

SUBJECT Delegation and Contract Monitoring	CHAPTER 01	SECTION 06	SUBJECT 04
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I. APPLICATION:

- ☒ PIHP Board ☒ CMH Providers ☒ SUD Providers
☒ PIHP Staff ☒ CMH Subcontractors

II. POLICY STATEMENT:

It is the policy of the Region 10 PIHP to monitor and evaluate its provider network to ensure compliance with federal and state regulations. Concurrently, the PIHP will also monitor and evaluate any entity to which it has delegated a managed care administrative function to ensure the delegated provider is appropriately managing its charged responsibilities.

III. DEFINITIONS:

Provider: CMHSP and SUD providers, individual or corporation; any CMHSP subcontracted provider / practitioner, individual or corporation.

IV. STANDARDS:

- A. The PIHP shall conduct a comprehensive monitoring and evaluation process of each Provider on an ongoing basis, as well as annually. This process utilizes uniform standards and measures to assess compliance with federal and state regulations and PIHP contractual requirements. Monitoring may also evaluate capability and capacity to perform managed care delegated functions and grant requirements as applicable. In addition to an annual evaluation process, the PIHP shall conduct quarterly and specialized monitoring of Providers. This process may consist of a review of PIHP Required Reports, Quality Assessment and Performance Measurement, Provider Network, as well as other areas that the PIHP determines have demonstrated a need for frequent monitoring. Additionally, Providers will be reviewed quarterly for outstanding Plan of Correction items issued by the PIHP or other auditing entity (e.g. MDHHS).
- B. The PIHP monitoring review criteria is updated by the PIHP on an ongoing basis.
- C. The PIHP will evaluate, on an ongoing basis, opportunities for efficiency and reciprocity in its monitoring efforts. This may include Provider performance review (i.e. historical compliance within a performance standard, providing deemed status for nationally accredited Providers).
- D. The PIHP **quarterly** contract and delegation monitoring evaluation may consist of a review of the following elements:

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1. The Code of Federal Regulations (CFRs) and HIPAA;
 2. PIHP managed care administrative delegations made to the Provider;
 3. PIHP policies, standards, and protocols, including both MDHHS and PIHP practice guidelines;
 4. CMH Provider network monitoring (review and follow-up processes) of CMH subcontractors;
 5. Provider Contract – The PIHP shall evaluate each Provider to assess compliance with required elements.
- E. During the quarterly monitoring process, the PIHP may request the Provider submit responses to performance standards under review, as well as supporting documentation.
- F. The PIHP **annual** contract and delegation monitoring evaluation may consist of a review of the following elements:
1. The Code of Federal Regulations (CFRs) and HIPAA;
 2. PIHP managed care administrative delegations made to the Provider;
 3. PIHP policies, standards and protocols, including both MDHHS and PIHP practice guidelines;
 4. CMH provider network monitoring (review and follow-up processes) of CMH subcontractors.
 5. Provider Contract - The PIHP shall evaluate each Provider - to assess compliance with required elements (e.g. Quality Improvement, Corporate Compliance, Administrative Capacity, Managed Care Delegated Functions).
 6. Credentialing and Training Record Reviews based on established PIHP review methodology.
 7. Clinical Record Reviews.
 8. Grant Requirements.
- G. The PIHP **annual** evaluation process may utilize the following sources of information:
1. Information contained in routine reports generated throughout the year;
 2. One-time or special reports produced by PIHP staff;
 3. Routine submissions made by Provider;

