

## PATHWAYS CMH

<b>POLICY TITLE:</b> Contract Provider Oversight Monitoring and Evaluation	<b>CATEGORY:</b> Contract Provider Management	
<b>EFFECTIVE DATE:</b> 08/08/13	<b>BOARD APPROVAL DATE:</b> 04/04/19	
<b>REVIEWED DATE:</b> 03/30/18	<b>REVISION(S) TO POLICY STATEMENT:</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<b>OTHER REVISION(S):</b> <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>RESPONSIBLE PARTY:</b> Contract Manager	<b>CEO APPROVAL:</b> Mary Swift, CEO	

**APPLIES TO:**

Pathways Contract Providers

**POLICY:**

Pathways monitors providers that contract to provide services to ensure compliance with Pathways Policy and contract as well as Federal and State standards and regulations. Monitoring of performance must occur at least once during each fiscal year, more frequently when deemed necessary. Pathways provides close monitoring and oversight to ensure the health and welfare of individuals receiving services.

**PURPOSE:**

To ensure contract providers comply with all laws, regulations, and the provisions of contracts. Pathways monitoring and evaluation process consists of a review of the following applicable elements through the use of audit tools developed for this purpose:

1. Federal regulations, including the Balanced Budget Act (BBA), applicable Code of Federal Regulations (CFRs), HIPAA, CMS Protocols for CMHSPs, Accreditation Standards and applicable federal laws pertaining to the Medicaid program and/or health plan;
2. State regulations, including the CMHSP/MDHHS Contract, Michigan Mental Health Code, Mental Health Administrative Rules, and Public Health Code;
3. Applicable Accreditation Standards;
4. Pathways policies, standards, and procedures;
5. NorthCare managed care administrative delegations made to the contracted providers;
6. NorthCare Provider contract participation standards; and
7. NorthCare policies, standards and procedures.

**DEFINITIONS:**

N/A

**REFERENCES:**

- Balanced Budget Act
- CMHSP/MDCH Contract Section 6.4
- NorthCare Policies and Procedures
- Pathways Sanctions Policy
- Pathways Provider Grievance and Appeals Process

**HISTORY:**

REVISION DATE: N/A; 11/15/16; 10/11/17; 03/30/18

REVIEW DATE: 06/16/15; 06/11/16; 11/15/16; 10/11/17; 03/30/18  
CEO APPROVAL DATE: 06/21/13; 06/16/15/ 06/13/16; 10/11/17; 03/30/18  
BOARD APPROVAL DATE: 08/07/13; 6/7/17; 04/04/18

## **PROCEDURES:**

- A. Annual Monitoring and Performance Evaluation. This process consists of two (2) primary components:
  1. Desk Audit:
    - a. This component will consist of a review of select Policies, procedures, documents and other resource materials submitted to Pathways prior to or in place of an on-site visit.
    - b. Review of individual provider training records.
    - c. Random review of individual provider criminal background check.
    - d. Contract providers will be notified of what materials must be submitted for the desk audit at least 30 days prior to the due date.
    - e. Desk Audit materials will be submitted to Pathways Contact Manager who will file all documentation electronically under appropriate contract file(s) to review and score.
    - f. Contract providers will receive feedback on any additional documentation required for submission or to have available for on-site review for areas that did not score full compliance during Desk Audit.
  2. On-Site Audit:
    - a. This component consists of Pathways staff going on-site to review and validate compliance with documented policy and process requirements.
    - b. During the fourth quarter of each fiscal year, the Contract / Compliance Manager will develop the Site Review Schedule, with input from contracted providers that ensures mutual convenience for both Pathways and contracted providers. Schedules will be finalized by end of fourth quarter for next year's reviews.
    - c. Consumer and staff interviews may be conducted during the site review.
    - d. Pathways personnel may visit program sites with or without prior notice.
  3. At least 60 days prior to the scheduled on-site review, protocols will be distributed.
  4. Pathways staff will have desk audits completed prior to scheduled on-site review.
  5. Pathways Site Review Team will review with provider the "initial" compliance with standards prior to completing the on-site review. These are preliminary results and may change once the Site Review Report is submitted to the provider if further information is received.
  6. Supporting documentation will be accepted by the Site Review Team up to the end of the day of the onsite portion of the review.
  7. Scoring of standards will be documented as follows:
    - a. Met = 1 point
    - b. Not Met = 0 point
    - c. n/a is eliminated from total
  8. Compliance Ratings:

- a. 95% and above = Full Compliance. A Plan of Correction (POC) is due within 30 days of the report. Each standard scoring “not met” must be addressed in the POC. Providers with an overall score of 95% or above may qualify for a “follow-up review the next year. A follow-up review will consist of review of all standards scoring “not met” the previous year. This review may be conducted completely via desk audit. A full review will be conducted at least every other year.
  - b. 90%, but less than 95% = Partial Compliance. A Plan of Correction is due within 30 days of the report for each standard scoring “not met”.
  - c. 85%, but less than 90% = Conditional Compliance. A Plan of Correction is due within 30 days of report and must be implemented within 180 days of report, for each standard scoring “not met”.
  - d. Less than 85%. Requires review of the contract, probation, and/or additional sanctions up to and including contract termination. Plan of Correction is due within 30 days and implemented within 90 days.
9. If during the Pathways review, a site review team member identifies an issue that places a participant in imminent risk to health or welfare, the site review team will invoke an immediate review and response to the Provider.
  10. Monitoring results may be obtained from another CMHSP which contracts with the provider for services. These results must be reviewed by Pathways CEO or designee for completeness and if found sufficient, may be accepted into provider’s file with documentation of the review process and approval. If the site review results are found to be incomplete, Pathways must obtain the necessary information directly from the provider or perform an on-site review.
  11. The site review tool to be utilized shall be reviewed at least annually to ensure functional utility and updated as necessary due to changing regulations, new contract terms and operational feedback received.
  12. Pathways Contract / Compliance Manager will have overall responsibility for monitoring the evaluation process.

B. Monitoring and Evaluation Findings:

1. A report detailing the Providers overall review and findings will be forwarded to the Provider’s CEO and/or designee within 30 days of the final day of the on-site review. This report will contain findings pertaining to each standard reviewed and recommendations pertaining to any finding that did not meet full compliance.
2. A compiled report of compliance will be submitted to Pathways Board of Directors on an annual basis.

C. Plans of Corrections (POC):

1. Provider POC’s are due to the Pathways within 30 days of mailing of the site review results.
2. Pathways shall review and approve POCs that result from identified areas of noncompliance and follow up on the implementation of the POC at the next scheduled Site Review. However, if the provider was substantially out of compliance, i.e. less than 85% compliance, Pathways may complete another review within three to six months of receiving the POC to ensure items have been corrected. Reports of the annual monitoring and plans of correction are subject to NorthCare and MDHHS review.

3. Pathways will forward a letter to providers responding to the POC. This letter will contain acceptance of the POC or further recommendations and a deadline for submission of POC documentation.
4. If a POC is required but is not submitted by the provider, a second request for the POC will be sent to the provider via certified mail by the Contract / Compliance Manager. This request will give the provider fourteen days to submit the POC. If the POC is not submitted within those 14 days the CEO or designee will send another letter indicating that the POC is past due and must be submitted within 14 days. If the POC is not submitted within the 14 days provided, the provider will be notified of Pathways decision to withhold further payment until the provider submits evidence that deficiencies have been corrected.
5. If deficiencies are not corrected by the date indicated in the site review and POC, the CEO or designee will notify the Compliance / Risk Management Monitoring Team. The group will review the site review report, subsequent POC and discuss the necessary action to take which could be, but is not limited to, any of the following:
  - a. Further corrective action process.
  - b. Recommendation of contract suspension until problem areas are corrected and approved by Pathways.
  - c. Notify the Finance Department to withhold further payment until the provider submits evidence that deficiencies have been corrected.
6. Pathways will review submitted POC documentation to assure corrective action plans have been implemented and that plans are effective in correcting findings of non-compliance noted during initial site visit. Pathways may require further follow-up on areas of initial non-compliance if POC documentation does not sufficiently meet audit standards, regulations or requirements.

D. Regular Review of Data:

1. Pathways conducts active review of care provided to individuals receiving services through review of incident reports, behavior treatment reports on physical intervention, clinical documentation, and utilization management data.
2. Regular review and analysis of aggregate reporting to identify patterns and trends of risk factors at the individual and provider entity level.

E. Providers in less than substantial compliance (85% or less) with recommended performance objectives within the fiscal year may result in non-renewal of the contract.

F. Information from the Provider monitoring process will be utilized in the Credentialing Committee's consideration of the provider for participation in Pathways Provider Network.

G. Required Reporting:

1. Providers must have procedures for reporting improper known organizational provider or individual practitioner conduct that results in suspension or termination from the Provider's panel to appropriate authorities (i.e., MDHHS, the provider's regulatory board or agency, the Attorney General, etc.). Such procedures shall be consistent with current

federal and state requirements, including those specified in the MDCH Medicaid Managed Specialty Supports and Services Contract.

2. It is the responsibility of the Contract Provider to notify Pathways, upon learning of the action, of any adverse change in licensure or certification status.
3. Pathways may immediately suspend, pending investigation, the participation status of a contract provider who, in the opinion of the medical director (or clinical director), is engaged in behavior or who is practicing in a manner that appears to pose a significant risk to the health, welfare, or safety of consumers.
4. Pathways will initiate an investigation and/or refer to the appropriate Office of Recipient Rights immediately upon learning of such action.
5. Pathways Contract Provider Grievance and Appeals process is available to any Contract Provider subject to suspension of participation status.