

- c. How medical information will be updated and appropriately shared, which may include the development and implementation of an electronic health record.
- d. Steps to ensure continuity of health care services.
- e. The oversight of prescription medications.

M. QUALITY MANAGEMENT

1. The MCO must include QM processes in its operations to assess, measure, and improve the quality of care provided to and the health outcomes of its members.

- a. The MCO's QM functions must comply with all State and Federal regulatory requirements, as well as those requirements identified in this RFP, any other applicable law, and any resulting contract.
- b. The MCO must support and comply with MLTC's Quality Strategy, including all reporting requirements in formats and using data definitions provided by MLTC after contract award. MLTC is in process of revising its Quality Strategy to reflect changes in the managed care delivery system as a result of this RFP. The MCO will be provided with the final Quality Strategy when it is approved by CMS.
- c. The MCO must have a sufficient number of qualified personnel to comply with all QM requirements in a timely manner, including external quality review activities.
- d. The MCO's QM program must include:
 - i. A quality assurance and performance improvement (QAPI) program.
 - ii. Performance improvement projects (PIPs).
 - iii. Quality performance measurement and evaluation.
 - iv. Member and provider surveys.
 - v. MCO accreditation requirements, including a comprehensive provider credentialing and re-credentialing program, as described in Sections IV.C Business Requirements and IV.I Provider Network Requirements of this RFP.
- e. The MCO must ensure that the QM unit within the organizational structure is separate and distinct from other units, such as UM and CM. The MCO is expected to integrate QM processes, such as tracking and trending of issues, throughout all areas of the organization.

2. Quality Management Deliverables

The MCO must submit the following QM deliverables to MLTC as described in Attachment 5 – Policies, Procedures and Plans, and ~~Attachment 6 – Reporting Requirements~~ Attachment 38 – Revised Reporting Requirements. Any subsequently revised documents must also be submitted to MLTC for review and approval a minimum of 60 calendar days prior to their planned implementation.

- a. Description and composition of the QAPI Committee (QAPIC).
- b. A written description of the MCO's QM program, including detailed QM goals and objectives, a definition of the scope of the program, accountabilities, and timeframes.
- c. A QM work plan and timeline for the coming year that clearly identifies target dates for implementation and completion of all phases of the MCO's QM activities, consistent with the clinical quality performance measures and targets set by MLTC, including, but not limited to:
 - i. Data collection and analysis.
 - ii. Evaluation and reporting of findings.
 - iii. Implementation of improvement actions, where applicable.

- iv. Individual accountability for each activity.
- d. Procedures for remedial action for deficiencies that are identified.
- e. Specific types of problems requiring corrective action.
- f. Provisions for monitoring and evaluating the corrective actions to ensure that improvement actions have been effective.
- g. Procedures for provider review and feedback about results.
- h. Annual QM evaluation that includes:
 - i. Description of completed and ongoing QM activities.
 - ii. Identified issues, including tracking of issues over time.
 - iii. Analysis of and tracking progress about implementation of QM goals and the principles of care, as appropriate, and as defined in this RFP. Measurement of and compliance with these principles must be promoted and enforced through the following strategies, at a minimum:
 - a) Use of QM findings to improve practices at the MCO and subcontractor levels.
 - b) Timely reporting of findings and improvement actions taken and their relative effectiveness.
 - c) Dissemination of findings and improvement actions taken and their relative effectiveness to key stakeholders, committees, members, families/caregivers (as appropriate), and posting on the MCO's website.
 - d) Performance measure results from performance improvement efforts and activities planned/taken to improve outcomes compared with expected results and findings. The MCO must use an industry-recognized methodology, such as SIX SIGMA or other appropriate method(s), for analyzing data. The MCO must demonstrate inter-rater reliability testing of evaluation, assessment, and UM decisions.
 - e) An analysis of whether there have been demonstrated improvements in members' health outcomes, the quality of clinical care, quality of service to members, and overall effectiveness of the QM program.
 - i. Procedures assessing the quality and appropriateness of care furnished to members with SHCNs. The assessment mechanism must use appropriate health care professionals to determine the quality and appropriateness of care.

3. QAPI Program

The MCO's QAPI program, at a minimum, must comply with State and Federal requirements (including 42 CRF 438.204) and UM program requirements described in 42 CFR 456. The QAPI program must:

- a. Ensure continuous evaluation of the MCO's operations. The MCO must be able to incorporate relevant variables as defined by MLTC.
- b. At a minimum, assess the quality and appropriateness of care furnished to members.
- c. Provide for the maintenance of sufficient encounter data to identify each practitioner providing services to members, specifically including the unique physician identifier for each physician.
- d. Maintain a health information system that can support the QAPI program. The MCO's information system must support the QAPI process by collecting, analyzing, integrating, and reporting data required by the State's Quality Strategy. All collected data must be available to the MCO and MLTC.

- e. Make available to its members and providers information about the QAPI program and a report on the MCO's progress in meeting its goals annually. This information must be submitted for review and approval by MLTC prior to distribution.
- f. Solicit feedback and recommendations from key stakeholders, providers, subcontractors, members, and families/caregivers, and use the feedback and recommendations to improve the quality of care and system performance. The MCO must further develop, operationalize, and implement the outcome and quality performance measures with the QAPIC, with appropriate input from, and the participation of, MLTC, members, family members, providers, and other stakeholders.
- g. Require that the MCO make available records and other documentation, and ensure subcontractors' participation in and cooperation with, the annual on-site operational review of the MCO and any additional QM reviews. This may include participation in staff interviews and facilitation of member/family/caregiver, provider, and subcontractor interviews.

4. QAPIC

- a. The MCO must provide a mechanism for the input and participation of members, families/caretakers, providers, MLTC, and other stakeholders in the monitoring of service quality and determining strategies to improve outcomes.
- b. The MCO must form a QAPIC no later than one month following the contract's start date. The MCO's Medical Director must serve as either the chairperson or co-chairperson of the QAPIC.
- c. The MCO must include, at a minimum, the following as members of the committee:
 - i. The MCO's QM Coordinator.
 - ii. The MCO's Performance and Quality Improvement Coordinator.
 - iii. The MCO's Medical Management Coordinator.
 - iv. The MCO's Member Services Manager.
 - v. The MCO's Provider Services Manager.
 - vi. Family members/guardians of children or youth who are Medicaid members.
 - vii. Adult Medicaid members.
 - viii. Network providers, including PCPs, specialists, pharmacists, and providers knowledgeable about disability, mental health and substance use disorder treatment of children, adolescents, and adults in the State. The provider representatives should have experience caring for the Medicaid population, including a variety of ages and races/ethnicities, and rural and urban populations.
- d. The MCO's QAPIC must:
 - i. Review and approve the MCO's QAPI Program Description, Work Plan, and Program Evaluation prior to submission to MLTC.
 - ii. Review the Cultural Competency Plan.
 - iii. Require the MCO to study and evaluate issues that the MLTC or the QAPIC may identify.
 - iv. Establish annual performance targets.
 - v. Review and approve all member and provider surveys prior to their submission to MLTC.
 - vi. Define the role, goals, and guidelines for the QAPIC, set agendas, and produce meeting summaries.

- vii. Provide training; participation stipends; and reimbursement for travel, child care, or other reasonable participation costs for members or their family members. Participation stipends should only be provided if the individuals are not otherwise paid for their participation as staff of an advocacy or other organization.
 - viii. Annually, and as requested, provide data to MLTC's Quality Committee, which meets annually to review data and information relevant to the Quality Strategy. The MCO must incorporate recommendations from all staff and MCO committees, the results of PIPs, other studies, improvement goals, and other interventions into the QAPI Program, the QAPI Program Description, the QAPI Work Plan, and the QAPI Program Evaluation.
- e. Additional required committees must include:
- i. Clinical Advisory Committee.
 - ii. Corporate Compliance Committee.
 - iii. Provider Advisory Committee.
 - iv. Utilization Management Committee.
 - v. The additional required committees must report, on a minimum of a quarterly basis, to the QAPIC. The QAPIC must monitor performance as part of its annual QAPI Work Plan and Program Evaluation.

5. Data Collection

- a. The MCO must collect performance data and conduct data analysis with the goal of improving members' quality of care. The MCO must document and report to the State its results on performance measures chosen by MLTC to improve quality of care and members' health outcomes.
- b. Data analysis must consider the MCO's previous year's performance, and reported rates must clearly identify the numerator and denominator used to calculate each rate. The data analysis must provide, at a minimum, information about quality of care, service utilization, member and provider satisfaction, and grievances and appeals. Data must be collected from administrative systems, medical records, and member and provider surveys. The MCO must also collect data on member and provider characteristics as specified by MLTC, and about services furnished to members through the MCO's encounter data system. The MCO must ensure that data received from providers is accurate and complete by:
 - i. Verifying the accuracy and timeliness of reported data.
 - ii. Screening the data for completeness, logicalness, and consistency.
 - iii. Collecting service information using MLTC-developed templates.
- c. The MCO's data analysis process must be able to identify and resolve system issues consistent with a continuous quality improvement approach.
- d. The MCO is responsible for collecting valid and reliable data and using qualified staff to report it. Data collected for performance measures and PIPs must be returned by the MCO in a format specified by MLTC, and by the due date specified. Any extension to collect and report data must be made in writing in advance of the initial due date and is subject to approval by MLTC. Failure to follow the data collection and reporting instructions that accompany the data request may result in a penalty being imposed on the MCO per Section IV, V Contract Non-compliance.

6. Quality Performance Measurement and Evaluation

- a. The MCO must report specific performance measures, as listed in Attachment 7 – Performance Measures. MLTC may update performance targets, including choosing additional performance measures or removing performance measures from the list of requirements, at any time during the contract period. Performance measures include, but are not limited to, Healthcare

Effectiveness Data and Information Set (HEDIS®) measures, CHIPRA Quality Measures required by CMS, Consumer Assessment of Healthcare Providers and Systems (CAHPS®) measures, ACA Adult Quality Measures as defined by CMS (Section 2701 of the ACA), and any other measures as determined by MLTC.

- b. MLTC may utilize a hybrid or other methodology for collecting and reporting performance measure rates, as allowed by NCQA for HEDIS measures or as allowed by other entities for nationally recognized measures. The MCO must collect data from medical records, electronic records, or through approved processes, such as those utilizing a health information exchange. The number of records that the MCO collects will be based on HEDIS, external quality review (EQR), or other sampling guidelines. It may also be affected by the MCO's previous performance rate for the measure being collected. The MCO must provide MLTC on request with its methodology for calculating performance measures.
- c. The MCO must show demonstrable and sustained improvement toward meeting MLTC performance targets. MLTC may impose sanctions on an MCO that does not show statistically significant improvement in a measure rate. MLTC may require the MCO to demonstrate that it is allocating increased administrative resources to improve its rate for a particular measure. MLTC also may require a corrective action plan and may sanction any MCO that shows a statistically significant decrease in its rate, even if it meets or exceeds the minimum standard.
- d. The MCO must report results of measuring or assessing outcomes and quality, and must incorporate these performance indicators into its PIPs. To the extent possible, results should be posted publicly on the MCO's website immediately after being accepted by the QAPI Committee and approved by MLTC.
- e. Any outcomes and performance measure results that are based on a sample of member, family, or provider populations must demonstrate that the samples are representative and statistically valid. Whenever data are available, outcomes and quality indicators should be reported in comparison to past performance and to national benchmarks.
- f. The MCO must report to MLTC on a quarterly basis the minutes and disposition of quality program initiatives that were presented to the QAPIC to ensure that all quality initiatives are reviewed at the frequencies outlined in the Quality Management Program Description. The reporting requirements are described in ~~Attachment 6—Reporting Requirements~~ Attachment 38 – Revised Reporting Requirements.

7. Performance Improvement Projects

- a. The MCO must conduct a minimum of two clinical and one non-clinical PIPs. A minimum of one (1) clinical issue must address an issue of concern to the MCO's population, which is expected to have a favorable effect on health outcomes and enrollee satisfaction. A second clinical PIP must address a behavioral health concern. PIPs must meet all relevant CMS requirements and be approved by MLTC prior to implementation.
- b. The MCO must participate in a minimum of one (1) joint PIP with the other MCOs; the topic will be identified by MLTC.
- c. PIPs must be addressed in the MCO's annual QM Program Description, Work Plan, and Program Evaluation. The MCO must report the status and results of each project to MLTC as outlined in the Quality Strategy. PIPs must comply with CMS requirements, including:
 - i. A clear study topic and question as determined or approved by MLTC.
 - ii. Clear, defined, and measurable goals and objectives that the MCO can achieve in each year of the project.
 - iii. A study population.
 - iv. Measurements of performance using quality indicators that are objective, measurable, clearly defined, and allow tracking of performance over time. The MCO must use a methodology based on accepted research practices to ensure an adequate sample size and statistically valid and reliable data collection practices. The MCO must use

measures that are based on current scientific knowledge and clinical experience. Qualitative or quantitative approaches may be used as appropriate.

