

**2018**  
**SUPPLEMENT FOR NETWORKS**  
**PROGRAM**  
**DESCRIPTION**

## Network

A network is a legal entity that contracts with two or more organizations that deliver health or human services to persons served (“participating providers”) to coordinate functions between or on behalf of the participating providers. Various types of networks exist and they may have different purposes in the field. For example, business networks may be formed to establish strategic business arrangements with or among participating providers, and service delivery networks may establish an integrated system of service provision by participating providers to persons served. Other types of networks may combine the functions of business and service delivery networks. To promote service excellence and minimize risk, service delivery networks establish and implement a process for quality review of participating providers.

Network leadership is identified and guides:

- Participating provider contracts that address, depending on the type of network, business functions and/or service delivery.
- Operational links and integration with or among participating providers.
- A system to facilitate cooperation with participating providers, including:
  - Integrated strategic and financial planning.
  - Resource coordination.
  - Technology integration.
  - Performance measurement.
  - Development and improvement of participating providers.
  - Geographic areas served.

Networks that provide services to persons served may offer value in any or all of the following ways:

- Choice of services.
- Access to services based on the needs of the persons served and expectations of other stakeholders.
- Improved coordination of services among participating providers.
- Improved effectiveness and efficiency of service delivery.

**Note:** *A legal entity is an organization formed in accordance with and recognized by applicable law or decree. A legal entity is separate and distinct from its stakeholders and other persons and entities and is typically identified by a unique government-issued number or code.*