AREA BOARD AND AREA AUTHORITY
CONTRACTING WITH NEW AND EXISTING PROVIDERS

THE DURHAM CENTER Managing Behavioral Health & Disability Services	**SUBJECT**: Contracting with New and Existing Providers **LINES OF BUSINESS:** All Public Communications, Service Access, Utilization Management, Quality Management, Provider Relations	**NUMBER: N-1**	**PAGE: 1 of 7**
		APPROVAL DATE: 12/21/04, 11/4/10 **REVISION DATE:** 04/06 **REVISION DATE:** 06/07 **REVISION DATE:** 12/07 **REVISION DATE:** 05/08 **REVISION DATE:** 11/4/10	
	RESPONSIBILITY: Area Board LME Director Medical Director UM Director Provider Relations Director Quality Management Director	**REVIEW DATES**: **REVISION DATES**: **APPROVAL AUTHORITY:** Ellen Holliman LME DIRECTOR	

I. PURPOSE

To provide a uniform and consistent approach for establishing contracts with new providers and adding new services to existing provider contracts.

II. SCOPE

This policy applies to all potential and current providers, their agents or designees.

III. DEFINITIONS

- **Request for Proposal (RFP)** – used to communicate requirements to prospective contractors and to solicit proposals for products and services. The proposals are then evaluated according to various selection criteria, which may include many factors including price.
- **Request for Information (RFI)** – a standard business process whose purpose is to collect written information about the capabilities of various vendors. Normally it follows a format that can be used for comparative purposes.
- **Request for Qualifications (RFQ) –** a procurement tool routinely used by state and local governments and the private sector to select partners in major systems acquisitions. This approach differs from the traditional request for proposals approach in that it places greater emphasis on the actual qualifications and track record of the potential contractor rather than how well the potential contractor responds to detailed project specifications and requirements.

IV. POLICY

This policy describes **T**he Durham Center procedures for contracting with agencies to provide needed mental health, developmental disabilities and substance abuse services in a fair and consistent process, with appropriate attention given to quality of care and maintenance of existing care relationships.

V. PROCEDURES

As of December 15, 2004, The Durham Center LME offers state and county contracts only to providers that take part in an official RFP/RFI/RFQ process. However, depending on the circumstances, various methods for selecting providers may be employed. Other competitive methods for selecting/contracting with providers include but are not limited to:

- Competitive procurement
- Legal notice
- Procurement to obtain best prices without selective contracting
- Non-competitive solicitation and/or selection of providers.

A. Circumstances to utilize methods other than competitive bidding process (RFP/RFI)

An exception to this policy can be made:

- When a critical need or emergency has been identified
- When adding a service(s) that is a natural extension of existing services in the provider's contract
- When previous attempts to secure services have not been effective.

All exceptions shall be approved by the Area Director through a recommendation from the Community Systems Improvement Committee (CSI) with notification to the Area Board.

B. Process for Approving the Development of New Services

The Budget and Finance Committee will be the point of first review for new service contracts (see Request for Funding Policy and Procedure).

C. Development of the RFP/RFI Scope of Work

Upon Budget and Finance Committee approval of the proposed funding request for services requiring a RFP/RFI/RFQ, the assigned Project Lead member(s) will develop a draft RFP/RFI Scope of Work (SOW) to present to the Community Systems Improvement Committee for review and approval. In completing the SOW the Project Lead will consult with the appropriate LME staff and gather needed information to include at minimum Contract Management Administrator, Finance Director, Medical Director, Clinical Director, Quality Management Director and Utilization Management Administrator. The SOW will address the elements which are explained in detail in the SOW Instruction Template.

After approval by the Community Systems Improvement Committee, the draft RFP/RFI Scope of Work will be presented to the LME Management Team for review and approval.

D. Finalizing and Posting the RFP/RFI

Upon approval by the Management Team, the Project Lead will send the final RFI/RFP Scope of Work Template to Contracts Management Administrator.

The Contracts Management Unit will:

1) Take Scope of Work template and incorporate it into the final RFI/RFP template for review and approval
2) Initiate timeframe for posting in the local newspaper and the website
3) Distribute the RFP/RFP/RFQ to the Provider Community and ensure posting on the website (Project Lead will be responsible for distribution to the Community at-large if needed)
4) Receive and log all responding proposals
5) Review provider qualifications to ensure the agency(s) selected is qualified.

The Project Lead, in conjunction with the Contract Management Department will:

1) Facilitate pre-bid conference Question and Answer (Q&A) session
2) Assist with finalization of Q&A's for posting to the website
3) Create and organize RFP/RFI Selection Committee consisting of a minimum of four members and reflecting relevant community stakeholder representation, including one or more CFAC members and/or consumers representing the disability affected by the RFP/RFI. In addition, the Area Board will be encouraged to nominate at least one member to participate on each Selection Committee. LME representation across departments should be sought as appropriate. The Project Lead will chair the

Selection Committee but will not be a scoring member. Staff from the Contracts Management Team will not be a scoring member as well. The Project Lead will also ensure each Selection Committee member signs the Conflict of Interest form.

4) Schedule Selection Committee Meeting to Review RFP/RFI
5) Develop RFP/RFI Scoring Sheet based upon the Bidder Criteria and Response Requirements noted above and outlined in the RFP/RFI template
6) Facilitate Selection Committee meeting
7) Complete Request for Contract Form with appropriate signatures if service is to be added to a contract of an existing provider.

E. RFP/RFI Review and Selection Process

1) The Contract Management Administrator will collect at least one original of all proposals and provide a copy to the Project Lead. Prospective bidders may submit an electronic copy to Project Lead who will make copies for the Selection Committee.
2) The Project Lead will gather relevant agency compliance/complaint/performance history to share with the Selection Committee to use as part of the evaluation/review process.
3) The Selection Committee is convened to evaluate and review all responses. A score of 65% is required on the Scoring Sheet before an agency will be considered for a contract. An exception to this rule can be made if there is a critical need for the service, there is a limited response, and there is information presented that past performance has reasonably convinced the Committee that the prospective provider has the capability to execute successfully the requirements outlined in the RFP/RFI. The Committee review process will result in one of three options:
   a. Provider is recommended for selection, or
   b. Provider is not selected in which case the LME Community Systems Improvement Committee will decide whether to re-issue a RFP/RFI based on The Project Lead's recommendation, or
   c. Further information is needed to make a decision. In some instances, more information or clarification is needed and an interview with one or more bidders may be needed as part of the evaluation process.

Following the interview process, steps a. or b. above are followed.

4) Once a provider has been selected, the Project Lead will be responsible for developing a RFP/RFI Selection Summary to be presented before the Board with a recommendation. The Selection Summary will address the following elements:
   - Introduction – type of service provided, issue date of RFP
   - Purpose or need
   - Brief service description including service definition(s) to be utilized
   - Funding sources and duration if applicable
   - Selection Committee – list of committee participants
   - Selection process – brief description including dates of meetings
   - Number of proposals received
   - Selection summary including scores
   - Provider chosen
   - Total program/project budget
   - Rationale for Provider chosen (including reference statements and provider performance history)
   - Miscellaneous

5) The Project Lead will also be responsible for completing a Board "Action Agenda" form which will include a brief summary of the proposal and a listing of the recommended selected provider. This document will be included in the Board report packet and attached to the Selection Summary form. The provider chosen by the Selection Committee may be notified of the Committee's recommendation with the understanding the final decision is pending Board approval.

F. Finalizing the RFP/RFI AND INITIATING THE CONTRACT

The Project Lead will submit the Selection Committee's recommendations to the LME Area Board for Final approval. The Area Board will have authority to make the final determination of which, if any, proposals will be accepted for a contract.

Upon Board approval for a contract, the Contract Management Administrator will:

1) Notify the selected applicant in writing of the Board's approval for contract
2) Notify the non-selected applicant(s) in writing of the Board's approval for contract
3) Assign Contract Manager to develop the contract and send to the selected applicant for review and signature. The Contract Manager will ensure compliance with implementation of next steps and contract requirements.

Once the Board approves the issuance of a contract for the selected provider, the Project Lead will:

1) Work with Contract Management Administrator and assigned Contract Manager to finalize the contract. These duties will also include working with involved parties to get a signed contract.
2) Work with the Contract Manager, Finance Director, UM Manager, other relevant Managers and provider to administer the contract and establish a "go-live" date. Once this date is established, the Project Lead will inform Management Team and work with the Director of Communications to inform the community.
3) Initiate the development of a Technical Assistance Plan (TAP). Providers approved through this policy will receive an individualized TAP designed to provide technical assistance, consultation, oversight and resources to enable newly-selected providers to succeed and actualize the requirements of the RFP/RFI Scope of Work and Contract. See Technical Assistance Plan procedures for specifics.

G. Requests for Contracts to Meet the Needs of Individual Consumers Process

There are circumstances under which The Durham Center needs to create a contract with a provider to address specific and specialized needs of one or more consumers. Contracting to address these circumstances assumes the contract will end once said consumer(s) no longer require(s) the services offered by the provider. The following is the internal process employed by The Durham Center process for requesting contract with a provider with whom a contract does not currently exist to meet the specialized needs of a specific consumer(s):

1) Care Coordinator or Program Specialist is assigned the Project Lead
2) Care Coordinator/Specialist asks provider to fill out a form that includes the following information:
   a. Consumer name and MR#
   b. Clinical home provider
   c. Specialized Service/Provider requested (name of agency, address, contact name and number)
   d. Requested date of admission to service
   e. A brief history of this consumer with justification for this level of care
   f. Listing of all other contracted providers that were used in the past or contacted that did/would not accept this consumer and why
   g. Description of the service requested to include a justification for not using any of our current contracted providers
   h. Statement of how provider will ensure continuity of care for this consumer, if placement is outside of Durham County

i. Description of supports/services/interventions that have worked most effectively in the past and how they will they be incorporated into this program

j. Copy of updated PCP (to include updated crisis plan) and discharge plan that includes the service requested.