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4. Examination of Provider policies, procedures and internal reports (e.g. Quality Improvement Plan, Credentialing Policy, Performance Indicator Data).
 5. MDHHS (or other funding or accrediting agency) reports and information.
- H. The PIHP **annual** contract and delegation monitoring/evaluation process may consist of four (4) primary components:
1. On-going Reports: This component includes reports and studies compiled by the PIHP during the current fiscal year as noted above, including any corrective action and quality improvement plans submitted by the Provider.
 2. Desk Audit: This component will consist of a pre-review of select policies, protocols, documents and other resource materials the Provider will submit to the PIHP for review prior to an on-site visit.
 3. On-Site Audit: This component will consist of PIHP staff going on-site to the Provider's physical location to review and validate process requirements. This component may include staff and customer interviews. The PIHP may also conduct on-site reviews with CMH subcontract providers.
 4. Review and Analysis: This component includes analysis of Provider performance and encounter data trends.
- I. The PIHP will distribute its **annual** monitoring schedule at least 30 days in advance of its physical review. Ideally, the PIHP review will be completed in sufficient time for the upcoming Provider contract renewal.
- J. The PIHP additionally evaluates Providers during **specialized** contract monitoring reviews throughout the year, which are typically aligned with the annual monitoring review process. **Specialized** reviews are completed of specific Providers (or groups of Providers providing similar services) and involves an evaluation of performance standards which target specific Provider responsibilities that are outside the scope of typical audit evaluations.
- K. Final quarterly, annual and applicable specialized monitoring reports shall be completed for each Provider. The monitoring report shall identify whether each Provider: (1) meets the service and management performance expectations contained in the contract; and (2) the Provider is fulfilling its delegated responsibilities. The monitoring report shall minimally contain:
1. A summary report detailing the PIHP's overall review process;
 2. Findings pertaining to each standard audited/reviewed;

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3. Quality Improvement (QI) recommendations;
 4. Plan of Correction items.
- L. Any monitoring review finding (which may be identified by the PIHP outside of the formal monitoring review process) that does not meet compliance and is not under formal dispute, requires the Provider to submit a Plan of Correction to the PIHP generally within 30 days of report issuance. The Provider should include information in the Plan of Correction which addresses steps taken to assess and improve performance, action steps (list activities), measurement criteria (i.e. how will the PIHP know the objective/outcome will be achieved), and timeframes for completing each improvement plan. This Plan of Correction will be issued by the PIHP as part of the monitoring report. The Provider shall be afforded an opportunity to informally challenge any finding for which it believes the PIHP erred; and may formally dispute any finding for which the Provider and PIHP cannot reach mutual agreement on a report correction. Timelines for follow-up actions are as follows:
1. Informal inquiries, clarifications and/or recommended corrections must be made to the PIHP Contract Management staff (via in-person, phone or e-mail inquiry) within 14 days of report issuance.
 2. Findings not satisfactorily resolved during the informal review stage may be formally submitted through the dispute resolution process as outlined in the Provider contract agreement.
- M. The PIHP shall adjust and reissue applicable monitoring reports as an outcome of either an informal or formal inquiry that changes the report results.
- N. The PIHP may additionally issue follow up and Plan of Correction requests to Providers which require more immediate attention (e.g. MDHHS review finding). If an external auditing entity has determined a specific Plan of Correction due date, the PIHP will honor the timeframe specified by that entity.
- O. Any outstanding Plan of Correction items (issued by either the PIHP or external auditing entity) will be monitored by the PIHP and minimally reviewed on a quarterly basis. Status updates on outstanding items will be requested from Providers. Ideally, this process will align with the established quarterly monitoring reviews. However, the PIHP may determine there is a need for more frequent monitoring.
- P. Overall responsibility for the contract monitoring evaluation process and updating of the monitoring evaluation tools and record review methodology shall rest with the PIHP. The monitoring tools shall minimally be reviewed on an annual basis to ensure their functional utility and updated as necessary due to changing regulations, new contract terms, and operational feedback received.

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- Q. The PIHP monitoring reports shall be a factor in establishing the conditions under which a Provider contract will be renewed, and if any performance objectives for quality improvement are required.
- R. Report summary findings shall also be shared with appropriate advisory councils for comments.
- S. Final Reports on findings and status of Plan of Correction Reports will be presented to the PIHP Board with one of the following recommendations:
1. Provider in substantial compliance with recommended renewal of contract;
 2. Provider in partial compliance with recommended performance objectives to be attached to renewal contract; or
 3. Provider in less than substantial compliance with recommended performance objectives whereby failure to reach substantial compliance within the fiscal year may result in non-renewal of the contract.

V. PROCEDURES: N/A

VI. EXHIBITS: N/A