Behavioral Health System Baltimore

Contracting Processes

Key Information

Contents

Overview

Each contract is supported by a BHSB Contract Team, comprised of four members with an assigned role. The Contract Team is responsible for collaborating to develop, monitor, and audit contracts. The assigned roles are:

- Contract Administrator Lead
- Program Lead
- Grants Accountant Lead
- Quality Coordinator Lead

The Letter of Award (discussed in more detail in the Contracting Process section) identifies BHSB staff assigned to each Contract Team role for that specific contract.

Please distribute contracts and reporting requirements to the appropriate staff in your organization.

Forms related to contracting can be found on BHSB's website. (To navigate from BHSB's Home page, click on the *For Providers* tab, then select *Forms for Providers*.)

Several years ago, BHSB added a budget module to the Contract Management System (CMS). Budgets are now submitted to BHSB and reviewed/approved within the software.

Contracting process

1. **Letter of Award (LOA)**

   The contract execution process is initiated by releasing the LOA to a sub-vendor or consultant. The LOA includes the contract amount, funding source, contract term, contract number, and the name of the project being funded.

   - The LOA requires the submission of the following documents within 2 weeks:
     - W-9
     - Specified insurance documentation
     - MD Department of Assessments and Taxation, Letter of Good Standing
     - Pre-Award Risk Assessment
     - CMS Registration Form
   - If applicable, the LOA will also require the following documents within 2 weeks:
     - Budget

- o Maryland Department of Health program certificate
- o Accreditation Certification
- o BHSB ACH Authorization Form

2. Budget

The steps to approve a budget submission are:

- o Sub-vendor or consultant submits the budget via CMS.
- o Budget is reviewed by the Program Lead, Grants Accountant Lead, and Director of Grants Accounting. Changes are requested through CMS.
- o Once the budget is approved, the sub-vendor or consultant is notified via a CMS notification email.

3. Contract Documents

Contract documents are prepared after the budget is approved. There are four (4) different contract types:

- o Actual Expenditure Cost Reimbursement
- o Advanced Basis Cost Reimbursement
- o Fee-for-Service (FFS)
- o Consultant

The steps to execute the contract are:

a) The contract documents are sent to the sub-vendor's or consultant's identified contract signatory for review and signature through the Adobe Electronic Signature (e-signature) application.

b) The contract is sent to BHSB's President and CEO for review and signature through the same e-signature application.

c) Once both signatures are received, the contract is considered fully executed.

d) BHSB and the identified contract signatory will receive a fully executed copy of the contract via email for their records.

Functions

Contracts Administrator Lead

BHSB issues grants to sub-vendors and consultants through legally binding contractual terms. Contract Administrator Leads are responsible for ensuring that BHSB contract documents are fully executed accurately and within a timely manner.

- Key functions of the Contract Administrator Lead:

    o Manages and administers contracts that are executed with sub-vendors and consultants

    o Monitors sub-vendors and consultants' contractual compliance.

    o Reviews terms and conditions of contracts with sub-vendors and consultants.

    o Prepares and issues Letters of Award, contracts, contract amendments, and other legal documents as needed.

    o Coordinates execution of contract documents.

    o Manages and verifies that contract information is accurate in BHSB's Contract Management System (CMS).

Program Lead

- The Program Lead role encompasses programmatic staff from several BHSB departments, including Programs, Policy & Communications, and Operations.

- This role provides programmatic oversight of funding agreements and sub-vendor contracts.

- Key functions of the Program Lead:

    o Collaborates with program staff of the funding agency annually to develop and revise as needed funding agreement conditions of award.

    o Develops the scope of work that incorporates funder conditions and other BHSB-specific deliverables into the sub-vendor contract. Deliverables will reflect performance in meeting the goals of the contract.

        ▪ There are two types of deliverables:

            • Standard deliverables that apply to many BHSB contracts

            • Custom deliverables that apply to specific contracts

- Sub-vendors and consultants should thoroughly review the scope of work and deliverables as soon as BHSB provides the documentation and immediately contact the assigned Program Lead with any questions or concerns upon review.

o Collaborates with other Contract Team members to develop the contract.

o Reviews sub-vendor and consultant budgets for compliance with staffing patterns, scope of work, and funding agreements and provides programmatic approval of budgets.

o Reviews and approves selected invoices in accordance with the Attachment A of the contract.

o Monitors performance of sub-vendors and consultants during the contract term through review of program reports and other mechanisms.

- Program report due dates are listed in CMS. Sub-vendors and consultants should review reports prior to the first reporting period due date and consult with the Program Lead with any questions.

- Program reports should be completed and submitted in CMS by the due date. Sub-vendors and consultants should ensure all questions are answered completely and accurately and, if applicable, upload the required documents to CMS to submit along with your report.

   IMPORTANT NOTES:

   - **Sub-vendors and consultants should contact the Program Lead before reporting deadlines to discuss any questions or concerns related to the program report or general expectations of contract performance.**

   - **Sub-vendors and consultants are required to immediately inform their Program Lead via email of any staff changes associated with the contract and report this change as part of the CMS report standard deliverables.**

o Provides resources and technical assistance to address any challenges in implementing the work identified by the sub-vendor/consultant or during audits.