3) Various departments at The Durham Center (e.g. Quality Management, Service Management and Contract Management) will be asked to provide additional information regarding provider performance including previous corrective action plans or other compliance-related issues with the provider requesting a contract.
4) Similar to the step above, compliance-related information will be requested from other LMEs with which the provider in question is or has been affiliated.
5) The Care Coordinator/Specialist will review this information and determine the need for Care Review or review by The Durham Center Specialized Services Committee (ad hoc Committee that will include one System of Care staff, one Service Management staff and when possible, the Medical Director/Clinical Director).
6) If the Specialized Services Committee is required, the Care Coordinator/Specialist will assemble this group to review the request. The clinical home provider may be invited to attend the meeting to answer additional questions.
7) If the Specialized Service Committee or Care Review determines that this service is appropriate, a Request for Contract Form will be completed and forwarded for signature by the Care Coordinator/Specialist. The Request for Contract form will include information about what services will be billed by the provider. This provider will not be included on The Durham Center's website if not already listed.
8) The new contract provider will be required to submit a Quality Improvement (QI) Plan to be approved before the consumer is placed in this service. The QI Plan must adequately cover program description, credentialing/privileging, incident and death reporting, and client rights. The provider may submit a QI Plan that has been submitted to another LME and/or a QI Plan that follows/does not follow The Durham Center's template. The Quality Management (QM) Department reserves the right to request further information if those elements are not adequately addressed on the initial QI Plan. The Request for Contract form will also be forwarded for signature by the QM Administrator.
9) The Finance Director will follow up each quarter to ensure that this provider is only billing for the particular consumer identified in their contract.

H. Technical Assistance Plans

The Durham Center is responsible for providing Technical Assistance to members of its provider community. Consistent with this responsibility, each provider approved through this policy, in addition to the technical assistance methods outlined in The Durham Center Operations Manual which is incorporated here by reference, will receive an individualized Technical Assistance Plan (TAP) designed to provide technical assistance, consultation, oversight and resources to enable newly-selected providers to succeed by building competency and actualizing the requirements of the Contract Scope of Work. This TAP will be developed by the LME in consultation with the provider and will have the primary purpose of assisting the provider to successfully execute the requirements of the contract. The TAP will focus on priority areas for developing and implementing the elements of the defined service(s). The anticipated outcome of this process is a fully-functional provider able to meet the needs of the consumers served.

Technical Assistance Team

The Development of the TAP will be provided and/or coordinated by a Technical Assistance Team (TAT) comprised of individuals representing one or more departments of The Durham Center. Each TAT will be led by a Team Leader, most often a Program Specialist.

The TAP will be individualized and developed with the provider based on the needs of the agency. Each plan will address the following elements:

1) LME TAP point of contact responsible for the development and oversight of the TAP
2) Goals, strategies and benchmarks – indicators describing what success will look like
3) Timeline for implementation of the Plan
4) Program oversight and monitoring component
5) Consultation and technical assistance strategies (meetings, training, etc). TA services will be provided at the LME, on the provider's site, by telephone or electronically.
6) Issue identification and resolution process
7) The development of a coordination and communication process with the LME and key community referral sources and stakeholders
8) Involvement in System of Care – strategies will include education and guidance about being involved in and adhering to existing SOC activities.

Technical Assistance Process

All new providers approved through this policy will meet with the appropriate Program Specialist to begin to determine technical assistance needs.

1) The provider will first be asked to complete a self-survey to determine their understanding and capabilities to implement and adhere to the Contract Scope of Work.
2) The Program Specialist will review the survey results to identify needs and to determine LME staff availability to respond to those needs related to the Contract Scope of Work.
3) If items identified are outside of the Scope of Work, the Director of Community Programs/Specialist will refer that information to the Contract Management Administrator to inform the provider of other routine technical assistance available to such as monthly provider orientation sessions, the trainings calendar and the ability to request specialized TA as outlined in the Operations Manual.

Evaluation

The evaluation of the TAP will be designed to measure the success of the provider to implement the Scope of Work with a focus on consumer ability to receive services, quality of the services funded, and the fiscal sustainability of the involved provider agency.

Completion

Technical Assistance (T/A) through this process will end when:

1) The provider has accomplished the identified goals, or
2) The provider determines it no longer needs or desires TA, or
3) The Durham Center determines it is no longer useful to continue the provision of TA services (i.e. reached end point date as agreed upon in TAP or through mutual agreement between LME and provider).

Other Technical Assistance Needs

Any requests for a TAP outside this process will be made by contacting the Contract Management Unit or by completing the Technical Assistance Request form which can be found at www.durhamcenter.org/docs/Contracts/TATrain.pdf.

While the focus of The Durham Center is on assisting providers to be successful, the LME is not required to provide technical assistance to a provider who has not assimilated previous technical assistance into its provider infrastructure. Additionally, the LME is not required to provide any technical assistance that would be considered a normal operational procedure of a service provider, per the contract between The Durham Center and NC DHHS.

Related Documents:

Scope of Work Template
Scope of Work Instructions
RFP Template
Conflict of Interest Form
Action Plan
Request for Funding Policy and Procedures