

SUBJECT Delegation and Contract Monitoring	CHAPTER 01	SECTION 06	SUBJECT 04
CHAPTER Administration		SECTION Provider Network	
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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: N/A

IV. STANDARDS:

- A. The PIHP shall conduct a comprehensive monitoring and evaluation process of each CMH and each SUD 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 will also evaluate capability and capacity to perform managed care delegated functions. In addition to an annual evaluation process, the PIHP shall conduct quarterly monitoring of each CMH/SUD Provider. 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 **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 CMH/SUD 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 subcontractors.
 5. PIHP/CMH or PIHP/SUD Contract: The PIHP shall evaluate each CMH/SUD Provider utilizing standardized audit tools that assess compliance with the following elements:
 - Quality Improvement
 - Health Information Systems & Data Management
 - Community Collaboration

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- Financial Management
 - Corporate Compliance
 - Advance Directives
 - Training
 - Provider Network
 - Medicaid Only Performance Indicators
 - Administrative Capacity (SUD Only)
 - Prevention (SUD Only)
 - Women’s Specialty (SUD Only)
 - Managed Care Delegated Functions
 - Outstanding Plan of Correction Items
- C. 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 CMH/SUD Provider;
 4. Examination of Provider policies, procedures and internal reports, which may include the following:
 - a. Quality Improvement Plan;
 - b. Utilization Management policies and procedures;
 - c. Credentialing policies and procedures;
 - d. Annual Needs Assessment; and/or
 - e. Performance Indicator Data
- D. 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, including any corrective action and quality improvement plans submitted by the CMH/SUD Provider.
 2. Desk Audit: This component will consist of a pre-review of select policies, protocols, documents and other resource materials the CMH/SUD 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 CMH/SUD Provider to review and validate process requirements. This component may include staff and customer interviews. The PIHP may also conduct on-site reviews with subcontract providers.
 4. Review and Analysis: This component includes analysis of Provider performance and encounter data trends.
- E. 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 CMH/SUD Provider contract renewal.

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- F. The PIHP shall develop a Contract Monitoring and Evaluation Report detailing the status of its **annual** monitoring review for each CMH/SUD Provider. The monitoring report shall identify whether each CMH/SUD Provider: (1) meets the service and management performance expectations contained in the contract; and (2) the CMH/SUD Provider is fulfilling its delegated responsibilities. The monitoring report shall minimally contain:
1. A summary report detailing the PIHP’s overall review process and findings;
 2. “Findings” pertaining to each standard audited/reviewed;
 3. Quality Improvement (QI) recommendations;
 4. “Recommendations” (if applicable) pertaining to any finding that did not meet “substantial compliance,” which then requires remedial action.
- G. Any finding that did not receive a compliance score of “met” and not under formal appeal, requires the CMH/SUD Provider to submit a remedial action/quality improvement plan to the PIHP within 30 days of report issuance. The CMH/SUD Provider should include information in the action plan 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 action plan will be issued by the PIHP as part of the monitoring report. The CMH/SUD Provider shall be afforded an opportunity to informally challenge any finding for which it believes the PIHP erred; and may formally appeal any finding for which the CMH/SUD 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 stage may be formally appealed in writing to the PIHP CEO within 28 days of report issuance.
- H. The PIHP shall adjust and reissue the monitoring report as an outcome of either an informal or formal inquiry that changes the report results.
- I. The PIHP **quarterly** 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 to made to the CMH/SUD 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 subcontractors;
 5. PIHP/CMH or PIHP/SUD Contract – The PIHP shall evaluate each CMH/SUD Provider utilizing standardized audit tools that assess compliance with required elements.
- J. The PIHP **quarterly** monitoring review criteria may be updated by the PIHP on a quarterly basis.

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- K. A **quarterly** monitoring report shall be completed for each CMH/SUD Provider. During the quarterly monitoring process, the PIHP may request the CMH/SUD Provider to submit responses to performance standards under review, as well as supporting documentation. Ideally, quarterly Monitoring Reports should be completed two (2) weeks following the end of each quarter.
- L. During the **quarterly** monitoring process, the PIHP may identify areas which require a Plan of Correction which is generally due to the PIHP within 30 days of report issuance. The CMH/SUD Provider should include information in the action plan 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.
- M. Plans of Correction issued by the PIHP are generally due 30 days following report issuance. If an external auditing entity has determined a specific Plan of Correction due date, the PIHP will honor the timeframe specified by that entity.
- N. 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 CMH / SUD 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.
- O. Overall responsibility for the contract monitoring evaluation process and updating of the monitoring evaluation tools shall rest with the PIHP. The 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.
- P. The PIHP monitoring reports shall be a factor in establishing the conditions under which a CMH/SUD Provider contract will be renewed, and if any performance objectives for quality improvement are required.
- Q. Report summary findings shall also be shared with appropriate advisory councils for comments.
- R. Final Reports on findings and Plan of Correction Status Reports will be presented to the PIHP Board with one of the following recommendations:
1. CMH/SUD Provider in substantial compliance with recommended renewal of contract;
 2. CMH/SUD Provider in partial compliance with recommended performance objectives to be attached to renewal contract; or
 3. CMH/SUD 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.

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V. PROCEDURES: N/A

VI. EXHIBITS: N/A