

**920 QUALITY MANAGEMENT/PERFORMANCE IMPROVEMENT PROGRAM**  
**ADMINISTRATIVE REQUIREMENTS**

EFFECTIVE DATES: 10/01/94, 10/01/17, 10/01/18, 10/01/19

APPROVAL DATES: 10/01/97, 10/01/01, 08/13/03, 04/01/05, 01/01/06, 02/01/07, 10/01/08,  
10/01/09, 02/01/11, 04/01/12, 10/01/13, 10/01/15, 07/01/16, 03/01/18,  
11/15/18, 11/21/19

**I. PURPOSE**

This Policy applies to ACC, ALTCS E/PD, DCS/CMDP (CMDP), DES/DDD (DDD), and RBHA Contractors. This Policy outlines Quality Management/Performance Improvement (QM/PI) Program administrative requirements. The Contractor is responsible for adhering to all requirements as specified in Contract, Policy, 42 CFR Part 457 and 42 CFR Part 438.

**II. DEFINITIONS**

**ACCESS** The timely use of services to achieve optimal outcomes, as evidenced by managed care plans successfully demonstrating and reporting on outcome information for the availability and timeliness elements defined under 42 CFR 438.68 and 42 CFR 438.206 [(42 CFR 438.320)]

**ADVERSE ACTION** Any type of restriction placed on a provider's practice by the Contractor such as but not limited to: contract termination, suspension, limitation, continuing education requirement, monitoring or supervision.

**AHCCCS/DIVISION OF HEALTH CARE MANAGEMENT (DHCM), QUALITY IMPROVEMENT (QI) TEAM** AHCCCS staff who evaluate Contractor Quality Management/Performance Improvement (QM/PI) Programs, monitor and evaluate compliance with required quality/performance improvement standards through standardized Performance Measures (PM), Performance Improvement Projects (PIPs), and Quality Improvement specific Contractor Corrective Action Plans (CAPs), as well as provide technical assistance for performance improvement related matters.

**ASSESS OR EVALUATE** The process used to examine and determine the level of quality or the progress toward improvement of quality and/or performance related to Contractor service delivery systems.

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**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE  
IMPROVEMENT PROGRAM****CORRECTIVE ACTION  
PLAN  
(CAP)**

A written work plan that identifies the root cause(s) of a deficiency, includes goals and objectives, actions/tasks to be taken to facilitate an expedient return to compliance, methodologies to be used to accomplish CAP goals and objectives, and staff responsible to carry out the CAP within established timelines. CAPs are generally used to improve performance of the Contractor and/or its providers, to enhance Quality Management/Process Improvement activities and the outcomes of the activities, or to resolve a deficiency.

**EXTERNAL QUALITY  
REVIEW  
(EQR)**

The analysis and evaluation by an External Quality Review Organization (EQRO), of aggregated information on quality, timeliness, and access to the health care services that a Contractor or their contractors furnish to Medicaid members [42 CFR 438.320].

**EXTERNAL QUALITY  
REVIEW ORGANIZATION  
(EQRO)**

An organization that meets the competence and independence requirements set forth in 42 CFR 438.354, and performs EQR, other EQR-related activities as set forth in 42 CFR 438.358, or both [42 CFR 438.320].

**MEASURABLE**

The ability to determine definitively whether or not a quantifiable objective has been met, or whether progress has been made toward a positive outcome.

**MONITORING**

The process of auditing, observing, evaluating, analyzing and conducting follow-up activities, and documenting results via desktop or on-site review.

**OBJECTIVE**

A measurable step, generally one of a series of progressive steps, to achieve a goal.

**OUTCOMES**

Changes in patient health, functional status, satisfaction, or goal achievement that result from health care or supportive services [42 CFR 438.320].

**PERFORMANCE  
IMPROVEMENT PROJECT  
(PIP)**

A planned process of data gathering, evaluation and analysis to determine interventions or activities that are projected to have a positive outcome. A PIP includes measuring the impact of the interventions or activities toward improving the quality of care and service delivery. Formerly referred to as Quality Improvement Projects (QIP).

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**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE  
IMPROVEMENT PROGRAM**

**QUALITY**

As it pertains to external quality review, means the degree to which a Contractor (described in 42 CFR 438.310(c)(2)) increases the likelihood of desired outcomes of its members through:

1. Its structural and operational characteristics,
2. The provision of services that are consistent with current professional, evidenced-based-knowledge, and
3. Interventions for performance improvement.  
[42 CFR 438.320].

**QUALITY OF CARE  
(QOC)**

The degree to which health care services for individuals and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge. (Definition adopted from The Institute of Medicine).

**STATISTICALLY  
SIGNIFICANT**

A judgment of whether a result occurs because of chance. When a result is statistically significant, it means that it is unlikely that the result occurs because of chance or random fluctuation.

There is a cutoff for determining statistical significance. This cutoff is the significance level. If the probability of a result (the significance value) is less than the cutoff (the significance level), the result is judged to be statistically significant.

