	Contract Service Provider Rate Adjustments			
	<b>Chapter:</b>	Financial Management	<b>Policy #</b>	3-04-05
	<b>Section:</b>	Purchasing	<b>Revision #</b>	1

- I. **PURPOSE:** West Michigan Community Mental Health (WMCMH) is committed to paying competitive provider reimbursement rates, that are reasonable and necessary to provide purchased services as described in the Medicaid Manual.
- II. **APPLICATION:** All programs and services operated by WMCMH Governing Body, and all contracted service providers of WMCMH.
- III. **REQUIRED BY:** Lakeshore Regional Entity

**IV. DEFINITIONS:**

Contract Service Provider: Entity in a formal contract arrangement with WMCMH to provide a clinical service(s), on behalf of WMCMH, to individuals served.

Service: Any service which is involved in the treatment, diagnosis or care of an individual served.

- V. **POLICY:** WMCMH will use a uniform process for contract providers to request a rate adjustment and for WMCMH to evaluate and implement rate adjustments.


**VI. PROCEDURES:**

1. Provider rates will be evaluated through an annual review completed by WMCMH or via a provider request. At a minimum, the following factors will be considered when evaluating rate adjustments:
  - o Funding availability
  - o Rate equity with similar services
  - o Timing of the last increase
  - o Provider submitted budget and/or actual financial statements
  - o Quality of care provided as defined in the contract monitoring procedure
  - o Standardized rates
  - o Other factors supplied by the provider
2. Using the WMCMHS Contract Provider Rate Adjustment Form, provider requests rate adjustment and provides all relevant supporting documentation.
3. WMCMH evaluates request relative to funding availability, rate equity with similar services, timing of last increase, supporting documentation provided, quality of care provided, standardized rates and other factors.
4. Within 60 days of request form receipt or receipt of requested additional information, WMCMH makes a decision about rate adjustment.
  - a. Once a request has been denied, further consideration will not occur without a new rate adjustment form being submitted which must include new circumstances or additional supporting documentation for an adjustment.
  - b. Rate adjustment requests may be denied on the basis of not meeting the conditions or timeframes applicable to requests.
5. WMCMH provides decision to contract provider in writing.
6. WMCMH communicates to/receives approval for rate adjustment from WMCMH Board (as needed)

WMCMH makes rate adjustments (if approved) to Provider Service Agreement and submits to provider for signature.

Provider signs and returns Provider Service Agreement.

No payments will be made to the provider until a fully executed contract is in

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place.

WCMCMH designee signs Provider Service Agreement. Appropriate Network Team member will document rate adjustments in the current fiscal year file under FY XX Contract Tracking Log Excel spreadsheet.

**VII. SUPPORTING DOCUMENTS:**

- NQC\_NW\_22\_WCMCMH Contract Provider Rate Adjustment and Review Guide
- NQC\_NW\_F\_19\_WCMCMHS Contract Provider Rate Adjustment Form
- NQC\_NW\_WI\_27\_Provider Request Rate Adjustment

**VIII. POLICY/PROCEDURE REVIEW:**

REV#	APPROVED BY	Policy/Procedure	DATE
	WCMCMH Board	New Policy	5/2023
1	Admin Policy Comm	Revisions	5/2024
<b>Board Approval Date:</b>			

**IX. CHIEF EXECUTIVE OFFICER ENDORSEMENT:**

I have reviewed and approved of policy # 3-04-05 Revision # 1.

CEO: Lisa A. Williams

Approval Signature: