

## Region 5 Systems

### Network Management Procedures CARF Standard 4

Revised: RA 9/21/17

## ■ Unanticipated Changes in Services Procedures

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The following procedures are established for Region 5 Systems (the Network) and its Provider Network to address unanticipated changes in services due to funding or other resource issues.

### Network's Knowledge of Unanticipated Changes Related to Funding or Resource Issues

Throughout the fiscal year, Region 5 Systems monitors its Provider Network service capacity utilization. This monitoring is documented in Region 5 Systems' "Capacity Utilization Summary." On a monthly basis, this report tracks the Fee For Service (FFS) and Non-Fee For Service (NFFS) services capacity utilization by Region 5 Systems' Network Providers. Results of the report are used to determine if capacity adjustments and/or any reallocation of revenues are needed within the Provider Network (provider subcontracts for behavioral health services). This information is reviewed at regularly scheduled Network Providers, Behavioral Health Advisory Committee, and Regional Governing Board meetings.

Outside of Region 5 Systems' routine capacity utilization monitoring, it is understood that Network Providers are to disclose to Region 5 Systems any changes in revenue or resource issues that may jeopardize their ability to provide services, per that fiscal year's contract with Region 5 Systems.

Through the submission of an audited financial statement, Network Providers report the financial status of each program that receives funding from Region 5 Systems. This information is annually reviewed by Region 5 Systems' Fiscal Director to assess financial solvency of each Network Provider.

### Network Strategies to Address Funding Shortfalls or Resource Issues

When there are funding shortfalls or resource needs experienced by a Network Provider or the larger Behavioral Health System, Region 5 Systems will consider utilizing the following strategies. Eligible requests and/or specific strategies may only be applicable during that given fiscal year's budget. Network assistance may include, but not limited to:

#### Individual Network Provider Safety Net Strategies

1. **Cash flow assistance:** Region 5 Systems' Financial Planning and Management procedures (see Policies & Procedures for CARF Accreditation, Section 1.F.) allow for Region 5 to reserve \$100,000 to aid Network Providers in emergency situations (e.g., short-term loans, payroll advances, etc.).
2. **Contract Amendments:** Region 5 Systems initiates a process whereby Network Providers are notified that they can submit contract amendments for anticipated changes in service needs/provision to match their demand of services.

3. **Unexpended revenue:** Annually, Region 5 Systems reviews unexpended revenues by its Network Providers. When there is an underutilization of contracted service capacity by a provider that Region 5 contracted for during that fiscal year, those funds are re-distributed to providers who over produced in services as well as utilize the unexpended revenue to assist with resource needs (e.g., accreditation and/or electronic health records costs).
4. **One-time-only funds:** These funds may be available to Network Providers to assist with larger resource needs that can be burdensome to the provider (large facility purchases [sprinkler system for residential setting], electronic health record implementation, behavioral health integration initiatives).

#### Behavioral Health System Budget Cut / Resource Gaps Strategies

In the event that it becomes necessary to address a budget cut to the Behavioral Health System, Region 5 Systems shall consider implementing these steps:

1. Region 5 Systems would strategically reduce allocations to its non-service categories to make every effort to avoid reduction in services.
2. If the necessary cuts cannot be made through a reduction in the non-service categories, then the following strategies will be considered:
  - a) Across-the-Board Cuts.
  - b) Targeted Cuts.
  - c) Process/Technology-Driven Cuts.
  - d) Limiting eligibility.

#### Legislative Advocacy

Region 5 Systems is actively involved at the state legislature level to serve as an advocate for Network Providers when regulatory and legislative initiatives are introduced that affect the service delivery system.

When unanticipated changes occur that necessitates a Network Provider seeking assistance from Region 5 Systems, identified areas for adjustment and recommendations shall be first discussed with Network management staff. Network management staff includes, at a minimum, the following: Director of Network Services, Fiscal Director, and the Regional Administrator. In most cases, the request/concern is then addressed with Region 5 Systems' Network Providers and Behavioral Health Advisory Committee for input, with final review and subsequent approval from the Regional Governing Board. When applicable, Region 5 Systems may also be required to seek approval from the state of Nebraska's Division of Behavioral Health. Budget adjustments for contracted services may result in contract amendments with the Network Providers.