting of Abuse and Neglect
   n. #04-021: Reporting a Review of Recipient Death
   o. #04-022: Recipient Rights Complaint Process and Appeals
   p. #04-023: Managed Care Complaints, Disputes, Grievances and Appeals
   q. #04-024: Peer Review and Root Cause Analysis
   r. #04-025: Advance Directives
   s. #04-026: Recipient Rights for Substance Abuse Programs
   t. #04-028: Choice of Provider
   u. #10-009: Environment of Care
   v. #06-026: Person-Centered Planning
   w. #06-027: CCBHC Services for Members of the Armed Forces and Veterans

C. Accountability for Services

1. All services provided by DCOs must be person and family-centered, and respectful of the individual consumer's needs, preferences, and values, with both consumer involvement and self-direction of services. Services to children and youth must be family-centered, youth-guided, and developmentally appropriate. Documentation will be incorporated into the HealthWest clinical record to support a unified treatment approach.

   Individuals will be informed of their right to choose among available providers, including DCOs, when applicable.

   DCO providers shall adhere to the following HealthWest/MDHHS policies, procedures, and guidelines listed below:

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a. MDHHS Family-Driven and Youth-Guided Policy and Practice Guideline, (attached)

2. HealthWest will maintain clinical oversight of CCBHC services provided by DCOs, ensuring that all clinical parameters required of a CCBHC are met. This will be accomplished through a thorough onboarding and orientation process for new DCOs, periodic site visiting/monitoring, chart reviews, and routine provider relations meetings.

DCO providers shall adhere to the following HealthWest policies, procedures, and guidelines listed below:

a. #10-003: Contracted with New Service Providers, Compliance, and Site Reviews
b. #10-005: Provider Conflict of Interest
c. #10-006: Provider/Contractor Business and Financial Status
d. #10-014: Monitoring of Ownership and Control Interests of Providers for Exclusion from Participation in Federal Health Care Programs
e. #11-001: Experience of Care Surveys
f. DCO compliance with all accountabilities for services as outlined in the HealthWest/DCO Contract regarding contract management, site visiting/monitoring of contract compliance, and chart reviews.

D. Clinical Documentation and Responsibilities

1. HealthWest maintains clinical responsibility for services provided by the DCO.

2. Each DCO will provide care coordination for individuals for whom they are the primary service provider, ensuring integration across behavioral health, primary, and specialty care services, while maintaining ongoing collaboration and communication with HealthWest in alignment with CCBHC requirements.

3. DCOs will have explicit provisions for ensuring all employees and interpreters understand and adhere to confidentiality and privacy requirements application to the service provider, including but not limited to the requirements of the Health Insurance Portability Act (HIPAA) (Pub. L. No. 104-191, 110 Stat. 1936 (1996)), 42 CFR Part 2, and other Federal and State laws, including patient privacy requirements specific to the care of minors. 3.B.4. Designated DCO Lead Role
The CCBHC must have a designated DCO Lead to ensure all DCO requirements are being met as outlined in Chapter 3 of the CCBHC handbook. The DCO Lead can be a new or existing CCBHC team member and have other responsibilities or roles within the organization. The following oversight must be provided by the CCBHC through a DCO

4. DCO providers shall adhere to the following HealthWest policies, procedures, and guidelines listed below:

a. #06-022: Service Entry Process for Adults and Children with MI, I/DD, and SUD
b. #12-012: Suicide Assessment and Intervention
c. #12-002: Person-Centered Planning Policy Practice Guideline.
d. #06-015: Clinical Documentation Standards
d. #06-025: Telemedicine/Telehealth
e. #10-011: Clinical and Support Services Documentation
f. #06-011: Coordination of Care with Primary

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g. #06-015: Clinical Documentation Standards Care Physician from Intake through Discharge
h. #12-013: Relapse Prevention and Wellness Planning after Psychiatric Admission
i. #05-003: Records Retention

E. Financial Responsibilities

1. HealthWest maintains financial responsibility for services provided by the DCO.

2. DCO encounters will be treated as HealthWest encounters for purposes of the CCBHC Prospective Payment System. Payments for DCO services will be provided directly to the DCO from HealthWest based on agreed upon contractual service rates, as evidenced in Attachment B of the HealthWest/DCO Service Contract.

3. DCO will have safeguards in place to ensure duplicate payments are not received for services that are included in HealthWest's Prospective Payment System rate. If there are cases where certain third-party payors may not allow HealthWest to bill on behalf of the DCO, the DCO must provide any payment received from the third-party payor to HealthWest.

4. DCO providers shall adhere to the following HealthWest policy and procedures listed below:
   a. #03-001: Procedures for Front Desk Insurance Checks and Change of Demographic Information

F. Reporting Requirements

1. DCOs will participate in the collection of CCBHC Reported Measures. The specific Core Measures that are required of the CCBHC will be required of the DCO. HealthWest will attempt to build these into required components of our Electronic Health Record to promote efficiency and compliance.

2. DCO providers shall adhere to the following HealthWest/MDHHS policies, procedures, and guidelines listed below:
   a. #05-023: HIPAA Privacy and Security
   b. #05-025: Data Collection, Utilization, Monitoring, and Reporting

## V. REFERENCES

A. HealthWest/DCO Network Contract for FY 2025 including all Attachments
B. MI Certified Community Behavioral Health Clinic (CCBHC) Handbook, Version 2.1 (April 2025)
C. MDHHS Contract Attachment: MDHHS Person-Centered Planning Policy Practice Guideline, Last Revised 3/31/2024
D. MDHHS Contract Attachment: MDHHS Family-Driven and Youth-Guided Policy and Practice Guideline, Last Revised 5/20/2021
E. MDHHS Contract Attachment: MDHHS Credentialing and Re-Credentialing Processes, Last Revised 11/18/2024
F. MDHHS Substance Use Disorder Credentialing and Staff Qualification Requirements (Applicable to SUD Providers Only)

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