

POLICIES AND PROCEDURE MANUAL

<b>Chapter:</b>	<b>Provider Network Management</b>		
<b>Title:</b>	<b>Fiscal Year Contract Monitoring (Amounts vs. Expenses)</b>		
<b>Policy:</b> <input checked="" type="checkbox"/>	<b>Review Cycle:</b> Annually	<b>Adopted Date:</b> 09.01.2020	<b>Related Policies:</b> Procurement Administrative & Retained PIHP Function Contract Monitoring and Oversight
<b>Procedure:</b> <input type="checkbox"/>	<b>Author:</b> Contract Specialist/Finance Manager	<b>Review Date:</b>	
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**Purpose**

The purpose of this policy is to outline general guidelines for administrative contracts for the purposes of approval, execution, and expense monitoring.

**Policy**

All contracts and agreements that need to be executed by the MSHN CEO shall be routed through the Contract Specialist for review, tracking, and to obtain CEO signature. In accordance with the *Protocol for Use of Signature Stamp*, the Contract Specialist is authorized to sign contracts or agreements using the CEO signature under specific conditions – See Attachment A.

Contract listings shall only come from the Assigned Leadership member to the Contract Specialist in accordance with the Administrative Contract Monitoring Procedure.

BAA/QSOAs issued to vendors where no formal contract or agreement is established shall be reissued to the vendor and updated at least every three years. Vendor issued BAA/QSOAs shall be reviewed and approved by the MSHN Privacy Officer and Security Officer to ensure all requirements are met.

Contract Maximum expense monitoring report shall be issued to Leadership on a bi-monthly basis and shall identify contracts that have a balance of less than 25% remaining.

**Applies to:**

- All Mid-State Health Network Staff
- Selected MSHN Staff, as follows: Leadership, Finance Manager, Contract Specialist
- MSHN’s Participants     Policy Only     Policy and Procedure
- Other: Sub-contract Providers

**Definitions:**

**Agreements:** Non-financial arrangements such as Data Use Agreements, Medicaid Health Plan Agreements.

**Business Associate Agreement (BAA):** The most common agreement between a Covered Entity and its third-party service provider is the BAA. BAA is more common terminology to healthcare providers than the term QSOA simply because a vast majority of Covered Entities do not qualify as Part 2 Programs, and therefore, Covered Entities are using BAAs much more frequently than QSOAs. There are certain [required elements of a BAA](#) such as 1) establish permitted and required uses and disclosures of PHI by the Business Associate; 2) provide that the Business Associate will not use or further disclose the information other than as permitted by the BAA or as otherwise required by law; and 3) require the Business Associate to implement appropriate safeguards to prevent unauthorized use or disclosure of PHI.

**Qualified Service Organization (QSO):** Third-party service providers must become qualified to service Part 2 Programs. This is achieved through the entity entering into a written agreement with the Part 2 Program in which it acknowledges that it is bound by the [Part 2 confidentiality regulations](#) and agrees to resist in judicial proceedings any efforts to obtain unauthorized access to patient identifying information related to substance use disorder diagnosis, treatment, or referral for treatment that may come into its possession

**References/Legal Authority:**

Health Insurance Portability and Accountability Act and 42 CFR PART 2  
MDHHS Contract, 37.0 Provider Procurement

**Change Log**

<b>Date of Change</b>	<b>Description of Change</b>	<b>Responsible Party</b>
6.2020	New Policy	Contract Specialist/Finance Manager

Attachment A

**Protocol for Use of Signature Stamp**

July 08, 2019

**Purpose:** The purpose of providing a signature stamp and/or electronic image of signature is to expedite approved contract processing time, reduce supply consumption, and enhance efficiency.

The signature stamp or electronic image of signature belonging to the Chief Executive Officer may be used by the MSHN Contracts Specialist under the following conditions:

- The signature may be applied electronically or via stamp on all contracts approved by the Mid-State Health Network Board of Directors.
  - A log of stamp/image use (Date, Contract (or Document) Name) is to be maintained by the contract manager and must be provided on request.
- Contracts that are within the signature authority of the CEO but not on a board approval list must be presented for manual signature and the stamp/image may NOT be used.
- The signature or image may NOT be applied to non-contract documents, letters, emails, checks, bills, any banking instrument, or any other agreement not specifically authorized in this protocol.
- When not in use, the signature stamp must be kept in a secure location inaccessible to others.
- Appropriate steps should be taken to safeguard the electronic image of signature. Specifically, the image should only be applied to PDFs of documents authorized for signature and never distributed as part of a non-PDF document.

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Contract Specialist

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Chief Executive Officer

\_\_\_\_\_  
Date

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Date