Establishing Contractual Partnership Agreements

This fact sheet presents a few important questions to ask before you establish a contractual agreement with a partnering health care organization (HCO). An attorney can assist with specific legal advice.

Do you need a formal contract?

Partnerships can take many forms, from informal cooperation to full integration of services. Not all collaborations between community-based organizations (CBOs) and HCOs involve a formal contract. In some situations, a letter of agreement or MOU can be sufficient.

What are the professional guidelines for your type of agreement?

For example, the American College of Physicians suggests topics to cover in care coordination agreements between patient-centered medical homes and collaborating organizations.²

What’s the contract navigation process?

Some large health care systems have cumbersome administrative structures. Your contract may need to be reviewed by a legal entity, a purchase order system, and/or other systems. Understanding the structure of your organization and the structure of your partner’s organization can help you minimize or avoid delays in contracting.

How will you price your services?

Understand the costs of services and the desired margin before negotiating contracts with payers and providers.³ While not specific to HIV/AIDS services, the SCAN Foundation provides a pricing guide and other tools to assist CBOs to value and price their services for integrated care.³

Example Topics Covered in HCO-CBO Contractual Partnership Agreements:

- The contract duration
- Service packages your organization will provide
- Number of people and populations to be served
- Pricing structure

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Sources: