# 910 QUALITY MANAGEMENT / PERFORMANCE IMPROVEMENT (QM/PI) PROGRAM ADMINISTRATIVE REQUIREMENTS

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

INITIAL EFFECTIVE DATE: 10/01/1994

## A. QUALITY MANAGEMENT/PERFORMANCE IMPROVEMENT PLAN

Each Contractor must develop a written Quality Management/Performance Improvement (QM/PI) Plan that addresses the Contractor's proposed methodology to meet or exceed the standards and requirements of the contract and this Chapter. Contractors that are contracted with AHCCCS for more than one line of business must submit a separate plan for each line of business. The QM/PI plan must describe how program activities will improve the quality of care, service delivery, and satisfaction for enrolled members. The QM/PI Plan, and any subsequent modifications, must be submitted to the AHCCCS/Division of Health Care Management/ Clinical Quality Management (DHCM/CQM) for review and approval prior to implementation. At a minimum, the QM/PI Plan must include, in paginated detail, the following components of the Contractor's QM/PI Program:

1. QM/PI Program Administrative Oversight- The Contractor's QM/PI Program must be administered through a clear and appropriate administrative structure. The governing or policymaking body must oversee and be accountable for the QM/PI Program. The Contractor must provide:
   a. A description to ensure ongoing communication and collaboration between the QM/PI Program and the other functional areas of the organization, such as, but not limited to: Medical Management, Member Services, Behavioral Health, Provider Relations, Grievance and Appeals, Fraud, Waste and Abuse, and Case Management.
   b. A description of the Contractor's administrative structure for oversight of its QM/PI Program as required by Policy 910, Section C of this Chapter, which includes the role and responsibilities of:
      i. The governing or policy-making body,
      ii. The Medical Director,
      iii. The QM/PI Committee,
      iv. The Peer Review Committee
      v. The Credentialing Committee
      vi. The Contractor's Executive Management, and
      vii. QM/PI Program staff.

c. An organizational chart that shows the reporting relationships for QM/PI activities and the percent of time dedicated to the position for each line of business. This chart must also show direct oversight of QM/PI activities by the local Medical Director and the implemented process for reporting to Executive Management.
d. Documentation that the Board of Directors and in the absence of a Board the executive body has reviewed and approved the Plan.
e. Documentation that the Board of Directors and in the absence of a Board the executive body has formally evaluated and documented the effectiveness of its QM/PI program strategy and activities, at least annually.

2. QM/PI Committee – The Contractor must have an identifiable and structured local (Arizona) QM/PI Committee that is responsible for QM/PI functions and responsibilities.
   a. At a minimum, the membership must include:
      i. The local Medical Director as the chairperson of the Committee. The local Medical Director may designate the local Associate Medical Director as his/her designee only when the Medical Director is unable to attend the meeting. The local Chief Executive Officer may be identified as the co-Chair of the QM/PI Committee.
      ii. The QM/PI Manager,
      iii. Representation from the functional areas within the organization,
      iv. Representation of contracted or affiliated providers serving AHCCCS members, and
      v. Appropriate clinical representatives.
   b. The local Medical Director is responsible for implementation of the QM/PI Plan and must have substantial involvement in the implementation, assessment and resulting improvement of QM/PI activities.
   c. The QM/PI Committee must ensure that each of its members is aware of the requirements related to confidentiality and conflicts of interest by having signed statements on file and/or QM/PI Committee sign-in sheets with requirements noted.
   d. The Committee must meet, at a minimum, quarterly or more frequently. The frequency of committee meetings must be sufficient to monitor all program requirements and to monitor any required actions.
   e. The QM/PI Committee must review the QM/PI Program objectives, policies and procedures as specified in contract and must modify or update the policies when processes/activities are changed substantially. The QM/PI and Behavioral Health (BH) policies and procedures, and any subsequent modification to them, must be available upon request for review by AHCCCS/DHCM/CQM.
   f. The QM/PI Committee must develop procedures for QM/PI responsibilities and clearly document the processes for each QM/PI function and activity.

g. The QM/PI Committee must develop and implement procedures to ensure that Contractor staff and providers are informed of the most current QM/PI requirements, policies and procedures.

h. The QM/PI Committee must develop and implement procedures to ensure that providers are informed of information related to their performance (such as results of studies, AHCCCS Performance Measures, profiling data, medical record review results, utilization data such as performance improvement, prescribing practices, emergency room (ED) utilization, etc.).

i. When deficiencies are noted, the QM/PI Committee meeting minutes must clearly document discussions of the following:
   i. Identified issues
   ii. Responsible party for interventions or activities
   iii. Proposed actions
   iv. Evaluation of the actions taken
   v. Timelines including start and end dates
   vi. Additional recommendations or acceptance of the results as applicable

