

Effective Date:  
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**North Sound Mental Health Administration**  
Section: 1000 Administrative: Provider Network Selection and Management

Authorizing Source: 42 CFR 438.12, 438.214

Cancel:

See Also:

Responsible Staff: Contracts Manager

Approved by: Executive Director

Motion #:

Date: 07-28-04

**POLICY#1008.00**

**SUBJECT: PROVIDER NETWORK SELECTION AND MANAGEMENT**

**PURPOSE**

To establish and maintain a comprehensive network of mental health providers capable of delivering all medically necessary covered services to North Sound Mental Health Administration (NSMHA) enrollees required under the Department of Social and Health Services/Mental Health Division (DSHS/MHD) Interlocal Agreement in accordance with state and federal regulations, NSMHA requirements, accepted standards of care, practice guidelines and evidence based practices.

**POLICY**

NSMHA develops a mental health system of care, establishes strategies for service delivery, selects the Provider Network for delivery of service, manages the Provider Network through communication processes and contract requirements and monitors quality of care and service delivery for the purpose of meeting the mental health needs of NSMHA enrollees.

**PROCEDURES**

A. Network Development

1. NSMHA carries out a system wide and organizational planning process that establishes the mission, vision and service philosophy of the organization, ensures compliance in accordance with DSHS/MHD contractual mandates for service delivery, allocates resources, estimates the clinical needs of the community, estimates the service capacity available in response to community needs, and identifies the populations to be served by age groups and other relevant characteristics that results in an Annual Strategic Plan.
2. As part of the Annual Strategic Planning Process Provider Profiles are completed and reviewed as part of the geographic service area needs assessment. Aggregate utilization data and provider staffing models and ratios are analyzed, and input from enrollees, clinical Provider Network staff and other stakeholders is solicited.
3. The Strategic Planning Process includes design of a continuum of care that is responsive to the needs of populations served and is adequately funded to provide adequate and appropriate services to members. The Strategic Plan, approved by NSMHA leadership, defines the scope and provision of network services, including the goals of services, quality of care provided to enrollees and the method used to assess and meet the mental health care needs of the region.
4. Care and services provided throughout the NSMHA Provider Network are readily available, accessible, culturally competent and appropriate to the scope and levels of care required by the populations served. Services are designed to accommodate new population's identified needs as necessary.

## B. Provider Network Selection and Management

1. The design and structure of the Provider Network is designated by NSMHA leadership in the strategic planning. Service delivery is designed and planned to meet enrollee needs for timely care whether provided directly by the Provider Network, their subcontractors, through referral, consultation or other contractual or delegated arrangements.
2. NSMHA identifies well-defined criteria or performance expectations to select Providers of contracted services. NSMHA retains the right to make key decisions affecting overall care and services provided to members by contractors.
3. NSMHA establishes standards of care as outlined in the Standards of Care and Clinical Eligibility Manual and actively oversees contracted activity based on performance indicators established by DSHS/MHD.
4. Based on assessed needs and the strategic plan for the service delivery system, NSMHA develops and maintains a network of mental health providers through a procurement process that addresses quality as well as financial stability in order to ensure that services are provided promptly and are reasonably accessible and available. Provider Network applicants are evaluated with consideration for clinical, financial and technical competency, demonstration of quality of past performance and diversity in populations served.
5. NSMHA will not discriminate against Provider Network applicants that serve high-risk populations or specialize in conditions that require costly treatment.
6. NSMHA conducts an agency credentialing process during initial contract negotiations including verification of appropriate licensure with DSHS/MHD, Washington Community Mental Health Certification and evidence of liability insurances. Re-credentialing occurs periodically thereafter. See NSMHA Policy #5001, Contracted Provider Credentialing.
7. NSMHA will not select or contract with Provider Network applicants that are excluded from participation in Federal health care programs under either section 1128 or section 1128A of the Social Security Act.
8. NSMHA has established a primary source verification process to assist the Provider Network in selecting competent, experienced professional staff and privileging those staff selected. Once the credentialing file is established, re-credentialing occurs at least every two years. See NSMHA Policy #1005, Primary Source Verification Credentialing and Re-credentialing.
9. Service gaps are addressed continuously in the planning process and during the service delivery process. NSHMA and its Provider Network have in place a process that permits a referral to an appropriate mental health care provider outside of the NSMHA Provider Network when there is not a mental health care provider with appropriate training and experience in the NSMHA Provider Network to meet the particular medically necessary mental health service needs of the NSMHA enrollee. See NSMHA Policy # 1523, Out of Provider Network Referral.
10. NSMHA maintains the Provider Network so that sufficient professional personnel are employed and available to provide covered services including mental health crisis services twenty-four (24) hours a day, seven (7) days a week.
11. NSMHA negotiates the mental health service modalities to be provided, amount of funding and details of the contract requirements with each of the Network Service Providers selected.

12. NSMHA will provide a written notice of the reason for its decision to Network Provider applicants that are not selected as one of the contracted service providers for the NSMHA Provider Network.

### C. Network Management

1. NSMHA provides for effective communication of the mission, vision, strategic and operational plans internally and to the Provider Network through the monthly meetings with the Regional Management Council, Quality Management Committee, Regional Integrated Crisis Response sub-committee, Regional Training sub-committee, NSMHA Quality Management Oversight Committee, Regional Utilization Review sub-committee, NSMHA Board of Directors, and other quarterly and time-limited work groups such as IT Committee, Trauma Committee, Tribal Committee, Co-occurring Disorders Committee and the like.
2. NSMHA and Provider Network staff are trained at the time of orientation and periodically to understand and effectively communicate the mission, vision and plans regarding the region-wide mental health system of care.
3. Provider Network meetings of the entire network are conducted at least semi-annually to ensure communications with contractors and their subcontractors. Issues for the agenda may include but are not limited to: contract requirements, program changes, quality of care, quality improvement activities, performance indicators and updates to state and federal regulations and requirements.
4. NSMHA contract language clearly specifies expected standards of performance and the indicators used to monitor provider performance. Contract language describes how NSMHA designs processes, collects data, assesses and guides provider performance improvement. NSMHA collaborates with the Provider Network in implementing performance improvement processes.

### D. Provider Network Evaluation and Monitoring

1. NSMHA conducts Concurrent and Retrospective Reviews, On-site Clinical Record Reviews, Biennial Administrative, Fiscal and Quality Assurance/Improvement On-Site Monitoring Reviews, and other on-going monitoring activities to assure the quality of care for enrollees.
2. Continued retention in the Provider Network is determined on a periodic basis prior to contract renewal and is based on compliance with contract requirements, submission of encounter data, utilization data, critical incident reports data, corrective actions, consumer satisfaction surveys, financial audits, handling of complaints, grievances and fair hearings and continuous quality improvement.
3. Recommendations to change a provider status or to impose sanctions for non-compliance are discussed with the NSMHA Management Team and final recommendations are made by the NSMHA Executive Director to the NSMHA Board of Directors.
4. In the event that a NSMHA Network Provider neglects to respond to the service needs of an enrollee and by so doing creates a situation that constitutes imminent jeopardy to the safety or welfare of the NSMHA enrollee, NSMHA will require immediate corrective action as specified in contract and notify DSHS/MHD in accordance with NSMHA's legal and contractual obligations.

5. NSMHA may terminate a contract if the NSMHA Network Provider has violated any law, regulation, rule, or ordinance applicable to services provided under the contract or if continuance of the contract poses material risk of injury or harm to any person. Denial of licensure renewal or suspension or revocation will be considered grounds for termination in accordance with this contract term.
6. If the change in a Network Providers status causes or relieves a significant deficiency in services to NSMHA enrollees, the impact of the change shall be reported to DSHS/MHD by NSMHA as per contract requirements.

## **ATTACHMENTS**

None