

HEALTH PLAN OF SAN JOAQUIN					
Subject: Delegation of QI					
Department: Medical Management		Unit: Quality Management		Policy #: QM07	
Effective Date: 7/12/12	Committee/Approval Date: QMUM 7/12/12; 06/16	Review/Revision Dates: 11/14; 3/16			
Applies To:	Medi-Cal	Yes	X	No	
	MCAP	Yes	X	No	
	TPA	Yes		No	X

PURPOSE

To provide a systematic method to delegate specific functions or activities to entities that meet Health Plan of San Joaquin’s (HPSJ) requirements, standards, and policies and procedures and to provide a process for HPSJ’s oversight of the Delegate and the Delegated Activities.

DEFINITIONS

Delegate- The entity to which HPSJ has granted authority to perform a function on its behalf.

Delegated Activity- The function(s) which the Delegate performs on behalf of HPSJ.

Delegation- A formal process by which HPSJ gives another entity the authority to perform certain functions on its behalf.

Delegation Agreement- A written document agreed to by HPSJ and the Delegate describing the responsibilities of each party, the Delegated Activities, the reporting process, the evaluation process, remedies and corrective action and other terms and conditions related to the delegation of activities for which HPSJ is responsible.

NCQA Standards- The most recent version of the Health Plan Accreditation Standards and Guidelines, as modified from time to time, promulgated by the National Committee for Quality Assurance.

Program Documents- Program Description, Work Plan, Policies and Procedures, relevant meeting minutes, files, and other similar documents that describe, and provide evidence of implementation of, an organization’s processes for planning, designing, implementing, evaluating, and improving an organizational function such as utilization management, quality improvement, credentialing and so forth. In this policy and procedure Program Documents shall refer to Quality Improvement Program Documents unless specified otherwise.

Representative- An agent, contractor, employee, staff or volunteer acting for, or on behalf of, HPSJ.

POLICY

HPSJ may at its discretion delegate specific functions or activities to entities that can demonstrate compliance with HPSJ’s requirements, standards and policies and procedures.

PROCEDURE

A. General Delegation Provisions

1. The Delegation Oversight Committee is responsible for overseeing all Delegation, including:
 - a. Reviewing the findings of Pre-Delegation evaluations.
 - b. Annually approving the Delegate's documents describing how the Delegate intends to carry out the Delegated activities. As appropriate to the scope of the Delegation, these documents include:
 - i. Quality Improvement (QI) Program Description and/or relevant policies and procedures.
 - ii. Utilization Management (UM) Program Description and/or relevant policies and procedures.
 - iii. Credentialing and Recredentialing (CR) Program Description and/or relevant policies and procedures.
 - iv. Members' Rights and Responsibilities (RR) relevant policies and procedures.
 - v. Member Connections (MEM) relevant policies and procedures.
 - c. Reviewing periodic reports submitted by Delegates.
 - d. Reviewing the findings of annual evaluations of the Delegate's performance against NCQA Standards for the Delegated activities, including as appropriate to the scope of the delegation, annual:
 - i. Complex Case Management file audits.
 - ii. UM denial file audits, for:
 - (a) Non-behavioral health files.
 - (b) Behavioral health files.
 - iii. UM Appeal file audits.
 - iv. Credentialing file audits (including credentialing and recredentialing files).
 - e. Determining corrective action.
 - f. Monitoring Delegates' compliance with HPSJ's Delegation Agreement.
2. HPSJ does not delegate:
 - a. Member Experience: Opportunities for Improvement.
 - b. QI Delegation Oversight.
 - c. Experience with the UM Process.
 - d. UM Delegation Oversight.
 - e. CR Delegation Oversight.
 - f. Rights and Responsibilities Statement.

- g. Subscriber Information.
 - h. Privacy and Confidentiality.
 - i. Marketing Information.
 - j. RR Delegation Oversight.
 - k. MEM Delegation Oversight.
3. Prior to delegation, HPSJ shall evaluate the capacity of the proposed Delegate to carry out the proposed Delegated Activities as described in the procedure on Pre-Delegation Evaluation.
 4. All Delegation shall be formalized with a written Delegation Agreement, as described in the procedure of the same name, signed by duly authorized representatives of HPSJ and the Delegate, which specifies:
 - a. The activities that are delegated.
 - b. The responsibilities of the Delegate.
 - c. The responsibilities of HPSJ.
 - d. If credentialing and/or recredentialing decision-making are delegated, HPSJ's right to approve, suspend and terminate practitioners, providers, and sites.
 - e. If QI, UM, RR and/or MEM are delegated, HPSJ's responsibility to provide the following information to its delegates when requested:
 - i. Member experience data, if applicable.
 - (a) At its sole discretion, HPSJ may allow the Delegate to collect Member Experience data directly from members in lieu of providing such data to the Delegate.
 - ii. Clinical performance data.
 - f. The Delegate's reporting requirements to HPSJ.
 - g. The process that HPSJ uses to evaluate the Delegate's performance.
 - h. The remedies that HPSJ may take if the Delegate does not fulfill its responsibilities.
 - i. Such remedies shall be progressive in nature.
 - ii. HPSJ shall always have the option of terminating the delegation arrangement in the event the Delegate does not fulfill its obligations.
 5. The Delegate may not further delegate to another entity any portion of the Delegated Activities without the written agreement of HPSJ.
 6. HPSJ will evaluate regular reports listed in the Delegation Agreement and submitted by the Delegate as described in the procedure on Periodic Reporting by the Delegate.

7. As described in the procedure on Annual Evaluation of Delegation, HPSJ will annually:
 - a. As appropriate to the scope of the Delegation, review and approve the Delegate's:
 - i. Quality Improvement (QI) Program Description and/or relevant policies and procedures.
 - ii. Utilization Management (UM) Program Description and/or relevant policies and procedures.
 - iii. Credentialing and Recredentialing (CR) Program Description and/or relevant policies and procedures.
 - iv. Members' Rights and Responsibilities (RR) relevant policies and procedures.
 - v. Member Connections (MEM) relevant policies and procedures.
 - b. Review the Delegate's performance against NCQA Standards for the Delegated Activities, HPSJ's expectations and, as appropriate to the scope of the delegation conduct:
 - i. Complex Case Management file audits.
 - ii. UM denial file audits, for:
 - (a) Non-behavioral health files.
 - (b) Behavioral health files.
 - iii. UM Appeal file audits.
 - iv. Credentialing file audits (including credentialing and recredentialing files).

B. Pre-Delegation Evaluation

1. Prior to delegation of any activities, HPSJ evaluates the proposed Delegate's capacity to perform the proposed Delegated Activities in accordance with NCQA Standards.
 - a. At the time of delegation, entities that hold NCQA accreditation or certification covering the proposed Delegated Activities are deemed to have demonstrated their capacity to perform the proposed Delegated Activities in accordance with NCQA Standards without further evaluation by HPSJ.
 - b. At the time of delegation, entities that do not hold NCQA accreditation or certification covering the proposed Delegated Activities require a formal evaluation by HPSJ of their capacity to perform the proposed Delegated Activities in accordance with NCQA Standards.
 - i. HPSJ's formal evaluation of the proposed Delegate's capacity to perform the proposed Delegated Activities in accordance with NCQA Standards includes a structured assessment, which is usually conducted on-site.

- ii. At HPSJ’s discretion and for good cause, the pre-delegation evaluation may be conducted in a manner other than on-site such as, but not limited to, teleconference, off-site document review, or joint meetings.
 - iii. The proposed Delegate’s structures, processes, and outcomes are evaluated against the relevant NCQA Standards using the then currently applicable edition of the NCQA Standards as periodically updated by NCQA and a process as close to that used by the NCQA surveyors as is reasonable.
 - iv. Only those scoring elements applicable to the proposed Delegated Activities are evaluated and scored.
- 2. Prior to delegation, HPSJ evaluates the proposed Delegate’s capacity to perform the proposed Delegated Activities in accordance with HPSJ’s expectations and program requirements.
 - a. To determine the degree to which they are consistent with HPSJ’s expectations and program requirements, as appropriate to the scope of the Delegation, HPSJ evaluates the proposed Delegate’s:
 - i. Quality Improvement Program Documents, specifically including the QI Program Description, work plan, policies and procedures, and relevant committee minutes.
 - ii. Utilization Management Program Documents, specifically including the UM Program Description, work plan, policies and procedures, and relevant committee minutes.
 - iii. Credentialing and Recredentialing Program Documents, specifically including the CR Program Description, policies and procedures, and relevant committee minutes.
 - iv. Members’ Rights and Responsibilities (RR) relevant policies and procedures.
 - v. Member Connections (MEM) relevant policies and procedures.
 - b. If an on-site evaluation is not required as described in paragraphs 1-1.2.1.1 above, the evaluation of the proposed Delegate’s Program Documents may be conducted off-site at the discretion of HPSJ.
 - c. Relevant portions of the entity’s Program Documents are evaluated on a four point scale:
 - i. “Compliant” means that the element fully meets HPSJ’s expectations and program requirements.
 - ii. “Acceptable Deviation” means that the element produces a result that is acceptable to HPSJ even though the process or outcome may not exactly match HPSJ’s.