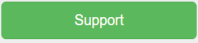o Serves as point of contact for sub-vendors and

consultants to provide information, resources, and system of care updates.

- o Initiates the contract amendment process as needed to reflect changes to the scope of service, deliverables, and/or funding during the contract term.

Grants Accounting

- Key functions of the Grants Accountant Lead:
  - o Ensures compliance with the fiscal requirements of funding agreements.
  - o Reviews, approves, and tracks sub-vendor and consultant budget applications, expenditure reports, and year-end fiscal reports.
  - o Coordinates with BHSB Accounts Payable to process sub-vendor and consultant payments based on fiscal reports and other supporting documentation.
  - o Submits fiscal budget documentation, payment requests, reports on expenditures throughout the contract term, and closes out fiscal documentation according to the funding agreement requirements.
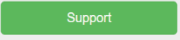
- **Budgets**
  - o Budget instructions are posted on:
    - BHSB's website. (To navigate from BHSB's Home page, click on the *For Providers* tab, then select *Forms for Providers*.)
    - CMS Support website (This site is accessed from the CMS application by clicking on the [Support] button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.)

- Budgets are submitted to BHSB via CMS.
  - o Budget documentation is requested through the Letter of Award (LOA) and must be submitted via CMS by the date designated in the letter.
  - o Depending on the funding source, contract type, or Statement of Work, additional documentation may be required to be uploaded when submitting the budget. For example, for some cost-reimbursement contracts with projects that generate fee- collections or are partially funded with other funds, we ask that you include

these funds in your budget and complete and upload a Source of Funds page with your budget.

- o During the fiscal year, if changes need to be made to the budget but not to the award amount, a **budget modification** request must be completed and submitted. Budget modifications for contracts ending June 30 can be requested anytime throughout the year after a fully executed contract is received, up to the deadline of March 15th. A reminder notification is sent out about three weeks before the deadline by the Grants Accounting team. The dates may be different for some non-BHA grants; therefore, please check with your assigned Program Lead and Grants Accountant.
    - ▪ Before submitting the budget modification, contact the Program Lead (identified in the LOA) to discuss the proposed changes.
    - ▪ Reach out to the Grants Accountant Lead (identified in the LOA) for modification instructions.

- **Fiscal reports –** A fiscal report is an expenditures report that is electronically entered into CMS.
    - o The frequency of the fiscal report varies by the contract type and is established in the Contract Terms.
    - o Refer to CMS for due dates.
    - o Fiscal reports must report on actual expenditures (i.e., no estimates) for the specific reporting period as delineated in the Contract Terms.
    - o Fiscal report's report dates cannot be outside the contract term, must start with the 1st of the month and end with the last day of the month, and cannot be duplicated or overlapped.
    - o Fiscal reports must be submitted for each period of the contract even if there were no expenditures incurred, in which case fiscal reports need to be completed and submitted with zero amounts, and a comment added as to the reason for no expenditures reported.
    - o Fiscal reports may require additional documents to be uploaded depending on the contract type and funding requirements.
    - o Incorrect or incomplete fiscal reports will be sent back to the sub-vendor for correction and resubmission.
    - o Depending on the contract type and specific funding

requirements, supportive documentation may be required to be uploaded to CMS and submitted with the fiscal report.

- o Any concerns that may occur during the year regarding submission of fiscal reports must be directed to the Grants Accountant Lead (identified in the LOA).

- o There is a tutorial that covers a range of reporting processes, including instructions for filling out a fiscal report. It is accessed from the CMS application by clicking on the ` Support ` button at the top-right corner of each page. It can also be found on the sign-in page of the CMS application.

- **Year-end fiscal reports** and Annual Form 440 reports are due 30 days after the end of the contract term or the BHSB fiscal year, whichever is earliest. The Grants Accounting team sends a reminder notification, including forms and instructions, shortly after the fiscal year's end.

  - o Annual Report 440 is in addition to the final fiscal report submitted in CMS. This report captures all fiscal year receipts, including any interest, expenditures, performance measures, equipment detail, and explanations for over/under spending in line items.

  - o Annual Report Reconciliation letters informing Providers of the results are emailed to Providers upon completion of all reconciliations.

  - o Forms and instructions for completion and submission of the Annual Report 440 can be found on the BHSB website under For Providers > Forms for Providers > Budget Forms

- **Payments** are processed net 30 after all documentation has been submitted correctly.

  - o BHSB generates checks on the 1st and 15th of every month. If the 1st and 15th are on a holiday or weekend, generation of checks will be on the next business day.

  - o BHSB offers direct deposit/ACH for ease of receiving funds. Funding for direct deposit/ACH vendors is deposited within 72 hours of BHSB check generation.

  - o For Fee-For-Service contracts, a fiscal report with supporting documentation will be required to process payments.

  - o For Actual Expenditures Cost Reimbursement contracts, a

fiscal report will be required to process payments. Some contracts will also require that you submit receipts.