- v. The methodology for evaluation of findings from data collection.
 - vi. Implementation of system interventions to achieve quality improvement.
 - vii. A methodology for the evaluation of the effectiveness of the chosen interventions.
 - viii. Documentation of the data collection methodology used (including sources) and steps taken to ensure the data is valid and reliable.
 - ix. Planning and initiation of activities for increasing and sustaining improvement.
- d. The MCO must submit to MLTC the status or results of its PIPs in its annual QM Program Evaluation. Next steps must also be addressed, as appropriate, in the QM Program Description and Work Plan.
 - e. The MCO must implement the PIP recommendations on approval by MLTC and the QAPIC.
 - f. Each PIP must be completed in a reasonable time period to allow the results to guide its quality improvement activities. Information about the success and challenges of PIPs must be also available to MLTC for its annual review of the MCO's quality assessment and performance improvement program [42 CFR 438.240(d)(2)].
 - g. CMS, in consultation with the State and other stakeholders, may specify additional performance measures and PIPs to be undertaken by the MCO.
 - h. MLTC reserves the right to request additional reports from the MCO. The MCO will be notified of additional reporting requirements no less than 30 calendar days prior to the due date of a report.

8. Member Satisfaction Surveys

- a. The MCO must contract with a vendor that is certified by NCQA to perform CAHPS surveys, including CAHPS Adult surveys and CAHPS Child surveys with children with chronic conditions (CCC) supplemental items.
- b. The MCO must use the most current version of CAHPS for Medicaid enrollees. For the CAHPS Child Surveys with CCC supplemental items, the MCO must separately sample the Title XIX (Medicaid) and Title XXI (CHIP) populations and separate data and results when submitting reports to MLTC to fulfill the CHIPRA requirement.
- c. Samples of members 18 years of age and older and caregivers/family members of children and youth should be included in all member surveys. Samples should be representative of members and caregivers/family members based on the type of question asked.
- d. Each survey must be administered to a statistically valid random sample of members who are enrolled in the MCO at the time of the survey. Analyses must include statistical analysis for targeting improvement efforts and comparison to national and State benchmark standards. Survey results and action plans derived from these results are due 45 calendar days after the end of each contract year. MLTC reserves the right to make CAHPS member survey results public.
- e. Survey results and descriptions of the survey process must be reported to MLTC separately for each required CAHPS survey. Upon administration of the CAHPS Child surveys, results for Medicaid children and CHIP children must be reported separately.

9. Provider Satisfaction Surveys

- a. The MCO must conduct an annual provider survey to assess providers' satisfaction with provider credentialing, service authorization, MCO staff courtesy and professionalism, network management, appeals, referral assistance, coordination, perceived administrative burden, provider communication, provider education, provider complaints, claims reimbursement, and utilization management processes, including medical reviews and support for PCMH implementation.

- b. The provider satisfaction survey tool and methodology must be submitted to MLTC for approval a minimum of 90 calendar days prior to its intended administration. The methodology used by the MCO must be based on proven survey techniques that ensure an adequate sample size and statistically valid and reliable data collection practices with a confidence interval of a minimum of 95% and scaling that results in a clear positive or negative finding (neutral response categories shall be avoided). The MCO must utilize measures that are based on current scientific knowledge and clinical experience.
- c. The MCO must submit an annual provider satisfaction survey report that summarizes the survey methods and findings and provides an analysis of opportunities for improvement and action plans derived from survey results. This report is due 45 calendar days after the end of the each contract year.

10. MLTC Quality Management Committee

The MCO must attend annual meetings of MLTC's QM Committee. The QM Committee meets to review data and information used to develop the Quality Strategy; recommend actions to improve members' quality of care, access, utilization, and satisfaction; and, to review the PIP results and recommend future PIP topics. The QM Committee also reviews MLTC's Quality Strategy and makes recommendations for its improvement.

