**FY 21 Contracting Processes**

**Key Information**

1. **Overview**
* Behavioral health system integration continues to be a priority at the state and local levels in Maryland. While funding for mental health and substance use disorder services continues to be separate at the federal and state levels, BHSB has taken a step forward by standardizing payment processes across contract types for FY 21. Please see the Grants Accounting section of this document for more information.
* Each contract is supported by a BHSB Contract Team, comprised of four members, each with an assigned role. The Contract Team is responsible for collaborating to develop, monitor and audit contracts. The assigned roles are:
	+ Program Lead
	+ Grants Accountant
	+ Contract Administrator
	+ Quality Coordinator
* The Letter of Award (which is discussed in more detail in the Contracting Process section) identifies BHSB staff assigned to each of the Contract Team roles for that specific contract.
* Please distribute contracts and reporting requirements to the appropriate staff in your organization.
* Contract-related forms can be found on [BHSB’s website](https://www.bhsbaltimore.org/for-providers/forms-for-providers/). (To navigate from BHSB’s Home page, click on the *For Providers* tab then select *Forms for Providers*.)
1. **Contracting Process**

BHSB issues grants to sub-vendors by way of establishing contractual terms that are legally binding. Contract Administrators are responsible for ensuring that BHSB contract documents are fully executed accurately and within a timely manner.

* Key functions of the Contract Administrator:
* Manage and administer contracts that are executed with sub-vendors.
* Monitor contractual compliance of sub-recipients of grant awards.
* Review terms and conditions of contracts with sub-recipients of grant awards.
* Prepare and issue Letters of Award, Contracts, Contract Amendments and other legal documents as needed.
* Provide initial analysis of budgets and budget modifications submitted by sub-vendors.
* Coordinate execution of contract documents.
* Manage and verify that contract information is entered in the Contract Management System
* Provide internal and external trainings of BHSB contract processes

**Contract Execution Process**

* **Letter of Award (LOA)**

The contract execution process is initiated with the release of the LOA to the sub-vendor. The LOA includes contract amount, funding source, contract term, contract number and the name of the project that is being funded. The LOA also specifies required documents that need to be submitted for contract execution. These documents may include:

* Budget
* MDH Certification or Accreditation
* Contract Management System Registration form
* W-9
* Maryland Letter of Good Standing for Businesses
* Liability Insurance Requirements
* **Budget**

The steps to approve a budget submission are:

* + Sub-vendor submits the initial budget to the Contract Administrator.
	+ Contract Administrator reviews budget to ensure it is in alignment with the LOA, signed by the authorized finance representative, and that all corresponding documents are complete and accurate.
	+ Budget is routed to the other BHSB Contract Team members and the Director of Grant Accounting for review and approval.
	+ Budget is entered into the Contract Management System.
	+ Sub-vendor receives an email stating that the budget is approved and entered into CMS for viewing.
* **Contract Documents**

The steps to execute the contract are:

* + Contract documents are prepared when the budget is approved. There are four (4) contract types:
		- Actual Expenditure Cost Reimbursement
		- Advanced Expenditure Cost Reimbursement
		- Fee-for-Service (FFS)
		- Consultant
* The contract is sent to the sub-vendor’s authorized contract signatory for review and signature through the **Adobe Electronic Signature (E-Signature)** application.
* The contract is sent to BHSB’s President and CEO for review and signature through the same e-signature application.
* Once both signatures are received, the contract is considered **fully executed.**

