

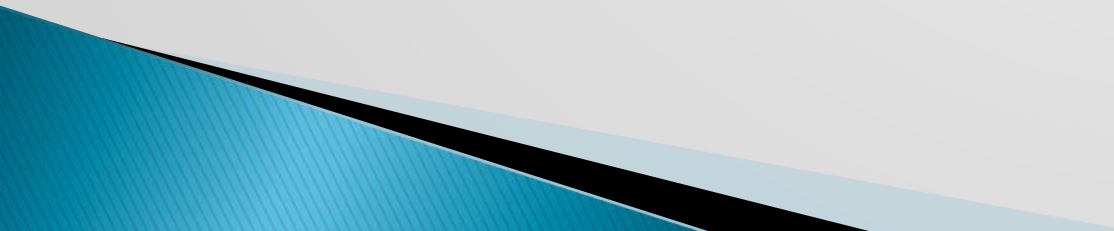


Advanced Contracting

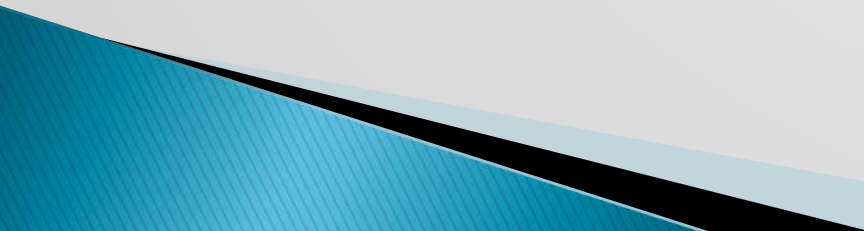
Becky China – Richmond City CSA

Vanessa Lane – Grafton IHN

Learning Objectives

- ▶ Understand the contracting process and its importance
 - ▶ Review contract language and how it impacts the CSA / Provider relationship
 - ▶ Application of real world scenarios to contracting language
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Understand the Contracting Process and Its Importance

- ▶ What does the Code of Virginia require?
 - ▶ Procurement of Services – What does “Obtaining Bids Mean”?
 - ▶ Contract or Agreement – what is what?
 - ▶ Responsibilities of the CSA Office/CSA Coordinator on behalf of the CPMT
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Code of Virginia (COV)

§ 2.2-5206. Community policy and management teams; powers and duties.

7. Establish procedures for obtaining bids on the development of new services

COV Continued.....

§ 2.2-4345. Exemptions from competitive sealed bidding and competitive negotiation for certain transactions; limitations.

A. The following public bodies may enter into contracts without competitive sealed bidding or competitive negotiation:

14. Public bodies administering public assistance and social services programs as defined in §63.2-100 ...or any public body purchasing services under the Comprehensive Services Act for At-Risk Youth and Families (§2.2-5200 et seq.) ...for goods or personal services for direct use by the recipients of such programs if the procurement is made for an individual recipient. Contracts for the bulk procurement of goods or services for the use of recipients shall not be exempted from the requirements of §2.2-4303.

COV CONTINUED

§ 2.2-5214. Rates for purchase of services; service fee directory.

The rates paid for services purchased pursuant to this chapter shall be determined by competition of the market place and by a process sufficiently flexible to ensure that FAPT teams and providers can meet the needs of individual children and families referred to them. To ensure that FAPT teams are informed about the availability of programs and the rates charged for such programs, the Council shall oversee the development of and approve a service fee directory that shall list the services offered and the rates charged by any entity, public or private, which offers specialized services for at-risk youth or families. The Council shall designate the Office of Comprehensive Services for At-Risk Youth and Families to coordinate the establishment, maintenance and other activities regarding the service fee directory.

What does “Obtaining Bids Mean”?

- ▶ Local Option: since CSA is exempt from ordinary procurement the process is locally driven – some options:
 1. Open invitation to any provider willing to serve your local needs at any time as you need it or they become available
 2. Utilize a process to Qualify the Provider for your local needs – controllable process
 3. Formal procurement process – driven by local decision only

Contract or Agreement – what is what?

Ideally, your process includes:

1. A qualifying process – e.g. credentialing process
2. A requirements and mutual understanding process – responsibilities of each party

CSA

Referring Agency/case manager

Provider

3. A financial contract

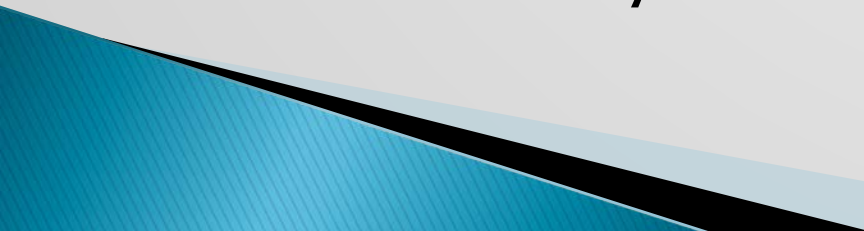
Qualifying Process

- ▶ Business License
- ▶ Program Licenses (VDSS or DBHDS)
- ▶ Qualified Medicaid Provider
- ▶ Full Insurance Coverage required with locality fully endorsed for additional insured of locality
- ▶ Contracted professionals are qualified, licensed, insured
- ▶ No fraud activity
- ▶ Competence and experience in the service you desire

Qualifying Process continued

- ▶ Recommend to use qualifying process as a means to :
 - ✓ Give you option to modify and extend terms of contracting
 - ✓ Can simplify with annual renewals vs. full contracting process annually
 - ✓ Examine credentials and clinical expertise of providers – Make the best decisions on matching provider to child/family's needs

Requirements and mutual understanding

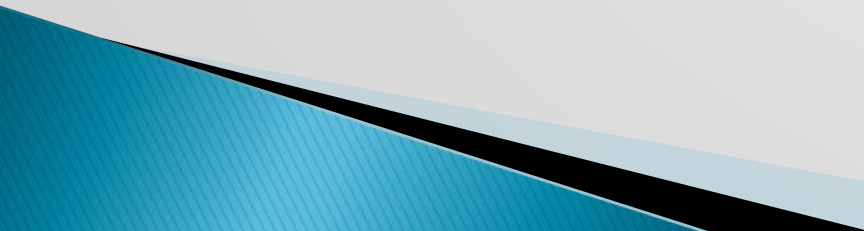
- ▶ What is required of the provider – may need addenda for your main contract for specific types of services
 - ▶ What is CSA/Buyer's responsibility
 - ▶ What are Case Manager/Referring Agency's Responsibilities?
 - ▶ Find a way to negotiate terms that do not apply to specific provider
 - ▶ What happens when there is a conflict – is it clear to everyone which party rules?
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Definitions

Recommend that all contracts begin with a list of terms and their definitions.

This makes the contract clearer and decreases the chance of misunderstandings later.

Term

- ▶ How long does contract last?
 - ▶ Are there any renewal options?
 - ▶ What happens to existing clients should you not have a new contract in place?
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Termination Clause(s)

Four main sections to a termination clause:

1. Termination of contract for cause
2. Termination of contract without cause
3. What happens to the currently served clients if contract is termed???
4. Termination of services for a specific case

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The Financial Contract

- ▶ The real contract between you and the provider financially is the Purchase of Services Order (PO) for the eligible youth!
- ▶ Recommend using your own rate sheet format for submission of rates!
- ▶ The PO should be compatible with other funding sources: Title IV-E, Medicaid and Parent Co-pays.

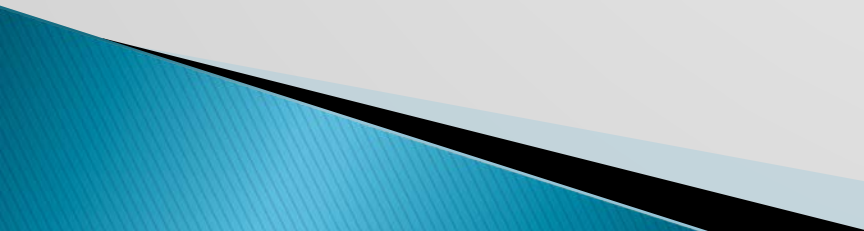
Medicaid Rate vs. Agency Rate

- ▶ Provider will not charge the Buyer for services that is more than the Provider charges other public governmental buyers of equivalent services in equivalent volumes.