3. Peer Review - The Contractor must have a peer review process with the purpose of improving the quality of medical care provided to members by providers, both individual and organizational providers. The peer review scope includes cases where there is evidence of deficient quality, or the omission of the care or service provided by a participating, or non-participating health care professional or provider whether delivered in or out of state. Peer review must be defined by specific policies and procedures which must include the following:
   a. Contractors must not delegate functions of peer review to other entities.
   b. The Peer Review Committee must be scheduled to meet at least quarterly.
   c. Peer review activities may be carried out as a stand-alone committee or in an executive session of the Contractor's Quality Management Committee.
   d. At a minimum, the Peer Review Committee shall consist of:
      i. Contractor's local Chief Medical Officer as Chair.
      ii. Contracted medical providers from the community that serve AHCCCS members. The peer review process must ensure that providers of the same or similar specialty participate in review and recommendation of individual peer review cases. If the specialty being reviewed is not represented on the contractor's Peer Review Committee the Contractor may utilize peers of the same or similar specialty through external consultation.
      iii. A Behavioral Health provider must be part of the Peer Review Committee when a behavioral health case is being reviewed.
   e. Peer Review Committee members shall sign (may be an electronic signature) a confidentiality and conflict of interest statement at each Peer Review Committee meeting. Committee members must not participate in peer review activities if they have a direct or indirect interest in the peer review outcome.

f. The Peer Review Committee must evaluate the case referred to peer review based on all information made available through the quality management process.
g. The Peer Review Committee is responsible for making recommendations to the Contractor's Medical Director. The Peer Review Committee must determine appropriate action which may include, but is not limited to: peer contact, education, credentials, limit on new member enrollment, sanctions, or other corrective actions. The Medical Director is responsible for implementing the actions. Adverse actions taken as a result of the Peer Review Committee must be reported to AHCCCS within 24 hours of an adverse decision being made.
h. The Peer Review Committee is responsible for making appropriate recommendations for the Contractor's Medical Director to make referrals to the Department of Child Safety, Adult Protective Services, the Department of Health Services, Licensure Unit, the appropriate regulatory agency or board and AHCCCS for further investigation or action. Notification must occur when the Peer Review Committee determines care was not provided according to the medical community standards. Initial notification may be verbal but must be followed by a written report to AHCCCS within 24 hours.
i. Peer Review Committee policies and procedures must assure that all information used in the peer review process is kept confidential and is not discussed outside of the peer review process. The Contractor's Peer Review Committee reports, meetings, minutes, documents, recommendations, and participants must be kept confidential except for implementing recommendations made by the Peer Review Committee.
j. Contractors must make peer review documentation available to AHCCCS for purposes of quality management, monitoring and oversight.
k. Contractors must demonstrate how the peer review process is used to analyze and address clinical issues.
l. Contractors must demonstrate how providers are made aware of the peer review process, and
m. Contractors must demonstrate how providers are made aware of the peer review grievance procedure.
n. Matters appropriate for peer review may include, but are not limited to:
    i. Cases where there is evidence of deficient quality,
    ii. An omission of the care or service provided by a participating or non-participating physical health care or behavioral health care provider,
    iii. Questionable clinical decisions, lack of care and/or substandard care,
    iv. Inappropriate interpersonal interactions or unethical behavior, physical, psychological, or verbal abuse of a member, family, staff, or other disruptive behavior,
    v. Allegations of criminal or felonious actions related to practice,
    vi. Issues that immediately impact the member and that are life threatening or dangerous,

vii. Unanticipated death of a member; issues that have the potential for adverse outcome, or
viii. Allegations from any source that bring into question the standard of practice.

4. The QM/PI Staffing - The QM/PI Program must have qualified **local** personnel to carry out the functions and responsibilities specified in this Chapter in a timely and competent manner. Contractors are responsible for contract performance whether or not subcontractors or delegated entities are used. Policies and procedures must demonstrate:
   a. Staff qualifications including education, certifications, experience and training for each QM/PI position.
   b. A current organizational chart which demonstrates the reporting structure, responsibilities, number of full time and part time positions, and their percent of time by line of business for the QM/PI Program.
   c. The Contractor's Quality Management Coordinator must attend AHCCCS Contractor meetings unless attendance is specified as optional by AHCCCS.
   d. The Contractor must participate in applicable community initiatives, such as, but not limited to:
      i. Quality management and quality improvement
      ii. Maternal child health
      iii. Early and Periodic Screening, Diagnosis and Treatment (EPSDT)
      iv. Disease management
      v. Behavioral health
      vi. AHCCCS may require Contractor participation in specific community initiatives and collaborations
      vii. Long-term care

      **NOTE:** AHCCCS sponsored activities are not considered community initiatives or collaborations.
   e. The Contractor must develop a process to ensure that all staff who may have contact with members or providers are trained on how to refer suspected quality of care issues to the Quality Management Unit. This training must be provided during new employee orientation and, at a minimum, annually thereafter.

