

## VAN BUREN COMMUNITY MENTAL HEALTH AUTHORITY POLICIES & PROCEDURES

**Title:** Network Provider Monitoring  
**Originated:** 02/08/24  
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**Number:** I.08.05  
**Approved By:** Executive Team

### **PURPOSE:**

- To ensure Network Providers are performing in accordance with contract requirements.
- To establish a monitoring mechanism that assures quality services are being provided to VBCMh customers.
- To monitor Network Providers who render Home and Community Based Services (HCBS) to ensure compliance with the HCBS rules.
- To ensure services are provided in accordance with the Individual Plan of Service, person centered philosophy, and medical necessity.
- To ensure the customer's services are authorized for claims submitted by Network Providers
- To outline actions to be taken in the event of poor performance and/or non-compliance issues.
- To educate Network Providers regarding contract terms, applicable laws, regulations, and legal standards.

### **DIRECTIVE:**

This procedure shall serve as a guideline for defining the methods for monitoring, review, and oversight of network providers by VBCMh to assure the highest quality of services are provided to customers.

### **DEFINITIONS:**

**Adverse Action:** Any action that results in modifying a contract, withholding payment, denying payment, terminating a contract and/or requiring a payback.

**Audit Schedule:** A calendar of scheduled and announced audit dates for Network Providers by the Compliance Specialist.

**Central Repository:** A confidential file maintained by the Compliance/Provider Network Department in the administrative offices of VBCMh for all Contracted Service Providers which contains documentation required to maintain the contract.

**Network Provider:** Is both an Organizational Provider and/or a solo Practitioner Independent Contractor and is not a VBCMh employee. A provider of mental health services that has a current contract with VBCMh and has received authorization to provide services.

**Sanctions:** Penalties triggered when a provider fails to meet specified performance standards or other conditions of the contract. Sanctions include a range of options of varying in severity depending on the seriousness, frequency and/or nature of contract violation. Sanctions may include, but are not limited to:

1. Letter of guidance, warning or reprimand
2. Impose conditions for continued practice within the VBCMh provider network.
3. Referral moratorium
4. Impose requirements for monitoring or consultation
5. Recommendation for additional training or education
6. Contract termination with cause

**Un-scheduled Audits:** Special audits completed either announced or unannounced as the result of any of the following circumstances:

1. Health and/or safety findings or other significant negative findings/reports
2. Routine observations or referrals from staff
3. Reported or suspected missing, inaccurate documents or false claims

## **PROCEDURES:**

### **A. Communication to Network Providers Regarding Requirements & Expectations**

1. VBCMh will assist Network Providers in understanding contractual requirements and expectations through a variety of means including, but not limited to:
  - Put all requirements into writing in the contract or individual client IPOS.
  - Provider network staff will respond to questions and concerns.
  - Notify through contract amendments and changes in contractual requirements.
  - Notify in writing any changes in regulation interpretation or business practice.
  - Share applicable VBCMh policies and changes.
  - Provide Provider Network meetings that include training opportunity to discuss questions.
  - Consultation on any requested changes in network provider practices.
  - Forward emails from MDHHS or SWMBH containing instructions on required tasks or forms.
2. An annual audit will be conducted of each Network Provider site.
3. Network Providers who have not delivered services to VBCMh customers within the fiscal year will not be audited unless VBCMh becomes aware of a significant issue.
4. Southwest Michigan Behavioral Health's (SWMBH) Provider Network develops an annual shared Network Provider monitoring schedule for the administrative portion of the audit. This means another CMHSP within the region could audit any Network Provider within our provider network if VBCMh becomes aware of a significant issue. Routine audits can also be conducted by another CMHSP who also contracts with the Network Provider.
5. SWMBH's Provider Network Department is responsible for all Autism Contracted Service Provider audits. However, this does not preclude VBCMh from conducting audits if a significant issue arises.
6. VBCMh's Compliance Department will use SWMBH's administrative audit tools.
7. VBCMh's Compliance Department may conduct desk audits in addition to on-site audits.

**B. Contract Monitoring Process:**

1. The Compliance Auditor shall establish an annual audit schedule. The Provider Network Specialist will inform the Compliance Auditor when a new Contracted Service Provider should be added to the audit schedule.
2. The Compliance Auditor will notify the Network Provider in writing thirty (30) days in advance, or as soon as possible, prior to conducting their portion of the audit. The audit notification will indicate the date and time of the audit.
3. The record sample size will depend on the number of customers served by the Contracted Service Provider. The record(s) will be reviewed using the record review tools specific to the Network Provider being reviewed.
4. The Compliance Auditor will focus on collecting and analyzing the evidence needed to develop and support their findings, conclusions, and recommendations.
5. Data collected may include, but is not limited to, the Network Provider's operational policies and procedures, data gathered during observation of the physical environment, customer and staff interviews, audit tools and review of customer records maintained by the Network Provider. The Network Provider will be given an opportunity to address these findings and provide additional supporting documentation. This will be conducted via the SWMBH tool and the Compliance Auditor's desk audit tool, and a formal letter will be sent to the Network Provider, which includes the results of the audit.
6. The Compliance Auditor will compile and summarize their audit findings into a written report to be sent to the Network Provider within seven (7) business days of the audit. Reports will be stored in the Central Repository maintained by the Compliance/Provider Network Department.
7. Audit results will be presented to the Corporate Compliance Committee and the CEO for review when necessary. The Compliance Auditor will log the audit reports on the VBCM Inquiry Log, plus the External Audit Logs to reflect services/claims reviewed.