Contracting Responsibilities of CSA Office on Behalf of the Local CPMT

- ▶ Protect the youth and family clinically/emotionally and physically – pay attention to insurance!
- ▶ Protect the Local government: Governing Body, Locality's management, your agency/CSA office and all the parties that participate to include volunteers and agents of your agency—get copies of the additional insurance documents & credentials

Contracting Responsibilities of CSA Office for CPMT Continued...

- ▶ Involve your locality's attorney(s) and risk manager – don't assume all of the risk for enforcement!
 - ▶ Implement a means to monitor ongoing!
 - ▶ Require a self-submission of required documents.
 - ▶ Develop a mutual partnership with families and providers!
 - ▶ Don't be one-way with enforcing the rules!
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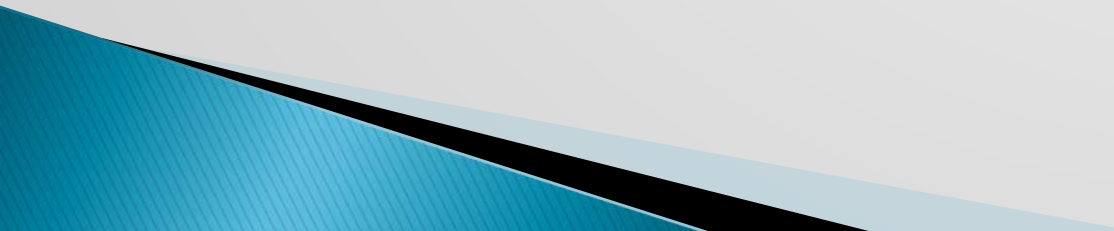
HIPAA – Health Insurance Portability and Accountability Act of 1996

Many of the services agencies purchase from providers are considered healthcare services and so HIPAA laws apply.

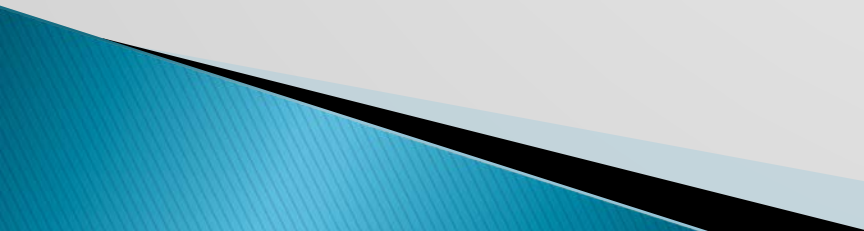
- ▶ Clause in contract outlining confidentiality
- ▶ In many cases a Business Associates Agreement (BAA) is needed.

Group Time

Case #1 – Client Hospitalization

- ▶ Are you asking to hold the bed / desk for readmission after hospitalization?
 - ▶ Can Medicaid be billed?
 - ▶ Do you need an official Medicaid denial before you can pay?
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Case #2 – Medicaid Non-Covered Services

- ▶ Is it a Medicaid eligible service?
 - ▶ Will Medicaid authorize it?
 - ▶ Will Medicaid pay for it?
 - ▶ Is it excluded in Medicaid rules, regulations, and laws?
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Case #2 – Medicaid Non-Covered Services (cont.)

- ▶ Examples:
 - ▶ 1. ABA done in a group home setting.
 - ▶ 2. Room and Board for a Level B group home.
 - ▶ 3. Room and Board for an ID Waiver funded client.
 - ▶ 4. General Supervision for an ID Waiver funded client.
 - ▶ 5. Speech, OT and PT provided as part of the school day.

Case #3 – Missing Documentation

- ▶ When is Agency responsible for payment?

Richmond City CSA Contract

Real Contract Review!

Questions?