- iii. “Needs Improvement” means that the element does not meet HPSJ’s expectations or program requirements but can be rectified with specifically identifiable and reasonable interventions.
 - iv. “Not Compliant” means that the element does not meet HPSJ’s expectations or program requirements and rectifying the situation will require extensive effort on the part of the entity.
 - d. HPSJ evaluates the extent to which the proposed Delegate has adequate human resources, information systems and other resources to carry out the proposed Delegated Activities.
 - i. If an on-site evaluation is not required as described in paragraphs 1-1.3.1.1 above, the evaluation of the adequacy of human resources, information systems and other resources may be conducted off-site at the discretion of HPSJ.
 - ii. The adequacy of the entity’s human resources, information systems and other resources is evaluated on a three point scale:
 - (a) “Acceptable” means that the human resources, information systems and other resources fully meet HPSJ’s expectations and program requirements.
 - (b) “Needs Improvement” means that the human resources, information systems and other resources do not meet HPSJ’s expectations or program requirements but can be rectified with specifically identifiable and reasonable interventions.
 - (c) “Not Acceptable” means that the human resources, information systems and other resources do not meet HPSJ’s expectations or program requirements and rectifying the situation will require extensive effort on the part of the entity.
 - e. HPSJ interviews the individual(s) responsible for managing and overseeing the proposed Delegated Activities.
 - i. If an on-site evaluation is not required as described in paragraphs 1-1.2.1.1 above, the interview(s) may be conducted by telephone at the discretion of HPSJ.
- 3. The pre-delegation evaluation is conducted by a representative(s) of HPSJ with appropriate knowledge, skill, and expertise; understanding of relevant NCQA Standards and their interpretation and application; and knowledge of HPSJ’s expectations and program requirements.
- 4. The representative(s) conducting the Pre-Delegation Evaluation prepare a written report of their findings and specific recommendations.
- 5. Delegation may proceed under the following circumstances:
- 6. The proposed Delegate’s score on each of the NCQA scoring elements relevant to the proposed Delegated Activities is 50% or higher.

- a. If the score for any relevant NCQA scoring element is less than 50%, HPSJ will not delegate the related activity(ies) until the proposed Delegate’s score reaches 50% or higher.
 - i. If HPSJ’s reviewer determines that the proposed Delegate’s current performance is acceptable even though the score is less than 50%, HPSJ may, at its sole discretion, proceed with delegation of the related activity(ies).
 - ii. If the proposed Delegate’s score for any relevant NCQA standard is less than 100%, at its sole discretion HPSJ may require that the proposed Delegate agree and adhere to a plan of correction acceptable to HPSJ as a condition of proceeding with the proposed delegation.
- b. Relevant portions of the proposed Delegate’s Program Documents are evaluated as either “Compliant” or “Acceptable Deviation.”
 - i. Delegation may proceed if portions of the proposed Delegate’s Program Documents are evaluated as “Needs Improvement” provided the proposed Delegate agrees and adheres to a plan of correction acceptable to HPSJ.
 - ii. Delegation may not proceed if relevant portions of the proposed Delegate’s Program Documents are evaluated as “Not Compliant.”
- c. The human resources, information systems and other resources of the proposed Delegate are evaluated as “Acceptable.”
 - i. Delegation may proceed if human resources, information systems, and/or other resources are evaluated as “Needs Improvement” provided the proposed Delegate agrees and adheres to a plan of correction acceptable to HPSJ.
 - ii. Delegation may not proceed if human resources, information systems, and/or other resources are evaluated as “Not Acceptable.”
- d. The results of the interview with the individuals responsible for managing and overseeing the proposed Delegated Activities has resolved any remaining questions about the capability of the proposed Delegate to meet NCQA Standards and HPSJ’s expectations and program requirements.

C. Delegation Agreement

- 1. HPSJ’s Delegation Agreement template shall be used for all Delegation.
- 2. If appropriate, changes may be approved by a member of HPSJ’s senior management.
- 3. All blank or gray areas on the Delegation Agreement template shall be completed with the necessary information.
- 4. Exhibit 1 of the Delegation Agreement shall be revised if necessary and completed including:

- a. In the first column, a description of the activities required by NCQA using language substantially similar to the most recent version of NCQA’s Health Plan Accreditation Standards and Guidelines.
 - b. In the second and third columns, inserting check marks or another symbol to indicate whether the activities are the responsibility of the Delegate or of HPSJ. If the activities in a single row are partially delegated, check marks can be placed as appropriate in the second and third columns to indicate which activities are the responsibility of the Delegate and which are the responsibility of HPSJ. If an explanation is needed to make the division of responsibility clear (for example the Delegate is responsible for the first level of appeal but HPSJ is responsible for the second level), a footnote should be inserted to describe the situation clearly.
 - c. In the fourth column, inserting a check mark or another symbol to indicate that an activity is not applicable, such as an NCQA requirement that does not apply to a particular product line, such as Medicaid.
5. Exhibit 2 of the Delegation Agreement shall be completed describing the Delegate’s reporting requirements.
 - a. Exhibit 2 should be modified as appropriate provided that the revision includes the following information:
 - i. Content and format of each report.
 - ii. Frequency of each report.
 - iii. Due date for each report.
 - b. At a minimum, the delegate is required to report relevant data and information semi-annually to HPSJ though not all data and information may be appropriate for semi-annual reporting (for example an annual satisfaction survey would not be reported semi-annually).
 - c. The required reporting must reasonably cover the entire scope of the Delegated Activities.
 6. Unused portions of Exhibit 2 shall be deleted.

Health Plan of San Joaquin
Approval: Signatures on File

DHCS Contract Deliverables

<i>Contract Reference</i>	<i>Date of Approval</i>	<i>DHCS Unit</i>		<i>Contract Reference</i>	<i>Date of Approval</i>	<i>DHCS Unit</i>
A.18.4	1/24/17	<i>MMCD</i>				