

COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEASTERN MICHIGAN		<i>Policy and Procedure</i>	
Department: Finance/Contract Management Author: K. Gauthier		<i>Procurement of Goods and Services - WCHO</i>	
		Local Policy Number (if used)	
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I. PURPOSE

To define the procurement process of the Washtenaw Community Health Organization (WCHO) for contracted goods/services, to ensure that quality goods and services are purchased through a process that allows for fair opportunity to all vendors.

II. POLICY

- A. The Washtenaw Community Health Organization (WCHO) shall use a uniform process for the procurement of goods and services purchased by contract by and for the WCHO. This process will comply with MDCH contract requirements, the Washtenaw County Procurement Policy, and federal procurement standards.
- B. A competitive bid process will be used as follows, to ensure that the best quality goods/ services are purchased at the best price:
1. For goods/services under \$5,000, three verbal quotes will be obtained.
 2. For goods/services between \$5,000 - \$25,000, three written quotes will be obtained.
 3. For services above \$25,000 a formal RFP process will be followed, using either an open-ended bid or selective (closed) bid. The RFP process may be waived in certain situations:
 - i. The item or service is available only from a single source;
 - ii. There is an emergency situation, and the urgency for obtaining the item or service does not permit competitive solicitation;
 - iii. The item or service is of limited quantity or duration;
 - iv. The item or service is unique;
 - v. Section of the service provider has been delegated to the consumer under a self-determination program;
 - vi. The item or service is a pilot project where efficacy and effectiveness are still being evaluated;
 - vii. A critical volume of services is necessary to provide the required service at the specified price;
 - viii. A consumer-run organization needs assistance in development.

4. For professional contractual services under \$5,000 that are consultative in nature, a professional services waiver may be used.
- C. Effective internal controls shall be in place to protect against impropriety, favoritism or conflict of interest on the part of any WCHO official or employee.
- D. The WCHO shall have established processes in place that allow for an objective review of incoming bids that take into account the quality of the goods/services that will be purchased, as well as cost effectiveness.
- E. Bidders may have to participate in a credentialing process. The initial RFP submission will include credentialing when appropriate. Recredentialing may be necessary on an ongoing basis. If so, it will be conducted in accordance with the CMHPSM Organizational Credentialing/Recredentialing and Monitoring Policy.
- F. The WCHO Board shall make the final decision on contract awards to bidders.

III. APPLICATION

This policy shall govern all goods and services purchased through contract by the WCHO, solely for the WCHO. This policy does not apply to goods and services purchased by the WCHO on behalf of the Community Mental Health Partnership of Southeast Michigan (CMHPSM), or on behalf of the Livingston-Washtenaw Substance Abuse Coordinating Agency (CA). Procurement activities conducted on behalf of the CMHPSM and/or the CA are covered under the CMHPSM policy, "Regional Procurement: RFP's and Bid Review Process".

IV. DEFINITIONS

Bid Review Team: Individuals that independently review each proposal and score against predetermined criteria. The Bid Review Team has a minimum of three different reviewers. Interested WCHO Board members or consumers may be invited to participate in the scoring.

Interview Team: Individuals that participate in the structured interviews of potential vendors. Each interview is scored independently based on predetermined criteria. Interview teams generally consist of staff with consumers, and/or Board members.

Open-Ended Bids: Any willing and able provider applies to an open RFP and is credentialed, empanelled, and eligible to provide goods or services.

Selective Procurement (closed bids): Limited selection of a contractor or a small group of contractors under a closed RFP based on the need for continuity of service, price control, and/or volume constraints on the good(s) or service(s) being procured.

V. STANDARDS

None

VI. EXHIBITS

None

VII. REFERENCES

Reference:	Check if applies:	Standard Numbers:
42 CFR Parts 400 et al. (Balanced Budget Act)	X	CRF 438.12
CMHPSM Organizational Credentialing Policy	X	
CMHPSM Regional Procurement Policy: RFP's and Bid Review Process	X	
Federal Procurement Standards	X	
JCAHO- Behavioral Health Standards	X	
Michigan Department of Community Health Contract with the WCHO	X	
OMB Circular A-87	X	
Washtenaw County Procurement Policy	X	

VIII. PROCEDURES

Request for Proposals

- | | |
|--------------------------------------|--|
| WCHO Provider Relations Unit | <ol style="list-style-type: none"> 1. Prepares a Request for Proposals (RFP) specifying the services to be bid out or the goods that will be obtained. 2. Establishes a process to ensure a fair and objective evaluation of bids. This process will be set forth in the RFP, and will include review by multiple persons. |
| WCHO Board | <ol style="list-style-type: none"> 1. Reviews the proposed RFP, and makes a decision publish it. |
| Washtenaw County Purchasing Division | <ol style="list-style-type: none"> 1. Sends out letters to notify potential bidders of the upcoming bid. 2. Advertises the upcoming bid in local newspapers and online. 3. Makes available to potential bidders copies of the RFP. |
| Provider Relations Unit | <ol style="list-style-type: none"> 1. Holds a bidder conference detailing the requirements of the bid, if a bidder's conference is indicated in the RFP timeline. |
| Washtenaw County Purchasing Division | <ol style="list-style-type: none"> 1. Time stamps each bid when it is received. 2. Forwards bids to the WCHO Provider Relations Unit. |

Provider Relations Unit,
And Bid Review Team if
applicable

1. Reviews the bids and scores them in accordance with the criteria in the RFP. Conducts a site visit if applicable, and performs any credentialing that is necessary.
2. Makes recommendations to the WCHO Board.

WCHO Board

1. Makes final decision on contract awards.
2. For a closed bid process, any late bids will be rejected unless otherwise approved by the WCHO Board. All late bids will be acted upon by the WCHO Board.

Provider Relations Staff

1. Sends award and denial letters to bidders. Denial letters will include the reasons for the denial.
2. Prepares contracts.