- o For Advance Basis Cost Reimbursement contracts, BHSB will advance monthly payments within the contract term at the beginning of each month and require quarterly fiscal reporting. Payments after the first quarter will be deferred if fiscal reporting is not received when due. In addition, subsequent quarterly payments will be reduced if warranted by an analysis of the expenses reported and advances already paid. All payments are subject to BHSB cash management practices, and funding will be advanced only upon the availability of funds from the funder. Advance payments will be generated by BHSB after a contract has been fully executed or in cases when the award is issued with significant delays past July after these two conditions are met:

    1. the issuance of the LOA <u>and</u>
    2. receipt of a complete and accurate budget application from the sub-vendor.

Quality Coordinator Lead, Accountability Compliance Audits, and Critical Incidents

- The Quality Coordinator Lead conducts the Accountability Compliance Audit (ACA).

- BHSB will notify the primary contract contact of the need to schedule an audit to measure the sub-vendor's contractual performance at some point during the year following the close of the contract term.

- The length of time for an ACA will vary depending on several factors. To promote a customer service approach, the specific length of time required for the audit will be delineated when scheduling the audit. Generally, a desk audit conducted via video/telecommunication can typically run between 30 minutes to 2 hours, while an onsite audit at the sub-vendor's facility can be between 5-6 hours.

- Sub-vendors will be asked to submit targeted information (for example, personnel community connections, etc.) five business days prior to the scheduled audit. On the day of the audit, the sub-vendor will need to provide the Quality Coordinator Lead with access to the entire treatment record (or files) as well as the documents listed in the executed Contract Terms and the associated Attachment A.

- Following the audit (during the exit interview) and prior to sending an

Audit Disposition Letter, the Quality Coordinator Lead will summarize preliminary audit findings, provide an overview of the findings, discuss next steps, and answer any additional questions regarding the audit.

- The *Audit Disposition Letter* will provide an overall summary of preliminary findings reflecting the status as *compliant* or *non-compliant*. This status is based on the quality of documentation, execution of policies, and the extent to which requirements outlined in Attachment A of the contract were met. The letter will reflect key findings and any recommendations regarding technical assistance and/or a *Performance Improvement Plan (PIP)*, if applicable. BHSB's goal is to support efforts to improve and strengthen quality assurance and internal control processes.

- Sub-vendors and Consultants are required to report Critical Incidents to BHSB according to the following guidance:

    - BHSB follows the Maryland Department of Health, Behavioral Health Administration policy that requires that all licensed programs report all Critical Incidents within five (5) calendar days following the program's knowledge of the incident.

    - Relevant forms can be downloaded from [BHSB's website](). (To navigate from BHSB's Home page, click on the *For Providers* tab, then select *Forms for Providers*.)

    - Critical Incidents are submitted by completing the *[Critical Incident Form]()* and emailing it to [critical.incident@bhsbaltimore.org]().
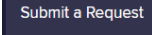
Contract Management System (CMS)

- All fiscal and programmatic reports are submitted to BHSB via the [Contract Management System (CMS)](), which is an online application.

- Budgets are submitted, reviewed, and approved in CMS.

- File attachments that are uploaded to CMS are encrypted and secure. Protected Health Information (PHI) may be submitted to BHSB on the attached file if contractually required. **PHI should not be entered into CMS fields**.

<u>Assigned Users</u>

- The Letter of Award (LOA) requests that sub-vendors complete the *Contract Management System (CMS) Registration Form* to identify CMS Users for the following roles:

    - **Contract Signatory** – Individual who has the authority to execute the contract on behalf of the Sub-vendor or Consultant

- o **Primary Contract Contact -** Individual who receives formal contractual communications from BHSB related to this contract

- o **Primary Fiscal Contact** – Individual who receives communications from BHSB related to fiscal functions and performance of this contract

- o **Primary Program Contact** – Individual who receives communications from BHSB related to programmatic functions and performance of this contract

- o **Administrator** – Individual who can assign or terminate user roles in CMS

- o **Fiscal Report User** – Individual who submits fiscal reports

- o **Program Report User** – Individual who submits program reports

- When setting up the contract, BHSB assigns CMS users based on the *Contract Management System (CMS) Registration Form* for the designated fiscal year. Thereafter, the assigned Administrator(s) maintains CMS Users throughout the contract year.

- It is important that access to CMS be immediately terminated when an employee or subcontractor terminates or changes roles within the organization. This task can be completed by:

  - o the sub-vendors/consultants assigned Administrator(s)

  - o the BHSB Contract Administrator Lead assigned to the contract can also complete this task.

- Users also have the option to request CMS support via the CMS website https://bhsb.onlinereporting.org//index.php by clicking on the Support button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.

CMS support

- CMS is supported by the Operations Team.

- Support is accessed by clicking on the CMS Support button located on the top-right corner of each page in the application. It can also be found on the sign-in page of the CMS application.

- Clicking on the CMS Support opens up a help resources page.

  - o Users can submit a request for assistance by clicking on the Submit a Request button at the top of the screen.

o   Users can also access resources by clicking on Get Help.

Knowledge Base

This button opens up the Knowledge Base page, which has written and video instructions to complete specific functions in CMS.

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