5. Delegated Entities - The Contractor must oversee and maintain accountability for all functions and responsibilities described in this Chapter that are delegated to other entities. The Contractor must include a description of how delegated activities are integrated into the overall QM/PI Program and the methodologies for oversight and accountability of all delegated functions, as required by Policy 910, Sections C, D and E must be met for all delegated functions. Accredited agencies must be included in the Contractor's oversight process.
   a. As a prerequisite to delegation, the Contractor must provide a written analysis of its historical provision of QM/PI oversight function which includes past goals and objectives. The level of effectiveness of the prior QM/PI oversight

functions must be documented. Examples may include the number of claims, concerns, grievances or network gaps.

b. The Contractor must have policies and procedures requiring that the delegated entity report to the Contractor all allegations of quality of care and quality of service issues. Quality of care or service investigation and resolution processes may not be delegated.
c. The Contractor must evaluate the entity's ability to perform the delegated activities prior to delegation. Evidence of which includes the following:
   i. Review of appropriate internal areas, such as quality management,
   ii. Review of policies and procedures and the implementation of them, and
   iii. Documented evaluation and determination that the entity is able to effectively perform the delegated activities.
d. Prior to delegation, a written contract must be established that specifies the delegated activities and reporting responsibilities of the entity to the Contractor. The agreement must include the Contractor's right to terminate the contract or perform other remedies for inadequate performance.
e. The performance of the entity and the quality of services provided are monitored on an ongoing basis and are annually reviewed by the Contractor. Annually, the Contractor must review a minimum of 30 randomly selected files per line of business for each function that is delegated. Documentation must be kept on file for AHCCCS review. Monitoring should include, but is not limited to:
   i. Utilization,
   ii. Member and provider satisfaction,
   iii. Quality of care concerns, and
   iv. Complaints.
f. The following documentation must be kept on file and available for AHCCCS review:
   i. Evaluation reports,
   ii. Results of the Contractor's annual monitoring review of the delegated entity utilizing AHCCCS required standards for the contracted functions,
   iii. Corrective action plans, and
   iv. Appropriate follow up of the implementation of corrective action plans to ensure quality and compliance with AHCCCS requirements for all delegated activities or functions are met.

6. Chapter 900 Requirements – The Contractor shall have policies and procedures to describe the implementation of the following:
   a. The Contractor's method(s) for monitoring and evaluating its service delivery system and provider network that demonstrates compliance with Policy 920, Section B of this chapter.
   b. How members' rights and responsibilities are defined, implemented and monitored to meet requirements of Policy 930 of this Chapter.

c. Documentation that the Contractor has implemented policies and procedures in compliance with Policy 940 of this Chapter to ensure that medical records and communication of clinical information for each member reflect all aspects of member care, including ancillary and behavioral health services. Policies must include processes for digital (electronic) signatures when electronic documents are utilized.
d. The Contractor's temporary/provisional credentialing, initial credentialing and recredentialing process for individual providers and assessment and reassessment of organizational providers contracted with the Contractor, as required by Policy 950 of this Chapter.
e. The Contractor's process for grievance resolution, tracking and trending that meets standards set in Policy 960 of this Chapter and 42 CFR 438.242 *et seq.*
f. Documentation of the Contractor's planned activities to meet or exceed AHCCCS-mandated performance measures minimum performance standards and performance improvement project goals as specified in AHCCCS contract and required by Policies 970 and 980 of this Chapter.
g. Indication or documentation of input from contracted or affiliated providers.
h. Indication or documentation of input from AHCCCS members.
i. How the Contractor monitors the quality and coordination of behavioral health services. The description must include procedures utilized to ensure timely updates from primary care providers to behavioral health providers regarding a member's change in health status. The update must include but is not limited to diagnosis of chronic conditions, support for the petitioning process transition to an integrated program, and all medication prescribed.
j. The comprehensive and coordinated delivery of integrated services including administrative and clinical integration of health care service delivery. Integration strategies and activities shall focus on improving individual health outcomes, enhancing care coordination and increasing member satisfaction.

   **NOTE:** The RBHA and CRS Contractors shall submit an Integrated Health Plan Report as specified in Contract. See Exhibit 910-2 for associated checklist.

7. Health Information System – Each Contractor must maintain a health information system that collects, integrates, analyzes, validates and reports data necessary to implement its QM/PI Program (42 CFR 438.242). The Contractor must include a description of the process used by the Contractor related to the health information system and how the system is used to collect, integrate, analyze, validate and report data necessary to implement the QM/PI program. Data elements must include:
   a. Member demographics,
   b. Provider characteristics,
   c. Services provided to members, and
   d. Other information necessary to guide the selection of, and meet the data collection requirements for PIPs and QM/PI oversight.

8. Policies and Procedures – The Contractor must have written policies and procedures, by line of business, to ensure that:
   a. Information/data received from providers is accurate, timely and complete.
   b. Reported data is reviewed for accuracy, completeness, logic and consistency, and the review and evaluation processes used are clearly documented.
   c. Information rejected must be tracked to ensure errors are corrected and the data is resubmitted and accepted.
   d. All member and provider information protected by Federal and State law, regulations, or policies is kept confidential.
   e. Contractor staff and providers are kept informed of at least the following:
      i. QM/PI requirements, activities, updates or revisions,
      ii. Study and Performance Improvement Project (PIP) results,
      iii. Performance measures and results,
      iv. Utilization data, and
      v. Profiling results.

## B. WORK PLAN

A work plan by line of business that includes all requirements of Policy 920, Section A of this Chapter and AHCCCS-suggested guidelines, and supports the Contractor's QM/PI goals and objectives. The Contractor must develop and implement a work plan with timelines which includes, but not limited to, the following information:

1. A description of all planned goals and objectives for both clinical care and Contractor monitoring of access and availability of covered services. Once a goal has been achieved and sustained, the Contractor must identify new goals based on data, member/provider input, etc.

2. Targeted implementation and completion dates of work plan activities.

3. Methodologies, strategies and specific measurable interventions to accomplish objectives.

4. Measurable behavioral health goals and objectives.

5. Assigned local staff positions responsible and accountable for meeting established goals and objectives.

   **NOTE:** The Contractor must review its work plan at least quarterly. If activities and interventions are not meeting the goals and objectives, the Contractor must revise its work plan and develop new strategies aimed at achieving the goals.

## C. QM/PI PROGRAM EVALUATION

The annual QM/PI evaluation document must contain the following:

1. A summary of all QM/PI activities performed throughout the year with:
   a. Title/name of each activity,
   b. Measurable goals and/or objective(s) related to each activity,
   c. Contractor departments or units and local staff positions involved in the QM/PI activities,
   d. Description of communication and feedback related to QM/PI data and activities,
   e. An evaluation of baseline data and outcomes utilizing qualitative and quantitative data which must include a statement describing if goals/objectives were met or not met,
   f. A description of how the sustained goal/objective is incorporated into the Contractor's business practice (institutionalized). The Contractor is expected to develop new goals and objectives once a goal or objective has been sustained,
   g. Actions to be taken for the improvement of Corrective Action Plan (CAP),
   h. Documentation of continued monitoring to evaluate the effectiveness of the actions (interventions) and other follow up activities,
   i. Rationale for changes in the scope of the QM/PI program or documentation indicating if no changes were made.
   j. Necessary follow-up with targeted timelines for revisions made to the QM/PI plan, and
   k. Documentation of QM/PI Committee review, evaluation and approval of any changes to the QM/PI plan.
   l. An evaluation of the previous year's activities must be submitted as part of the QM/PI Plan after review by the Contractor's governing or policy making body.

## D. QM/PI PLAN AND EVALUATION

See Policy 990 of this Chapter, Chapter 400, Exhibit 400-1, and Appendix A for reporting requirements and timelines. For submission to AHCCCS/DHCM/CQM, the following by line of business, may be combined or written separately and paginated as long as required components are addressed and are easily located within the document(s) submitted:

1. QM/PI Plan,

2. QM/PI Work Plan,

3. QM/PI Evaluation,

4. Maternity Care Plan and associated work plans and evaluations, as described in Exhibit 400-2,

5. EPSDT Plan and associated work plans and evaluations, as described in Exhibit 400-2,

6. Oral Health Plan and associated work plans and evaluations, as described in Exhibit 400-2

7. PIP Interim Report(s),

8. Quality Management Plan Checklist (see Exhibit 910-1), and

9. Submission of all **referenced** policies and procedures to implement the requirements of Chapter 900.

## E. QM/PI DOCUMENTATION

The Contractor must maintain records that document Quality Management and Performance Improvement (QM/PI) activities. The data must be made available to AHCCCS/DHCM/CQM upon request. The required documentation must include, but is not limited to:

1. Policies and procedures,

2. Studies and PIPs,

3. Reports,

4. Processes/desktop procedures,

5. Standards,

6. Worksheets,

7. Meeting minutes,

8. Corrective Action Plans (CAPs), and

9. Other information and data appropriate to support changes made to the scope of the QM/PI Plan or Program.