

Washington County
Behavioral Health Division

Policy on Third Party Administrator

Policy Number: ADMIN 130

Responsible Team: Systems of Care

Origination Date: 01/01/2015

Next Review Date: 05/23/2026

Revision history: 02/15/17, 03/13/2019, 07/27/2022, 06/30/2023, 05/23/2024

Related Documents: Washington County Rules of Procurement

OBJECTIVES

The purpose of this policy is to outline how a third-party administrator is identified and selected for Washington County Behavioral Health.

SCOPE/APPLIES TO

Washington County Behavioral Health (WCBH) staff and contracted providers.

POLICY

DEFINITION(S)

Client: An individual eligible for and accessing services through WCBH and/or a contracted provider.

Downstream Entity: Refers any entity that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the Medicare Advantage (MA) benefit, below the level of the arrangement between an MA organization (or applicant) and a first-tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.

FDR: Refers to a First Tier, Downstream, and Related Entities.

First Tier Entity: Refers to any party that enters a written arrangement, acceptable to CMS, with a Medicare Advantage organization or applicant to provide administrative services or health care services for a Medicare eligible individual under the Medicare Advantage program.

Review Frequency: **Biennial**

Washington County Behavioral Health Division

Related Entity: Refers to any entity that is related to the Medicare Advantage organization by common ownership or control and:

- a. Performs some of the Medicare Advantage organization's management functions under contract or delegation.
- b. Furnishes services to Medicare enrollees under an oral or written agreement; or
- c. Leases real property or sells materials to the MA organization at a cost of more than \$2,500 during a contract period.

Subcontractor – Refers to an individual or entity that has a contract with an Managed Care Entity (MCE) that relates directly or indirectly to the performance of the MCE's obligations under its contract with the State. A Participating Provider is not a Subcontractor solely by virtue of having entered into a Participating Provider agreement with an MCE.

Third Party Administrator (TPA): Refers to an organization that processes insurance claims or certain parts of employee benefit plans for an organization.

POLICY STATEMENT

Washington County Behavioral Health (WCBH) Division may sub-contract with third-party administrators (TPA) for claims processing, encounter submission, data reporting for services provided with Washington County General Funds. Responsibility for complying with ethical standards and all applicable state and federal laws, regulations, rules, and contractual obligations is retained with WCBH. Compliance is required from any TPA's or First Tier, Downstream, or Related Entities (FDR) contracting with WCBH directly or indirectly.

The TPA selection and identification process is completed through Washington County's public procurement process as outlined in the *Rules of Procurement* and follows County purchasing rules.

Subcontracting and delegation of activities for Washington County General Funds is done according to the requirements in the agreement between WCBH and the State of Oregon for the financing of behavioral health services. The Behavioral Health Division does not subcontract out responsibilities under delegated agreements with Coordinated Care Organizations (CCO's). Although the division does not subcontract work under delegated agreements, third-party vendors used for business operations contracted through procurement may be used for CCO delegated responsibilities.

Washington County
Behavioral Health Division

Providers of WCBH are reimbursed in a timely manner for covered behavioral health services. Information relating to fiscal, service volume, client demographics, and other data is used by WCBH to ensure fiscal viability, access, and quality of service. In addition, WCBH ensures the submission of complete and accurate encounter data.