

<b>COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEASTERN MICHIGAN</b>		<b><i>Policy and Procedure</i></b>	
Department: Performance Improvement Author: Shauna Reitmeier		<i>New or Revised Project Proposal Policy</i>	
		<b>Local Policy Number (if used)</b>	
<b>Revision Date</b>	<b>Approval Date</b>	<b>Implementation Date</b>	
	<b>7/31/07</b>	<b>8/31/07</b>	
<b>Archive Information</b>			
<b>Date:</b>			
<b>Reason:</b>			

**I. PURPOSE**

To implement the Affiliation commitment to Shared Governance, building alignment, and promoting team learning by presenting new or revised projects to the affiliation that may have affiliation impact prior to local implementation. This policy sets the standards by which new or revised projects are considered and or implemented in a proactive fashion across the affiliation in a shared governance way.

This policy also creates a process for the approval and implementation of new or revised projects proposals that have any significant financial impact or causes significant systemic impacts for the Community Mental Health Partnership of Southeastern Michigan and/or each Affiliate. Only projects that impact more than an individual department systemically or have a financial impact will need to complete the proposal.

**II. POLICY**

The CMHPSM is committed to insuring that new or revised programs or processes support the mission and vision of the Affiliation and are aligned with key strategic goals and are well coordinated. Project proposals will be evaluated for alignment with the approved Financial Risk Management and Risk Distribution Finance Principals. All areas of the Balanced Scorecard (Customer, Internal Process, Learning and Growth and Finances) shall be addressed within a proposal to ensure alignment with the Affiliation’s measurement system.

**III. APPLICATION**

This policy and procedure applies to all PIHP, CSSN and CSSN Look-alike staff within the Community Mental Health Partnership of Southeast Michigan (CMHPSM).

#### **IV. DEFINITIONS**

Best Practice - A practice that has empirical evidence demonstrating effectiveness (i.e. peer reviewed research demonstrating effectiveness) but the studies are not necessarily controlled, randomized or replicated by different investigators. The term Best Practice is subsumed in the definition of an Evidence Based Practice (see the Evidence Based Practice definition) however the terms are not interchangeable.

Evidence Based Practice - A practice that has demonstrated effectiveness by way of extensive, randomized research, by several different researchers (e.g. Assertive Community Treatment).

Key Process - A series of related tasks that comprise or support a service.

Program - A set of services designed to meet the needs of an identified population.

Project - A clinical practice (e.g. co-occurring services) or system change (e.g. Encompass) that impacts consumers and/or staff fundamentally changing how we deliver services across the organization.

Promising Practice - A term used to describe a practice that is on the way to becoming a best practice. The practice is in the process of being developed and few data or reports are available to describe effectiveness (e.g. only anecdotal evidence reporting effectiveness).

Service - A discrete program component or treatment activity.

#### **V. STANDARDS:**

- A. The Community Mental Health Partnership of Southeast Michigan (CMHPSM) is committed to providing continuous improvement in programs and processes. Continuous improvement includes an ongoing evolution of programs, services and processes.
- B. This policy establishes standards across the CMHPSM for the evaluation of proposed projects, including revising existing programs and services or developing new programs and significant changes to work processes.
- C. This policy also establishes an approach to change leadership and project management to insure that new projects are implemented effectively and address the impact on consumers, staff and other stakeholders.
- D. New or Revised Project Guidelines provide staff key points to consider and or address while completing the proposal format that is based on all areas within the Balanced Score Card.

- E. All major changes in programs, services or processes shall be well managed, based on a clear vision, address the impact on consumers, staff and stakeholders and based on project or action plans following utilizing established tools and techniques. Project plans shall include a change plan, detailing changes to processes and roles and how the organization will support the initiative.
- F. The Performance Improvement Committee shall review all New or Revised Project Proposals.
- G. All proposals shall be evaluated based each of the Balanced Scorecard Areas to that may impact significant resources and or the development of uniform service delivery.
- H. The Performance Improvement Committee shall make recommendations regarding approval to the CSSN or CSSN Look-a-Like for all new or revised projects that do not involve significant resource allocations.
- I. For all New or Revised Project Proposals that request significant resource allocations, the proposal will be reviewed by the PI committee with a recommendation given to the Affiliation Executive Committee (AEC) for a decision.
- J. The PI Committee shall utilize the CMHPSM Financial Risk Management and Risk Distribution Finance Principles in evaluating the financial impact of any proposed project.
- K. It is recognized that changes in financial status at the regional or local level may require expedited action by local management teams and boards to address potential financial shortfalls. Program reductions or redirection of funding in response to fiscal issues may be enacted by local management teams with board approval and will be coordinated through AEC.