1. **Program Lead**
	* The Program Lead role encompasses program staff from several BHSB departments, including Programs, Operations, and Communications.
	* This role provides programmatic oversight of funding agreements and sub-vendor contracts.
	* Key functions of the Program Lead:
		+ Collaborate with program staff of the funding agency annually to develop and revise as needed funding agreement conditions of award.
		+ Develop 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.
			- This includes a set of standardized deliverables developed by BHSB that are intended to reflect priority areas of development.
			- Sub-vendors should thoroughly review the scope of work and deliverables as soon as the documentation is provided by BHSB and contact the assigned Program Lead with any questions or concerns immediately.
		+ Collaborate with other Contract Team members to coordinate development of contract.
		+ Review sub-vendor budgets for compliance with staffing pattern, scope of work, and funding agreement and provide program approval of budgets.
		+ Review and approve selected invoices in accordance with Attachment A of the contract.
		+ Monitor performance of sub-vendors during the contract term through review of program reports and other mechanisms.
			- Program report due dates are listed in CMS. Sub-vendors should review reports prior to the first reporting period.
			- Program reports should be completed and submitted in CMS by the due date. Sub-vendors should ensure all questions are answered completely and accurately.
			- Contact Program Lead in advance of reporting deadlines to discuss any questions and concerns related to the program report or general expectations of contract performance.
		+ Provide resources and technical assistance to assist in addressing any challenges in implementation of the work as identified by the sub-vendor or during audits.
		+ Serve as point of contact for sub-vendors to provide information, resources, and system of care updates.
		+ Initiate contract amendment process as needed to reflect changes to scope of service, deliverables, and/or funding during the contract year.
2. **Grants Accounting**
* Key functions of the Grants Accountant:
	+ - Ensure compliance with the fiscal requirements of funding agreements.
		- Review, approve, and track sub-vendor budget applications, expenditure reports, and year-end fiscal reports.
		- Coordinate with BHSB Accounts Payable to process sub-vendor payments based on fiscal reports and any supporting documentation.
		- Submit fiscal budget documentation, requests for payment, reports on expenditures throughout the contract term, and close out fiscal documentation according to the requirements of funding agreement.
	+ **Budget documentation** can be found on [BHSB’s website](https://www.bhsbaltimore.org/for-providers/forms-for-providers/). (To navigate from BHSB’s Home page, click on the *For Providers* tab then select *Forms for Providers*.) This information is updated every year.
		- Budget documentation is requested through the Letter of Award (LOA) and must be submitted by the date designated in the letter to the assigned BHSB Contract Administrator in two formats:
			* Excel spreadsheet (.xls) and
			* signed Portable Document Format (.pdf). (The .pdf file can be signed electronically, or it can be a scanned version of a signed hard copy.)
		- During the fiscal year, if changes need to be made to the budget, but not to the award amount, a **budget modification** request will need to be completed and submitted. Budget modifications can be requested anytime throughout the year after a fully executed contract is received, up to the deadline of March 15th. A reminder notification inclusive of forms and instructions is sent out approximately three weeks prior to the deadline by the Grants Accounting team.
			* Before submission of the budget modification, reach out to the Program Lead (identified on the LOA) to discuss the proposed changes.
			* Reach out to the Grants Accountant (identified on the LOA) for modification instructions and documentation.
	+ **Expenditures reports** are submitted through the Contract Management System (CMS).
		- The frequency of the fiscal report varies by the contract type and is established in the Contract Terms.
		- A payment and reporting schedule is sent out shortly before the beginning of the fiscal year by the Grants Accounting team.
		- Expenditures reports must report on actual expenditures for the specific reporting period as delineated in the Contract Terms.
		- The BHSB CMS tutorial, which covers a range of reporting processes, offers instructions for filling out a fiscal report.
		- Depending on the contract type and specific funding requirements, supportive documentation may be required to be submitted with the fiscal report as an attachment in CMS.
		- Any concerns that may occur during the year regarding submission of expenditure reports must be directed to the Grants Accountant (identified on the LOA).
	+ **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. A reminder notification inclusive of forms and instructions is sent out shortly after the end of the fiscal year by the Grants Accounting team.
	+ **Payments** are processed net 30 after all documentation has been submitted correctly.
		- 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.
		- 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.
	+ **Payment processes changes** Effective FY 21, SUD sub-vendors will not be required to submit a payment request in order to be paid under their contract terms.
		- For Fee For Service and Actual Expenditures Cost Reimbursement contracts, only a fiscal report with supporting documentation, if applicable, will be required to process payments.
		- For Advance Basis Cost Reimbursement contracts, BHSB will advance payments monthly at the beginning of each month within the contract term and will require quarterly fiscal reporting. Advance payments will be generated by BHSB after 1) the issuance of the LOA and 2) receipt of a complete and accurate budget application from the sub-vendor. Payments after the first quarter will be deferred if fiscal reporting is not received when due.
1. **Contract Management System (CMS)**
	* All fiscal and programmatic reports are submitted to BHSB via the Contract Management System (CMS), which is an online application.
	* To support system security, the complexity requirements for passwords will be increased as of June 1st. Users will be required to change their password when they login in after this change.
	* File attachments that are uploaded to CMS are secure. If contractually required, Protected Health Information (PHI) may be submitted to BHSB on the attached file. PHI should not be entered into CMS fields.
	* CMS will be adding capability to identify three key contract roles in CMS.
		+ Contract Signatory
		+ Key Contract Contact
		+ Key Fiscal Contact

