

Community Mental Health Partnership of Southeast Michigan/PIHP	<i>Policy and Procedure</i> <i>PA 2 Procurement Policy</i>
Department: Substance Use Disorder Services Author: Marci Scalera	Local Policy Number (if used)
Oversight Policy Board Approval Date September 28, 2017	Implementation Date September 30, 2017

I. PURPOSE

To establish a process for obtaining services related to substance use disorder (SUD) prevention and treatment on behalf of the SUD Oversight Policy Board using PA 2 funds.

II. REVISION HISTORY

DATE	REV. NO.	MODIFICATION
9-28-17	1	

III. APPLICATION

This policy applies to members of the CMHPSM SUD Oversight Policy Board, CMHPSM staff; potential providers and vendors of goods and services that support the provision of SUD services within the four-county region (Lenawee, Livingston, Monroe and Washtenaw Counties).

IV. POLICY

Use of PA2 funds within the CMHPSM region shall be authorized by the SUD Oversight Policy Board utilizing the standards outlined in this policy.

V. DEFINITIONS

PA2 Funds: If the sum of a county's operating property tax levy for the ensuing fiscal year plus the county's distribution to be received pursuant to section 10 of the state convention facility development act exceeds the product of the county's state equalized value for the ensuing fiscal year times the greater of the county's base tax rate or prior years' operating millage rate, then an amount equal to the lesser of 50% of the excess of 50% of the state convention facility development act distribution shall be used for substance treatment programs within the county. The proceeds received by the taxing unit shall be distributed to the coordinating agency designated for that county pursuant to section 6226 of Act No. 368 of the Public Acts of 1978, being section 333.6226 of the Michigan Compiled Laws, to be used for substance abuse prevention and treatment programs in the county from which the proceeds originated.

Competitive Procurement: Methods utilized by a funder to assure quality, transparency, efficiency, cost-effectiveness and competitive fairness when awarding funding related to a single entity or limited group of entities. Examples of competitive procurement include: requests for proposals (RFPs), requests for information (RFIs), requests for quotes(RFQs) or bids. The particular method utilized is based upon the nature of the good, service or work being requested by the PIHP.

Mini-Grants: A specific amount of funds per county set aside annually for small initiatives that arise during the fiscal year in the amount not to exceed \$1000.

VI. STANDARDS

- A. PIHP region wide allocated PA2 funds may be expended locally in one of the partner counties or regionally across the partner counties by the PIHP for the following purposes:
 - 1. Supplemental support for services provided by the SUD Treatment service provider network (ROSC Core Providers, SUD Treatment sub-contractors, other SUD service providers) or evidence based practices provided by the Substance Abuse Prevention provider network.
 - 2. Support for new programming and pilots that are community and recovery focused.
 - 3. Training for local or regional initiatives that include enhancement of skills and knowledge base for staff and/or community.
 - 4. Small, targeted efforts for specific SUD related initiatives or events, such as overdose prevention; local coalition building and activities; recovery events, etc.
 - 5. Other substance use disorder treatment or substance abuse prevention initiatives approved by the SUD Oversight Policy Board.

- B. PA2 funding may be expended by the PIHP to supplement service budgets within the regional SUD Treatment and/or Substance Abuse Prevention provider networks without prior approval from the SUD Oversight Policy Board. Funding shall be identified and an accounting of such expenditures must be reported to the SUD Oversight Policy Board. The CMPSM will set aside a maximum of \$5,000 annually per county for mini-grants.

- C. PA2 funding requests from all entities for new programming, program pilots, local or regional initiatives, or any other SUD treatment or prevention programs shall follow these guidelines:
 - 1. Entities or individuals requesting PA2 funding from the PIHP must utilize the CMHPSM Request for PA2 funding application.
 - a. Requests by entities for PA2 mini-grant funding is defined as less than or equal to \$1,000.00 may be approved by the Chief Executive Officer or the Director of Clinical and SUD Service. Any such funding shall be identified and an accounting of such expenditures must be reported to the SUD Oversight Policy Board.
 - b. Mini-Grants may only be awarded for special activities or initiatives related to substance use disorders education, awareness, community activities and events, etc., and not be used for staffing purposes. The applicant must identify a source of other matching funds or in-kind effort in order to receive the grant. Once an award is made, the applicant will not be eligible to receive other mini-grant funding for any additional project during the fiscal year.
 - c. Requests by entities for PA2 funding of more than \$1,000.01 must be approved by the SUD Oversight Policy Board.

- D. If the PIHP identifies a SUD Treatment or SA Prevention initiative, with funding which will exceed \$10,000.00, a competitive procurement method will be utilized, unless a waiver is granted by the PIHP Chief Executive Officer.
 - 1. The PIHP will issue an RFP, RFI or RFQ to determine the recommended awardee or awardees and/or the relevant funding amount or amounts.
 - 2. A waiver of the competitive procurement method may be granted by the PIHP Chief Executive Officer for one of the following reasons:
 - a. The item or service is available only from a single source

- b. There is a public exigency or emergency, and the urgency for obtaining the item or service does not permit competitive procurement
 - c. The item or service is of limited quantity or duration;
 - d. The item or service is unique;
 - e. Pilot projects where efficacy and effectiveness are still being evaluated
 - f. A critical volume of services is necessary to provide the required service at the specified price;
 - g. Continuity of care or continuation of existing service programming.
3. The SUD Oversight Policy Board must approve of any and all funding in which the PIHP Chief Executive Officer has granted a waiver for competitive procurement.

E. PA2 funds **must** not be expended on PIHP/"Coordinating Agency" administrative expenses.

F. PA2 funds shall be expended on programs and services within the county of origin unless the SUD Oversight Policy Board determines to combine any PA2 funding to support a region wide initiative.

VII. EXHIBITS

None

VIII. REFERENCES

Reference:	Check if applies:	Standard Numbers:
42 CFR Parts 400 et al. (Balanced Budget Act)	x	
45 CFR Parts 160 & 164 (HIPAA)		
42 CFR Part 2 (Substance Abuse)		
Michigan Mental Health Code Act 258 of 1974		
The Joint Commission - Behavioral Health Standards		
Michigan Department of Community Health (MDCH) Medicaid Contract		
MDCH PIHP Contract		
Michigan Medicaid Provider Manual		
PIHP Policy Review Schedule	X	
Policy Tracking Form		