**VI. REFERENCES**

Reference:	Check if applies:	Standard Numbers:
PIHP Policy Review Schedule		
Policy Tracking Form		
CMHPSM Project Planning Toolkit	X	
CMHPSM Financial Principles	X	

**VII. EXHIBITS**

- A. SNIFF TEST Form: New or Revised Projects
- B. CMHPSM New or Revised Project Proposals Guidelines
- C. CMHPSM New or Revised Project Proposals Form
- D. CMHPSM FINANCIAL RISK MANAGEMENT AND RISK DISTRIBUTION FINANCE PRINCIPLES
- E. CMHPSM New or Revised Project Proposal Flow Chart

**VIII. PROCEDURE:**

<u>WHO</u>	<u>DOES WHAT</u>
Staff or Committee proposing project	<ol style="list-style-type: none"><li>1. Completes the SNIFF TEST Form.</li><li>2. Submits the SNIFF TEST Form to the PI Committee Chairperson.</li></ol>
PI Committee Chairperson	<ol style="list-style-type: none"><li>1. Reviews the SNIFF TEST Form.</li><li>2. Makes a recommendation to the PI Committee for movement forward with the proposal.</li></ol>
Performance Improvement Committee	<ol style="list-style-type: none"><li>1. Reviews PI Committee Chairpersons recommendation.</li><li>2. Makes a Decision on recommendation.</li></ol>
PI Committee Chair Person	<ol style="list-style-type: none"><li>1. Notifies the submitter of the SNIFF TEST the recommendations by the PI Committee.</li></ol>
	Recommendations could be made to proceed with a full proposal or a recommendation not to move forward.
Staff or Committee proposing project	<ol style="list-style-type: none"><li>1. Completes the formal New or Revised Project Proposals Form using the guidelines as a tool to gather the most appropriate details. (Exhibit B)</li><li>2. Submits the proposal to the PI Committee Chairperson to be placed on the PI Committee Agenda.</li><li>3. Presents proposal to the PI Committee</li><li>4. For SNIFF Tests that have been recommended to not move forward can be brought forward for a 2<sup>nd</sup> opinion to AEC.</li></ol>
PI Committee Chairperson	<ol style="list-style-type: none"><li>1. Places the proposal on the PI Committee Agenda.</li></ol>

PI Committee	<ol style="list-style-type: none"> <li>1. Reviews the Proposal and provides any comments such as great ideas, strengths, areas for more clarification or information.</li> <li>2. Makes recommendations to the Staff, Committee, CSSN or CSSN look-a-Like to approve, approve with changes, deny or refer to the Affiliation Executive Committee.</li> <li>3. Provides periodic updates to the AEC on the implementation of new programs through PI Committee reports.</li> </ol>
Affiliation Executive Committee (AEC)	<ol style="list-style-type: none"> <li>1. Reviews funding and staff resource availability of proposals that have significant resource allocations.</li> <li>2. Makes determination as to whether or not proposal will be implemented that require significant resource allocation.</li> <li>3. If needed make suggested recommendations to be considered of PI approved proposals.</li> <li>4. Receives periodic updates through PI report on implementation of new program.</li> </ol>
New Program Leader	<ol style="list-style-type: none"> <li>1. Develops project implementation plan, using change leadership tools in the CMHPSM Project Planning Toolkit.</li> <li>2. Submits implementation plan and change leadership plan to the PI Committee or designated committee for final approval.</li> </ol>
Performance Improvement Committee or designated committee	<ol style="list-style-type: none"> <li>1. Approves project implementation and change leadership plan</li> <li>2. Monitors implementation progress and outcomes at defined intervals utilizing the Project Matrix format</li> <li>3. Provides leadership support for change as outlined in implementation plan, with particular focus on communication.</li> </ol>
Expedited Proposals	<ol style="list-style-type: none"> <li>1. Approved by AEC or other external mandate.</li> <li>2. AEC notifies PI Committee Chair of expedited project.</li> <li>3. Responsible person completes SNIFF Test proposal form and submits to the PI Committee Chair.</li> <li>4. Responsible person follows the project management process for implementing the proposal.</li> <li>5. PI Committee Chair notifies the PI Committee members of expedited project.</li> <li>6. Responsible person provides the PI Committee with</li> </ol>

EXAMPLES:

periodic updates on project implementation.  
Projects that follow this policy:

1. The use of Fiscal Intermediaries to provide “Family Friend” respite options. This allows the use of Medicaid to be used and would have significant financial and risk impact across the affiliation.
2. Change in SLP staffing to provide sleep staff at night. This has the potential to provide significant financial savings and could be used as a model across the affiliation.
3. Any idea that does not have a logical home within the affiliation committee structure.

