

Policy 4.9

POLICY TITLE:	CORRECTIVE ACTION PLAN/PERFORMANCE IMPROVEMENT	POLICY # 4.9	REVIEW DATES	
Topic Area:	PROVIDER NETWORK	ISSUED BY: Chief Executive Officer	5/28/24	2/11/25
Applies to:	LRE OPERATIONS, MEMBER CMHSPs, NETWORK PROVIDERS			
Developed and Maintained by:	LRE CHIEF EXECUTIVE OFFICER			
Supersedes:	N/A			
		APPROVED BY: Chief Executive Officer		
		Effective Date: 4/18/23	Revised Date: 2/11/25	

I. PURPOSE

To improve the clinical and administrative performance of Community Mental Health Service Programs (“Members” or “CMHSPs”) and Network Providers (“Provider”) where deficiencies have been identified through a formal corrective action process focused on remediation or elimination of non-conformities or other adverse outcomes.

II. POLICY

Lakeshore Regional Entity (“LRE”) is committed to excellence in clinical and administrative performance. Regardless of the method of discovery, when performance has been identified as not meeting an established standard of performance, the Member or Network Provider will be required to take specific, actionable steps to remediate the non-conformity and/or reduce the likelihood of recurrence. The successful completion of a Corrective Action Plan (“CAP”) in the form and format required by LRE, and in the timeframes as approved by LRE, will be necessary to maintain Provider status. LRE will monitor CAPs for completion and implementation.

LRE will, generally, follow a progressive order of remedial action. However, LRE reserves the right, in its sole discretion, to take action it deems necessary to remedy any deficiency(ies) in the performance of the Member or Network Provider. LRE reserves the right to deviate from the following progression as needed to seek correction of serious, or repeated patterns of substantial non-compliance and/or performance issues.

1. Upon identification of contractual non-compliance and/or performance issues, LRE will provide timely written contract compliance notice to Members and/or Network Provider.
2. Impose financial sanctions.
3. Initiate Contract termination.

III. APPLICABILITY AND RESPONSIBILITY

This policy applies to Members and Network Providers, or any other entity or individual under subcontract or other agreement with LRE or any of its subcontractors.

IV. MONITORING AND REVIEW

This policy will be reviewed by the Chief Executive Officer or Designee on an annual basis.

V. DEFINITIONS

Corrective Action Plan (“CAP”): A formal plan that identifies specific, actionable steps to improve an organization’s processes or address deficiencies in performance when measured against established standards and contractual requirements.

Community Mental Health Services Program (CMHSP): A CMHSP is considered a “Network Provider” under this Contract when directly engaged in the delivery, ordering, or referring of covered services to a beneficiary, and is considered a “Subcontractor” under this Contract when providing a function or service on behalf of LRE related, directly or indirectly, to the performance of LRE’s obligations to the State under this Contract.

Network Provider: Any provider, group of providers, or entity that has a provider agreement that receives funding directly or indirectly to order, refer or render covered services as a result.

VI. REFERENCE AND SUPPORTING DOCUMENTS

- MDHHS/PIHP Master Contract

VII. RELATED POLICIES AND PROCEDURES

- 4.9a Corrective Action Plan/Performance Improvement Procedure

VIII. CHANGE LOG

Date of Change	Description of Change	Responsible Party
4/18/2023	New Policy	CEO or Designee
2/11/2025	Streamline CAP Requirements and Alignment with Contract Language	CEO or Designee