**C. Contract Monitoring Compliance Auditor's Responsibilities:**

1. For on-site audits, the Compliance Auditor will arrive on-time and be prepared.
2. If the Compliance Auditor cannot attend their scheduled audit, it is their responsibility to reschedule the audit with the Network Provider.
3. The Compliance Auditor can accept basic hospitality items such as coffee, tea, water, and light snacks during the audit. No other gratuities of any form can be accepted and/or taken from the audit site.
4. The Compliance Auditor may attend lunches or social events with Network Providers. Under no circumstance can any of the expense be paid for by Network Provider.

**D. Corrective Action Steps (listed in order of severity):**

1. When deficiencies of a non-serious nature are found, recommendations will be included in the report sent to the Network Provider. Satisfactory progress towards recommendations is expected and may be monitored.
  - a. When deficiencies are found, a written Corrective Action Plan will be requested to address identified deficiencies with specific time frames for completion. The plan must include proofs and/or remedies to address future compliance.
2. When serious findings require immediate action, the Compliance Auditor will meet with the Division Managers or Clinical Supervisors to review the findings and provide recommendations including timelines for the CEO.

- a. The Compliance/Provider Network Manager will notify the CEO and Medical Director if appropriate and seek legal counsel, if necessary.
- b. The Compliance Auditor and/or the Compliance/Provider Network Manager will inform clinical staff to notify all necessary parties and amend the Individual Plan of Service, if appropriate.
- c. Based on the audit findings, the Compliance Auditor may ask for a Plan of Correction and/or a recoupment of funds.
- d. The Compliance/Provider Network Department (or designed) will make arrangements with the Network Provider for any recoupment of funds or billing corrections.
3. The Network Provider has a right to appeal to VBCMh's CEO regarding a recoupment of funds if the dispute cannot be resolved with the Compliance Auditor.
  - a. The appeal must be in writing and received within thirty (30) days of the date of the notification of the recoupment. All supporting documentation must accompany the appeal letter.
  - b. The CEO will provide a written response to the appeal within thirty (30) days from the receipt of the appeal. The CEO has the final determination.

**E. Responding to Concerns about Network Providers-Quality Issues not Rights Related**

1. When a Clinical Supervisor has determined that quality issues are occurring, he/she will refer the issue to the Compliance Auditor and the Compliance/Provider Network Manager.
2. The Clinical Supervisor will provide the Compliance Auditor and the Compliance/Provider Network Manager with specific details of the quality issues.
3. The Compliance Auditor and Compliance/Provider Network Manager will schedule a meeting to discuss the quality issues, which may include the Clinical Supervisor.
4. The Compliance Auditor and the Compliance/Provider Network Manager will develop a plan for addressing the quality issues. The plan will identify next steps and responsible parties.

**F. Network Provider Communication:**

- Loss of accreditation
  - Loss of insurance
  - Unfavorable financial audit
  - Successful litigation of claim against the Network Provider
  - Loss of substance use license
  - Loss or change in Adult Foster Care or Child Placing Licensing status
  - Reports of substantiated violations of State or Federal rules or regulation
  - Any claim, allegation, financial loss or change in credentialing that may negatively impact the Contracted Service Provider
  - Loss of professional licensure
  - Sentinel events must be reported as soon as possible and in accordance with the MDHHS contract and SWMBH policy.
1. It is the responsibility of Network Providers to communicate negative actions to the entity that holds the contract with the provider. Participant CMHSPs shall report negative actions regarding their provider networks to SWMBH within five (5) business days of becoming aware of an action.
  2. Audit results for the Provider Network administrative portion of the audit may be obtained from another Regional Entity/PIHP for shared Network Service Providers. Results will be

reviewed and if found complete and sufficient, may be accepted in the Network Provider files as evidence of monitoring.

3. This policy does not usurp the ability of the funding PIHP/CMHSP to conduct ad hoc audits or reviews of the Network Providers where needed or indicated at any time based on reported performance or as required by external entities.

**G. Network Provider Non-compliance and Sanctions:**

1. Whenever possible, VBCMh will work toward continuous improvement with providers who are out of compliance with their contract. VBCMh will develop procedures to address contract compliance and the use of sanctions.
  - a. Sanctions will be used with providers who demonstrate unsatisfactory performance, lack of response, failure to submit plan of correction within required timeframe and/or discovery of significant risks (i.e., health hazard, injury, loss, exposure).
2. Sanctions will be based on the severity and frequency of the contractual violation(s). Typically, sanctions may be progressive in nature, but can begin at any level depending on the severity and frequency of the violation.
3. Under usual circumstances (a non-emergent situation where health and safety is not a risk), sanctions will require providers to satisfactorily remediate/correct violations noted, within a time frame determined by the contracting entity.
4. Under emergent situations where health and safety is a concern, the Network Provider will immediately remediate/correct violations.
5. Ongoing monitoring of the provider will occur to ensure prompt resolution of the issues for which the sanction was applied.

**H. Communication to Network Providers regarding Sanctions:**

1. VBCMh will send the provider notice outlining the areas of non-compliance. Correspondence will outline the following:
  - a. Area(s) of non-compliance
  - b. Level and type of sanction
  - c. Expected remedy or improvement
  - d. Additional monitoring of the provider
  - e. Date the remedy is expected to occur
  - f. Due date for a response from the provider
  - g. Contact person for questions and correspondence
  - h. Statement indicating that continued non-compliance may include termination of the contract
  - i. Notice of grievance and appeal process for non-clinical decisions
2. VBCMh shall report contractual sanctions of their provider networks to SWMBH within five (5) business days of the sanction date.

**References:**

MDHHS-PIHP Contract, Schedule A, Section 1(E) (1)