Projects that would not follow this Policy:

1. The addition of CBT trained staff within an existing team structure.
2. Any idea or potential project that has a logical home within the affiliation committee structure.

# **SNIFF Test: Project Proposal**

## **Summary of Proposal:**

Brief Description and History of Project:

When does the project need to be completed by & Why?

Any Specifics Details Wanting to be Highlighted:

What Stakeholders will be impacted?

What are you asking for from this group?

## **Niche:**

What niche within the strategic plan will be filled?

## **Infrastructure:**

What current processes are affected?

1. What additional resources are needed to complete the project?

2. What is the expected outcome at the completion of the project?

## **Financial Projections and Performance Indicators**

What financial impact is expected?

Performance Indicators that identify success:

- 
- 
- 

## **Financial & Regulatory Risk**

What areas of organizational risk are there by not responding to this project

### **Reviewing body recommendations and charge:**

Submitter Signature:

Date:

Reviewer Signature:

Date:

## **EXHIBIT B**

### **COMMUNITY MENTAL HEALTH PARTNERSHIP OF SOUTHEAST MICHIGAN New or Revised Project Proposal Guidelines**

Any that a staff member, committee, department or program desires to implement, must complete the follow proposal that address the areas identified below. The purpose is to ensure that all new implementations are done in a way that ensures all necessary elements are identified and addressed for successful implementation.

#### **Overview**

Describe the proposed program, service or initiative including:

- Target population or subpopulation
- Service or activity to be delivered
- Expected outcomes and benefits

State the vision for this initiative and describe how it will advance the mission/vision of the Affiliation including how the initiative supports the advancement of:

- Affiliation Strategic Plan
- An identified element in the Strategic plan
- Governing Body Priorities
- Guiding Principles and Values
- Contractual obligations, regulatory compliance or accreditation standard compliance
- Recommendations from performance improvement

#### **Customer Perspective**

How will this initiative support excellence in customer services?

- Is this initiative based on evidence-based practice, best practice or a promising practice? If so, please attach or incorporate references and materials to demonstrate.
- If the project is for a clinical practice, is there evidence of applicability of the practice across cultures? If not, how will this be addressed?
- Who are the primary stakeholders for this project?
- Describe stakeholder involvement in the development of this project and expected stakeholder involvement in implementation.
- Are external benchmarks available for this project?

How will success be evaluated?

- What tests, measures, or analysis will be conducted to determine whether or not the project results in improvements?
- What specific outcomes will be measured?
- Are they currently embedded in ongoing data collection processes? If not, attach an indicator worksheet and data collection request.

## **Learning and Growth Perspective**

What skill, knowledge and competencies will be required to successfully implement this project? For clinical practices, please be discipline specific.

What staff training and development will be required for successful implementation?

- Please address learning needs at each level of the organization and across disciplines.

Identify the resources needed and available to address learning needs.

How will the project recognize success on the part of consumers, staff and other stakeholders?

What contribution to the knowledge base will be made as a result of this project, both locally and beyond?

## **Internal Processes/Operational Perspective**

Identify work process or practices that will be impacted by this project. Please address impact on clinical, support and administrative processes.

What standards will be applied to measuring success of this project (such JCAHO, DCH, EQR, fidelity scales)? Please cite specific references.

Describe the plan for regular review and revision of the project.

How will technology be applied in the implementation of this project?

- Identify any new/additional technology that will be required for success
- Identify any changes needed to existing technology
- Will specific changes to Encompass be required for implementation? If so, please describe

How will this initiative align with regional or other partnerships and the strategic plans or stated goals of those partnerships? Describe any partnerships or collaborations between programs, departments or with external agencies that are either involved in, or impacted by implementation.

Does this initiative incorporate findings or recommendations from performance improvement data, workgroups or processes? If so, please describe or attach.

