

# SANILAC COUNTY COMMUNITY MENTAL HEALTH AUTHORITY

## ADMINISTRATIVE POLICY

**NUMBER: BA039**

**NAME: ENSURING BEST VALUE WHEN PURCHASING SERVICES**

INITIAL APPROVAL DATE:	02/19/2002	APPROVED BY: Sanilac CMH Board
(LAST) REVISION DATE:	06/25/2015	APPROVED BY: Chief Information Officer
(LAST) REVIEW DATE:	03/16/2023	REVIEWED BY: Policy Committee
DISCONTINUED DATE:	NA	REPLACED BY: NA

### I. POLICY

Sanilac County Community Mental Health Authority (Sanilac CMH) shall employ the principles of best value purchasing in the development of its provider network. It should be noted that determining the variables against which best value is judged is an evolving process that will require review periodically with the involvement of administrative and clinical staff, consumers and executive members of the Region 10 Prepaid Inpatient Health Plan (PIHP). All service providers employed directly or under contract with Sanilac County Community Mental Health Authority shall be maintained as part of the provider network only if they meet the requirements of a best value-based selection process.

### II. APPLICATION

Populations: **ALL**  
Programs: Direct – **ALL**  
Contracted – **ALL**

### III. DEFINITIONS

A. **Best Value** – A process for selecting providers, which includes evaluation of service quality, service outcome and service cost. Best value criteria include indicators of eligibility, capacity, and performance.

⇒ **Eligibility criteria** – A status that must be achieved prior to consideration as a service provider or network manager.

⇒ **Capacity criteria** – The ability of the service provider or network manager to accomplish contracted functions at the level or volume required.

⇒ **Performance criteria** – Indicators measuring the degree to which quality, outcome and cost meet an established standard.

Sanilac County Community Mental Health Authority is a legally affiliated partner of the Region 10 PIHP. As such, the Board will:

\* Act in partnership with the PIHP to articulate shared service delivery values of the system.

## **Sanilac County Community Mental Health Authority Policy Manual**

- \* Act in partnership with the PIHP to develop mechanisms for implementing the values of the system.
- \* Act in partnership with the PIHP to identify and communicate needs within its geographical jurisdiction.
- \* Maintain continuous collaborative mechanisms to ensure rapid response to changing circumstances.
- \* Maintain a comprehensive network of services to meet the needs of the individuals we serve and the community.
- \* Make necessary investments in the community to respond to our individuals and community needs.

### **IV. STANDARDS**

The variables for evaluating Best Value shall be identified in the following domains:

- a. Quality
- b. System Focus
- c. Community Benefit
- d. Administrative Capacity
- e. Cost/Price

The PIHP Board will define all these variables and criteria before their measurement will be established.