

NORTHCARE NETWORK

POLICY TITLE: Contractual Relationships & Delegation	CATEGORY: Provider Network Management	
EFFECTIVE DATE: 3/21/13	BOARD APPROVAL DATE: 3/21/13	
REVIEW DATE: 7/7/22	REVISION(S) TO POLICY STATEMENT: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	OTHER REVISION(S): <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
RESPONSIBLE PARTY: Provider Network Specialist	CEO APPROVAL DATE: 8/2/22 Dr. Tim Kangas, CEO	

APPLIES TO

NorthCare Network Personnel
Network Providers

POLICY

NorthCare Network oversees and is accountable for any managed care functions and responsibilities that it delegates to any contractor. NorthCare Network is accountable for eligible beneficiaries in its service area, regardless of the functions it has delegated to Network Providers.

PURPOSE

To identify the relationships between contractors, sub-contractors and the PIHP and to outline responsibilities for delegated functions.

DEFINITIONS

1. ***Delegate:*** An entity under contract who performs functions on behalf of NorthCare Network PIHP.
2. ***Delegation:*** The process by which an organization contracts with or otherwise arranges for another entity to perform functions and to assume responsibilities covered under these standards on behalf of the organization, while the organization retains final authority to provider oversight to the delegate.
3. ***Delegation Agreement:*** A document that outlines the agreement of delegated functions that includes, at minimum: the activities and report responsibilities that are delegated, responsibilities retained by the PIHP, required performance expectations, the process used by the PIHP to evaluate the delegate's performance, and provides for revoking delegation or imposing other sanctions if performance is inadequate.

REFERENCES

- Balanced Budget Act, 1997, §438.230
- PIHP/MDHHS Contract
- NorthCare Network Sanctions Policy
- NorthCare Network Provider Oversight, Monitoring and Evaluation Policy

HISTORY

REVISION DATE: 9/24/13, 5/14/14, 3/30/16, 1/23/17, 11/20/17, 9/22/21, 7/7/22

REVIEW DATE: 3/13/13, 9/24/13, 5/14/14, 6/14/14, 5/21/15, 3/30/16, 1/23/17, 11/20/17, 9/26/18, 2/4/20, 11/30/20, 9/22/21, 7/7/22

CEO APPROVAL DATE: 3/13/13, 9/24/13, 5/14/14, 6/14/14, 6/2/15, 4/4/16, 2/7/17, 12/11/17, 10/2/18, 2/26/20, 12/1/20, 10/5/21, 8/2/22

BOARD APPROVAL DATE: 3/21/13

PROCEDURES

A. Areas where some or all of the functions may be delegated are:

1. Credentialing
2. Customer Services
3. Grievances and Appeals
4. Provider Network Management
5. Quality Improvement
6. Utilization Management

B. Requirements of all Delegates include, but are not limited to:

1. Must notify NorthCare Network of any material change in the contractor's ability to perform delegated functions;
2. Must adhere to the same standards and criteria as NorthCare Network through a Delegation Agreement;
3. Must have adequate staffing and capabilities to perform and manage delegated functions;
4. Must have an adequate level of experience and success in performing delegated functions; and
5. Must have a quality improvement program that continuously measures and improves the delivery of care.

C. Pre-Delegation Assessment:

1. Prior to any delegation decision is made NorthCare Network will evaluate the prospective contractor's ability to perform the activities to be delegated. The review will consist of a policy and procedure review in addition to evaluating their capacity to perform the delegated function.
2. NorthCare Network will review results of the pre-delegation evaluation and make a recommendation regarding the evaluation. The recommendation will be forwarded to NorthCare Network's Chief Executive Officer (CEO) or designee for final decision.

3. A written Delegation Agreement will be part of the contract between NorthCare Network and the contractor.

D. Monitoring of Delegation:

1. NorthCare Network will monitor the contractor's performance on an annual basis ensuring compliance with standards established by Federal and State regulations and applicable accreditation standards.
2. If deficiencies or areas for improvement are identified, corrective action is required.
3. In the event that there is a failure to resolve the contractor's performance, NorthCare Network will remove the delegation and assure the function's adequate coverage and performance elsewhere.