Does this initiative incorporate any recommendations from root cause analysis of sentinel events, adverse events or recommendations based on recipient rights trends? If so, please describe.

Are policies and procedures in place to support this project? Identify any new policies and procedures that will be required or existing policies and procedures that will be modified.

Identify any job descriptions or clinical competencies that will require updates.

What risks are associated with this proposal and how are they addressed?

What barriers do you anticipate in implementation of this initiative? How will they be addressed?

### **Financial Perspective**

What resources are needed including staffs, space, materials, equipment (attach budget)

What is the proposed source of funding (redirection, grants, contracts, revenues)

If funding source is time limited how will project be sustained following any grant period?

Please evaluate the potential return on investment (ROI) for this project.

Has the financial resources been assessed against the CMHPSM financial principles?

## **EXHIBIT C**



**New or Revised Project  
Proposal Form**

Once the SNIFF TEST has been approved by the Performance Improvement Committee, Complete this form in accordance with the New or Revised Program, Project, Service or Key Work Process Guidelines as outlined in the policy of the same name. Submit the completed Proposal Form to the Performance Improvement Committee for a final decision on the proposal.

<b>I. OVERVIEW:</b>	
<b>The proposal has already obtained the support of the following (check all that apply)</b>	
Individuals:	Committees:
Programs:	Organizations:
<b>How is the change consistent with the Affiliation Strategic Plan?</b>	
<b>How is the change consistent with contractual obligations, regulatory compliance and/or accreditation?</b>	
<b>Describe and data used to prompt or confirm the need for the change.</b>	
<b>II. CUSTOMER PERSPECTIVE:</b>	
<b>This initiative is based on which of the following? (check the all that apply)</b>	
Evidence-Based Practice	Best Practice
Promising Practice:	None of the above:
Describe:	
<b>Cultural Diversity issues have been considered?</b>	
Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
<b>Were the needs of ALL stakeholders considered in you analysis of the impact for the change?</b>	

Yes

No

### **III. EVALUATION**

List the major outcomes that will indicate that change has been successful?

- 1.
- 2.
- 3.

Describe how each of the outcomes will be measured.

- 1.
- 2.
- 3.

### **IV. LEARNING AND GROWTH**

Describe the skills, knowledge and competencies that will be required for successful implementation:

Describe any staff training and development that will be required – Please consider all levels of the organization

Identify the kind and amount of resources needed to address learning needs:

### **V. INTERNAL PROCESSES**

Provide a brief description of how the change will affect day-to-day clinical, administrative and support work processes and procedures:

How will the Encompass System be used to measure the success of the change?

Will new/additional technology or Encompass changes be required?

Describe any barriers associated with the implementation of the change and how they will be addressed:

## VI. FINANCIAL PERSPECTIVE

What resources are needed (staff, space, materials, equipment, etc.)

Staff:	Space:
Materials:	Equipment
Others:	
Describe how the implementation of the change will be funded both initially and over time (redirection, grants, contracts, revenues):	
Contracts:	Grants:
Redirection:	Revenues:
Other:	

## VII. PERFORMANCE IMPROVEMENT COMMITTEE RESPONSE

PI Committee Comments (i.e. strengths, great ideas, clarification or additional information needed):

--

**PI Committee Decision:**

Approved:	Denied:
Approved with Changes:	Explain:
Referred to AEC:	Explain

## EXHIBIT D

## **REGIONAL FINANCE**

### **FINANCIAL RISK MANAGEMENT AND RISK DISTRIBUTION**

#### **PRINCIPLES AND STRATEGIES**

##### **PARTNERSHIP VISION**

Recognition as a model of excellence for a system of care that is confirmed by our customers' successes.

##### **PARTNERSHIP MISSION**

To assure the delivery of quality services to consumers so as to achieve their desired outcomes.

##### **VALUES**

Provide accurate and timely financial status reports to enable regional partners to make decisions to promote uniform access to quality care.

Maintain integrity of financial data and provide effective and efficient financial management and financial recommendations.

Work in partnership around financial issues and audits.

##### **PRINCIPLES**

Affiliates will share in the financial management responsibilities within our Region.

Regional Finance will develop methods of increasing the flexibility of funding sources so that Affiliates may offer consumer benefit packages that are standardized across the region.

Regional Finance will promote the adoption of service methodologies which are cost effective or represent "best value" approaches. Affiliates will identify their own or others' "best value" approaches for consideration of implementation regionally.