11. Member Advisory Committee

- a. To promote a collaborative effort to enhance the MCO's patient-centered service delivery system, the MCO must establish a Member Advisory Committee that is accountable to the MCO's governing body. Its purpose is to provide input and advice regarding the MCO's program and policies.
- b. The MCO's Member Advisory Committee must include members, members' representatives, providers, and advocates that reflect the MCO's population and communities served. The Member Advisory Committee must represent the geographic, cultural, and racial diversity of the MCO's membership.
- c. At a minimum, the MCO's Member Advisory Committee must provide input into the MCO's planning and delivery of services; QM/quality improvement activities; program monitoring and evaluation; and, member, family, and provider education.
- d. The MCO must provide an orientation and ongoing training for Member Advisory Committee members so that they have sufficient information and understanding of the managed care program to fulfill their responsibilities.
- e. The MCO must develop and implement a Member Advisory Committee Plan that describes the meeting schedule and the draft goals of the Committee that must include, but is not limited to, members' perspectives about improving quality of care. This Plan must be submitted to MLTC for approval a minimum of 60 calendar days before the contract start date and annually thereafter.
- f. The MCO's Member Advisory Committee must meet a minimum of quarterly, and the MCO must keep written minutes of the meetings. The MCO must pay travel costs for committee members who are members or their representatives.
- g. MLTC must be copied on all correspondence to the committee, including agendas and committee minutes.
- h. The MCO must report on the activities of the MCO's Member Advisory Committee semi-annually. This report must include the membership of the committee (name, address, and organization represented), a description of any orientation and/or ongoing training activities for committee members, and information about Committee meetings, including the date, time, location, meeting attendees, and minutes from each meeting. These reports must be submitted to MLTC according to the schedule described in ~~Attachment 6—Reporting Requirements~~ Attachment 38 – Revised Reporting Requirements.

12. Clinical Advisory Committee

- a. The MCO must develop, establish, and maintain a Clinical Advisory Committee to facilitate regular consultation with experts who are familiar with standards and practices of treatment, including diseases/chronic conditions common in the Medicaid population, disabilities, and mental health and/or substance use disorder treatment for adults, children, and adolescents in the State.
- b. The Clinical Advisory Committee must provide input into all policies, procedures, and practices associated with CM and utilization management functions, including clinical and practice guidelines, and utilization management criteria to ensure that they reflect up-to-date standards consistent with research, requirements for evidence-based practices, and community practice standards in the State.
- c. The committee must include members who care for children, adolescents and adults in the State across a variety of ages and races/ethnicities, have an awareness of differences between rural and urban populations and represent pharmacists, physical health providers, and behavioral health providers.
- d. The committee must review and approve initial practice guidelines. Any significant changes in guidelines must also be reviewed/approved by the Committee prior to adoption by the MCO.
- e. The committee must meet on an as-needed basis, but a minimum of twice a year and preferably quarterly.
- f. The MCO must submit to MLTC for approval its plan for development of the committee a minimum of 60 calendar days in advance of its establishment. The MCO must also provide copies of the committee's minutes to MLTC.

13. External Quality Review

- a. The MCO is subject to annual, external, independent reviews of the quality outcomes of, timeliness of, and access to, services covered under the contract, per 42 CFR 438.350. The EQR is conducted by MLTC's contracted external quality review organization (EQRO) or other designee. The EQR will include, but is not be limited to, annual operational reviews, PIP assessments, encounter data validation, focused studies, and other tasks requested by MLTC.
- b. The MCO must provide the necessary information required for these reviews, provide working space and internet access for EQRO staff, and make its staff available for interviews.

N. UTILIZATION MANAGEMENT

1. General Requirements

- a. The MCO's UM activities must include the evaluation of medical necessity of health care services according to established criteria and practice guidelines to ensure that the right amount of services are provided to members when they need them. The MCO's UM program must also focus on individual and system outliers to assess if individual members are meeting their health care goals and if service utilization across the system is meeting the goals for delivery of community-based services.
- b. The MCO's UM program must comply with Federal utilization control requirements, including the certification of need and recertification of need for continued inpatient settings, including psychiatric residential treatment facilities, and as described in 42 CFR 438.
- c. The MCO must require inpatient hospital providers to comply with Federal requirements regarding UM plans, UM committees, plans of care, and medical care evaluation studies, as described in 42 CFR 44, 455 and 456.
- d. The MCO must not structure compensation to individuals or entities that conduct UM activities to provide incentives for the individual or entity to deny, limit, or discontinue medically necessary services to any member, as described in 42 CFR 210(e).
- e. The MCO must actively monitor Federal and State Medicaid regulations for updates and changes and must monitor all UM activities for compliance with Federal and State Medicaid regulations.