We will reach out later in the year to ask who these key individuals are.

* + **Assigned Users**
		- The Letter of Award (LOA) requests that sub-vendors complete the *FY 2021 Contract Management System (CMS) Registration Form* to identify CMS Users for the following roles:
			* Administrator
			* Programmatic Report Submission
			* Fiscal Report Submission
		- When setting up the FY 21 contract, BHSB assigns Users based on the *FY 2021 Contract Management System (CMS) Registration Form*. 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. The assigned Administrator(s) can perform this function, or BHSB can provide support for this.
	+ **Support**
		- There is a Help tab in CMS that opens a *Help Resources* page offering:
			* Provider System Manual
			* Provider Training Recording
			* Link to send an email to request CMS support
		- CMS is supported by the Operations Department. Support can be accessed by emailing CMSsupport@bhsbaltimore.org.
1. **Accountability Compliance Audit**
* 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.
* Quality Coordinator conducts the Accountability Compliance Audit.
	+ The length of time for an Accountability Compliance audit (ACA) will vary depending on the contract award amount:
		- $99,999 or less = a Desk Audit that is conducted via video/telecommunication and can typically run between 30 minutes to 2 hours
		- $100,000 or greater = an Onsite Audit typically is conducted at the sub-vendor’s facility and can be between 5-6 hours depending on the size of the contract and deliverables.
* Sub-vendors will be asked to submit targeted information (for example-personnel, SWOT Analysis, and Community Connections) five business days prior to the scheduled audit. On the day of the audit, sub-vendor will need to provide the Quality Coordinator 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 and prior to sending an *Audit Disposition* *Letter*, the Quality Coordinator 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 a single overall score of *compliant* or *non-compliant*. This status is based on the quality of documentation, execution of policies, and the extent to which requirements outlined on the Attachment A of the contract were met. The letter will reflect key findings and any recommendations regarding technical assistance (TA) 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 are asked to submit Critical Incidents and complaints 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.
	+ There is no time frame on complaints because BHSB can receive direct and indirect complaints from anyone who has acquired knowledge of the situation.
	+ Relevant forms can be downloaded from [BHSB’s website](https://www.bhsbaltimore.org/for-providers/forms-for-providers/). (To navigate from BHSB’s Home page, click on the *For Providers* tab then select *Forms for Providers*.)
	+ Complaints are submitted by:
		- * completing the [*Complaint/Incident Tracking and Resolution Form*](https://www.bhsbaltimore.org/for-providers/forms-for-providers/) and emailing it to complaints@bhsbaltimore.org or
			* calling BHSB (410-637-1900) and speaking to the Incident Management & Investigations Manager.
		- Critical Incidents are submitted by completing the [*Critical Incident Form*](https://www.bhsbaltimore.org/for-providers/forms-for-providers/) and emailing it to critical.incident@bhsbaltimore.org.