**WORK PLAN**

A document that addresses all the requirements of AMPM Chapter 900, and AHCCCS-suggested guidelines, as well as supports the Contractor’s QM/PI goals and objectives with measureable goals (Specific, Measurable, Attainable, Relevant and Timely [SMART]), timelines, methodologies and designated staff responsibilities. The Work Plan must include measureable physical, behavioral, and oral health goals and objectives.

**III. POLICY**

**A. QUALITY MANAGEMENT/PERFORMANCE IMPROVEMENT PROGRAM PLAN**

Contractors shall develop a written QM/PI Program Plan that outlines the objectives of the Contractor’s QM/PI Program and addresses the Contractor’s proposed approaches to meet or exceed the minimum Contractor standards and requirements as specified in Contract and AMPM Chapter 900. The QM/PI Program Plan shall be submitted annually, and shall describe how program activities will improve the quality of care, service delivery, and satisfaction for members. Contractors shall incorporate monitoring and evaluation activities, at a minimum, for the services and services sites specified in AMPM Policy 910, Attachment A.

The QM/PI Program Plan shall contain, at a minimum, the following:

1. QM/PI Program Narrative (Plan Description)

A written, narrative description that outlines the objectives of the Contractor’s QM/PI Program and addresses the Contractor’s planned activities to meet or exceed the minimum requirements as specified in Contract and AMPM Policies 910-980. The QM/PI Program Narrative shall include the Contractor’s activities to identify member needs and coordinate care, follow-up activities to ensure appropriate and medically necessary treatment is received in a timely manner, and participation in community and/or Quality initiatives.

2. QM/PI Program Work Plan Evaluation

A detailed analysis of Contractors’ progress in meeting or exceeding the QM/PI Program objectives, strategies, and activities proposed to meet or exceed the minimum Contractor standards and requirements as specified in Contract and AMPM Policies 910-980. The QM/QI Program Work Plan Evaluation shall contain evidence/documentation supporting continued routine monitoring to evaluate the effectiveness of the actions (interventions) and other follow up activities conducted throughout the reported Contract year. Contractors shall provide a description of how any sustained goals/objectives will be incorporated into Contractors’ business practice (or institutionalized) and develop new goals/objectives once a goal or objective has been sustained.

3. QM/PI Program Work Plan

An outline of Contractors’ proposed approaches for the current Contract Year that formally documents the QM/PI Program objectives, strategies, and activities proposed to meet or exceed the minimum Contractor standards and requirements as specified in Contract and AMPM Policies 910-980.

The QM/PI Program Work Plan shall contain:

- a. A detailed, written set of specific measurable goals and objectives related to clinical (physical and behavioral health) and non-clinical care areas that Contractors will utilize to determine if its QM/PI Program meets or exceeds established goals and complies with QM/PI requirements in Contract as well as all components of AMPM Policies 910-980:
  - i. Identified goals and objectives shall be realistic and measurable. These objectives shall be based on established AHCCCS Minimum Performance Standards (MPS),
  - ii. Other generally accepted benchmarks that continue the Contractors’ improvement efforts will be used to establish the program’s measurable objectives, in cases where the MPS has been met. These may include benchmarks established by the National Committee on Quality Assurance (NCQA) or other national standards.
- b. Strategies and activities to meet or accomplish the identified goals and objectives,

- c. Staff positions responsible and accountable for meeting each of the established goals and objectives, and
- d. Targeted implementation and completion dates for included measurable goals, objectives, activities, and performance improvement projects.

#### 4. Engaging Members Through Technology – Executive Summary

A report outlining the Contractor’s strategic plan to engage its membership through web based applications which may also include mobile device technologies. Contractors shall provide collected data utilized to identify populations who can benefit from web/mobile based applications used to assist members with self-management of health care needs such as chronic conditions, pregnancy, social determinants of health resources, or other health related topics Contractors consider to be most beneficial to members. Contractors shall submit the executive summary as specified in Contract and include, at a minimum:

- a. Criteria for identifying at least 25% of the Contractor’s members who can benefit from web/mobile-based applications (AHCCCS intends to increase this percentage over time),
- b. A detailed summary, including data for identified population(s),
- c. A description of web/mobile-based applications in development and currently being utilized to engage members,
- d. Strategies used to engage the identified members in the use of the web/mobile-based applications,
- e. A description of desired outcomes for each web/mobile-based application currently being utilized to engage members, including how the desired outcome will be measured
- f. A detailed summary, including data for member-related outcomes, and
- g. A detailed summary, including data related to the number of members engaged through web/mobile-based applications, total membership and percentage of members represented in the Contract year, and the number of anticipated members or percentage of membership potentially engaged through web/mobile-based applications for the following Contract year.

#### 5. Best Practices

An overview of Contractor self-reported Best Practices, submitted as a standalone document, highlighting a minimum of three initiatives aimed at improving the care and services provided to members.

#### 6. External Quality Review Report Recommendations Follow Up

A summary of the Contractor’s efforts to date in implementing the most current and previous year’s External Quality Review (EQR) Report recommendations, submitted annually as a standalone document.