Affiliates will assure that all appropriate entitlements are obtained for consumers.

All Medicaid funds will be expended in accordance with the Medicaid Specialty Services Waiver, including Medicaid (b); Medicaid (b)3; and the Habilitation Services Waiver for all MH/DD and Substance Abuse consumers.

Affiliates will redirect General Funds to cover costs for Medicaid services when there are insufficient Medicaid dollars within the Region, including available Internal Services Funds.

Affiliates will utilize other local funding to subsidize must-serve populations when Medicaid and General Fund dollars are exhausted.

Affiliates will utilize their individual fund balances when there is an available fund balance amount that exceeds the appropriate level to maintain solvency.

Use of the Regional Internal Services Fund will be to fund the Medicaid-eligible must-serve population's medically necessary service needs.

Affiliates will bill all first and third party coverage to maintain a high level of revenue to offset costs. Procedures will include timely submission of bills, review of any denials, rebilling whenever a denial is inappropriate, and write-off procedures that insure only appropriate write-offs are completed.

The Regional Finance Committee will monitor budgets in accordance with these principles within the guidelines of generally accepted accounting standards and standards set forth in the Balanced Budget Act.

It is not the intent of these principles and strategies to create carry forward amounts or to inflate fund balance beyond a fiscally sound amount.

Reports will reflect these guiding principles to increase the transparency of financial management strategies.

## **STRATEGIES FOR THE APPLICATION OF FUNDS**

1. The PIHP will allocate Medicaid funds to each for medically necessary services for Medicaid-covered consumers with the intent to maximize services within the Region.
2. Medicare, Commercial Insurances, and Ability-to-Pay revenue collections will be included in the (PA423) Special Fund Report to be used as local dollars in accordance with Special Fund regulations. Medicare collected for Medicare-Medicaid duals is not allowable as PA423 funds.
3. Medicaid funds will be exhausted, including available Internal Services Funds, prior to applying General Funds to Medicaid costs that are beyond Medicaid funding.
4. General Fund dollars must be used to cover the following services before any redirection is possible:

- a. Crisis Pre-Admission Screening
  - b. State Facilities
    - i. State Share must be covered with GF funds
    - ii. Local Share must be covered with local funds
  - c. GF portion of Medicaid Spend Downs
  - d. Jail Diversion
5. General Fund dollars will be redirected to cover shortfalls in the following programs:
- a. Risk-based contractual agreements:
    - i. MI Child expenses that are beyond the MI Child Medicaid capitation.
    - ii. Child Waiver expenses that are beyond the Child Waiver fee-for-service revenue received from billing Medicaid directly.
    - iii. Unfunded ABW costs.
  - b. Other areas but only up to the limits of the risk corridor:
    - i. Spend Downs
    - ii. Remaining under-funded entitlements
6. Any remaining GF funds will be used according to the following prioritization:
- a. Local System of Care for Indigent populations
    - i. Community inpatient for indigent population
    - ii. GF Benefit Package may differ from Medicaid Benefit Package
    - iii. Regional agreement on a GF Benefit Package will be necessary so that the shared management of funding can remain transparent.
  - b. Local Community Benefit Programs
  - c. Allowable GF costs to subsidize Grant projects.
7. Local Funding includes funds received from local governments, interest earned, unrestricted donations, and allowable fees and collections reported as Special Funds under the PA423 program. Local funds will be used for the following purposes:
- a. Medicaid Enhancement Match
  - b. Local Match obligations
    - i. 90/10% services for indigents
    - ii. Local share of State inpatient facilities
  - c. Any remaining unfunded entitlements.
  - d. Expand or enhance other non-entitled or non-mandated services.
  - e. Local Community Benefit programs.
  - f. A Local Fund Balance amount may be maintained for solvency purposes.
8. Medicaid Risk Corridor will be entered into in conjunction with the PIHP Contract with DCH.

- a. Use of General Funds and local funds to supplement Medicaid shortfalls as outlined above will be applied only to the extent that there will be sufficient funds to meet the 7.5% risk obligation of this Risk Corridor.
- b. Consideration of the financial status of the subsequent year may also be a factor in determining the amount of General Funds and/or local funds that may be applied to Medicaid shortfalls prior to entering the Risk Corridor.

## **EXHIBIT E**

## CMHPSM New or Revised Program, Project, Service or Key Work Process

