

ORGANIZATIONAL PROCEDURE

PROCEDURE TITLE:	SANCTIONS		
Topic Area:	CORPORATE COMPLIANCE		REVIEW DATES
Related Policies:	Compliance and Quality	ISSUED BY:	7/21/23
Applies to:	All CMHSP Programs	Chief Executive Officer	
Reviewed:	Annually	APPROVED BY:	
Developed and Maintained by:	LRE Chief Executive Officer, LRE Chief Compliance Officer, LRE Chief Financial Officer		
Supersedes:	N/A	Effective Date:	Revised Date:
		7/22/22	July 22, 2023

PURPOSE

Community Mental Health Service Provider (CMHSP) Participants must have and maintain practices that are adequate to fulfil their obligations under each sub-contract. If a CMHSP Participant fails to meet established criteria for performance of a delegated function, corrective action will be required. Persistent non-compliance could lead to revocation of activity. For non-delegated functions, the CMHSP Participant must comply with Lakeshore Regional Entity (LRE) policies and procedures related to the non-delegated functions. Non-compliance may be considered a material breach of the contract that may result in LRE applying sanction(s).

I. PROCEDURES

1. A CMHSP Participant will be given notice of areas of non-compliance and/or performance below standard of the delegated function(s).
2. The CMHSP Participant will be expected to take immediate action to correct the performance deficiency and to document and submit such improvement efforts to the PIHP for approval and follow-up monitoring.
3. Should the CMHSP Participant not be able to comply with the requirements of the Plan of Correction or improve performance within an acceptable time-period, the Pre-Paid Inpatient Health Plan (PIHP) may revoke the delegated function(s).
4. Non-compliance and/or sub-standard performance in one delegated functional area does not automatically jeopardize delegation to the CMHSP Participant in another functional area. Similarly, the revocation of one delegated function may not affect another delegated function where the CMHSP Participant is performing satisfactorily.
5. Written notice from the PIHP to the CMHSP Participant is required for revocation of any delegation.

6. Should a delegation(s) be revoked, the CMHSP Participant remains under obligation to the terms of its contract with the LRE and shall continue to observe LRE policy and standards as a provider of service.

II. APPLICABILITY AND RESPONSIBILITY

This procedure applies to LRE CMHSP Participants and contractual providers.

III. MONITORING AND REVIEW

The Chief Compliance Officer, in conjunction with the Chief Executive Officer, will review this procedure on an annual basis.

IV. DEFINITIONS

Non-Compliance: Failure to meet contract requirements, policies, procedures, performance standards and indicators and other contractually obligated mandates of LRE.

V. RELATED POLICIES AND PROCEDURES

- A. Corporate Compliance Plan
- B. Corporate Compliance Policy
- C. Auditing and Monitoring Procedure
- D. Quality Policies

VI. REFERENCES/LEGAL AUTHORITY

- A. MDHHS Medicaid Managed Special Supports and Service Contract

VII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
7/22/22	New Procedure	Chief Financial Officer, Chief Compliance Officer
7/22/23	Annual Review	CEO/Designee