### 7. Referenced/Associated Policies

New (or substantially revised) relevant policies and procedures, referenced in the QM/PI Program Plan Checklist (Attachment A), are submitted as separate attachments. Current policies that have not had substantive changes during the year are not required to be submitted in the Plan and will be evaluated as part of the AHCCCS Operational Review unless Contractors see their submission as a value-add to the QM/PI Program Plan.

The QM/PI Program Plan shall be submitted to AHCCCS annually as specified in Contract. The submission shall be accompanied by a completed QM/PI Program Plan Checklist (Attachment A).

## **B. PERFORMANCE MEASURE MONITORING REPORT**

A report submitted using AMPM Appendix B, describing the Contractor's progress in meeting, sustaining, and improving its performance for contractually required performance measures. The Report shall include:

1. Internal rates for each performance measure in accordance with Appendix B guidance and instructions, as well as associated measure specifications.
2. Outline of interventions implemented during the reporting period.
3. Detailed evaluation of Contractor performance outlining noted trends or declines in performance compared to:
  - a. AHCCCS-established performance measure requirements,
  - b. Contactor self-identified goals and objectives, and
  - c. Historical performance.
4. Analysis of current performance in association with recently implemented interventions.
5. Proposed interventions to be implemented within the upcoming quarter that are intended to address:
  - a. Performance that does not meet the AHCCCS-established performance measure requirements, and
  - b. Statistically significant decline in any performance measure rate occurring for two or more consecutive quarters.

Refer to AMPM Appendix B for report template and requirements/instructions. Refer to AMPM Policy 970 for information related to Performance Measures.

**C. PERFORMANCE IMPROVEMENT PROJECT REPORT**

A report submitted using AMPM Policy 980, Attachment B-D (attachment based on line of business for which the report is associated) for each AHCCCS-mandated and Contractor self-selected PIP. The PIP report(s) shall include annual updates (at a minimum) that meet the instructions and requirements outlined in AMPM Policy 980 and the associated reporting template(s).

**D. CORRECTIVE ACTION PLAN**

Contractors shall develop and implement a Corrective Action Plan (CAP) for taking appropriate steps to improve care, if and when issues or concerns are identified. All proposed CAPs are to be submitted to AHCCCS for review and approval, prior to implementation.

1. Proposed QM/PI Program specific CAPs submitted for approval shall address the following:
  - a. Identified root cause(s) of a deficiency and steps to be taken to facilitate an expedient return to compliance,
  - b. Documentation of proposed time frames for CAP completion, as applicable,
    - i.
  - c. Person(s) or body (e.g. Board) responsible for making the final determinations regarding QM/PI Program concerns.
  - d. Type(s) of action(s) to be taken including, but not limited to:
    - i. Education/training/technical assistance,
    - ii. Follow-up Monitoring and evaluation of improvement, as well as implementing new interventions/approaches, when necessary,
    - iii. Changes in processes, structures, and forms,
    - iv. Informal counseling,
  - e. Documentation of an assessment of the effectiveness of the action(s) taken,
  - f. Method(s) for internal dissemination of CAP findings and results to appropriate staff and/or network providers, and
  - g. Method(s) for dissemination of pertinent information to AHCCCS and/or appropriate stakeholders

For Quality of Care (QOC)-related corrective actions, refer to AMPM Policy 960.

2. Proposed Quality Improvement specific CAPs and CAP updates submitted by the Contractors shall include the required elements contained within Attachment B.
3. Contractors shall maintain documentation that confirms the development and implementation of CAPs.

**E. CONTRACTOR REPORTING REQUIREMENTS**

Contractors shall submit deliverables in accordance with Contract.

If an extension of time is needed to complete a deliverable, Contractors may submit a formal request in writing before the deliverable due date to the AHCCCS/Division of Healthcare Management (DHCM), Quality Management (QM) or Quality Improvement (QI) Team Manager, as appropriate to the deliverable. The request shall include the basis for additional time needed and be submitted no later than two business days prior to the submission due date as an extension may or may not be granted, based on AHCCCS' discretion. The Contractor's internal Compliance Officer and designated AHCCCS/DHCM, Operations and Compliance Officer shall be copied (cc'd) on any formal request for extension.

The QM/PI Program Plan shall be submitted annually, as specified in Contract and is subject to AHCCCS approval. Following submission and approval, any significant modifications to the QM/PI Program Plan throughout the year shall be submitted to the AHCCCS/DHCM, QM and QI Team Managers for review and approval prior to implementation.

Contractors that are contracted with AHCCCS for more than one line of business shall submit the QM/PI Program Plan in accordance to AHCCCS/DHCM, QI Team instructions and guidance.

**F. CONTRACTOR DOCUMENTATION REQUIREMENTS**

Contractors shall maintain records that document QM/PI Program activities. The records shall be made available to AHCCCS/DHCM, QM and/or QI Teams upon request. The required documentation shall include, but is not limited to:

1. Policies and procedures.
2. Studies and PIPs.
3. Reports (including quarterly reports addressing strategies for QM/PI activities).
4. Processes/desktop procedures.
5. Meeting minutes.
6. CAPs.
7. Documentation supporting and/or requested by the EQRO as part of the EQR process.
8. Other information and data appropriate to support changes made to the scope of the QM/PI Program.