

HACKETTSTOWN REGIONAL MEDICAL CENTER
Administrative Policy and Procedure

SECTION: ADMINISTRATION

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TITLE: OVERSIGHT OF CONTRACTURAL AGREEMENTS

DEFINITION

A contractual agreement is a written agreement with a Contracted Service Provider (CSP) defined as an organization, group, agency or individual for services or personnel to be provided by, to, or on behalf of Hackettstown Regional Medical Center (HRMC).

POLICY

HRMC Leadership shall provide oversight for all contractual agreements that are entered into to provide patient care and services, excludes service and maintenance contracts.

HRMC Leadership shall ensure that the same level of care is provided to all patients regardless of whether care, treatment or services are provided directly by the hospital or through a contractual agreement.

All expectations regarding the contracted service shall be communicated to the CSP in writing and shall be a part of the written contractual agreement.

HRMC shall retain responsibility and authority for any and all services provided under a contract.

The contractual agreement shall specify the nature and scope of the services and/or procedures to be provided.

The contractual agreement shall specify the regulatory requirements of the CSP and or the representatives/staff of the CSP.

In the event of contract termination or renegotiation HRMC leadership shall ensure that continuity of care, treatment and services are not disrupted.

PROCEDURE

HRMC leadership, upon advisement from the medical staff and clinical leaders, shall approve sources for care, treatment and services that are provided through contractual agreements.

Contracts shall be forwarded to the AHC corporate attorney for legal review along with a Contract Approval Checklist (Attachment "A").

The President/CEO or CFO shall approve all contractual agreements.

AD-21 – OVERSIGHT OF CONTRACTURAL AGREEMENTS

Page 2 of 3

Issue Date: January 2008

Any services that are provided to patients via contractual agreements shall meet all applicable state and federal regulatory/licensing requirements. The CSP shall also meet Joint Commission and/or other applicable accreditation body requirements, if appropriate.

The contractual agreement shall delineate performance criteria. In addition, where applicable or appropriate, the CSP will provide, at a minimum, staff credentials/licenses, staff competency verification, safety measurements and environmental/facility requirements.

Reference and laboratory contracted services shall meet all Federal regulations for clinical laboratories. The CSP shall maintain documentation of compliance which must be provided anytime at the request of HRMC.

Contractual agreements for care, treatment and services rendered by a Joint Commission-Accredited Organization:

- The CSP shall provide verification of all licenses and accreditation documents and is responsible for providing current documentation as necessary.
- The contract shall specify that the CSP shall ensure that all patient care, treatment and services provided by a contracted Licensed Independent Practitioner (LIP) will be within the scope of said LIP's list of privileges.
- Verification of the privileges of contracted LIPs who will be providing care, treatment and services.
- CSPs that will be providing equipment for patient care, treatment and/or surgical services shall provide the necessary documentation as required by licensing, regulatory and accreditation agencies to ensure that the equipment and the technician meet quality and patient safety standards.

Contractual agreements for care, treatment and services rendered by a non-Joint Commission-credited Organization shall address the following:

- LIPs that will be providing patient care, treatment and services shall be credentialed and privileged by HRMC in accordance with Joint Commission, medical staff credentialing and privileging standards.

Providers who will be bringing equipment for patient treatment and/or surgical services shall be licensed by the New Jersey State Department of Health and Senior Services and shall provide documentation as required to meet Joint Commission standards and Federal and state regulatory agency requirements.

Contractual agreements for care, treatment and services rendered by an LIP from a Joint Commission-Accredited Ambulatory Care Organization; i.e., Telemedicine Link for direct patient care or interpretive services.

- The hospital shall accept the credentialing and privileging decisions of the Joint Commission-Accredited Ambulatory Provider. The process used for the credentialing and privileging decisions must have followed MS.4.10-Ms.4.20 (excluding MS.4.10, EP2 and MS.2.4.20, EP11 and MS.4.20, EP12).

HRMC leadership and medical staff shall monitor the CSP services against contracted performance expectations as well as predefined, established performance metrics that reflect basic principles of risk reduction, safety, staff competence and performance management. Leadership shall resent results of monitoring against performance criteria annually to the Medical Executive Committee.

The contractual agreement shall contain a termination clause. Whenever possible, a termination without cause clause shall be included in the contract.

The contractual agreement shall contain a failure to perform clause. The clause must define failure to perform and shall include a definition of the conditions and time period that the service provider will be given to cure the deficiency. If the deficiency cannot be cured within the time provided, the contractual agreement shall defer to the termination clause.

Sources of information that may be used to evaluate contracted services include, but are not limited to:

- A CSP's accreditation status;
- Direct observation of the provision of the care, treatment or service;
- Audit of documentation; e.g., statistical analysis, performance results, etc.;
- Review of incident reports;
- Collection and analysis of data that reflect the efficacy and timeliness of the contracted services;
- Input from staff and patients;
- Review of patient satisfaction studies;
- Review of the results of risk management activities.

If contracted services fail to meet performance expectations, HRMC leadership shall work with the contractor to improve care, treatment or services and to ensure that care, treatment and services are being delivered as stated in the contract. Methods the hospital may use when contractual services do not meet expectations include, but are not limited to the following:

- Increase the monitoring of the care, treatment or service being provided;
- Provide consultation or training to the contractor;
- Renegotiate contract terms;
- Terminate contract.

All contracts must have both a legal review by the AHC corporate counsel as noted in AHC Policy 4.11 and a financial review as specified in HRMC's Contract Approval Policy FI09.