

**920 - QUALITY MANAGEMENT/PERFORMANCE IMPROVEMENT PROGRAM**  
**ADMINISTRATIVE REQUIREMENTS**

EFFECTIVE DATES: 10/01/94, 10/01/17, 10/01/18, 10/01/19, 07/15/21

APPROVAL DATES: 10/01/97, 10/01/01, 08/13/03, 04/01/05, 01/01/06, 02/01/07, 10/01/08,  
10/01/09, 02/01/11, 04/01/12, 10/01/13, 10/01/15, 07/01/16, 03/01/18,  
11/15/18, 11/21/19, 04/27/21

**I. PURPOSE**

This Policy applies to ACC, ALTCS E/PD, DCS/Comprehensive Health Plan (CHP), DES/DDD (DDD), and RBHA Contractors. This Policy specifies Quality Management/Performance Improvement (QM/PI) Program administrative requirements. The Contractor is responsible for adhering to all requirements as specified in Contract, Policy, 42 CFR Part 457 and 42 CFR Part 438.

**II. DEFINITIONS**

**ACCESS** The timely use of services to achieve optimal outcomes, as evidenced by managed care plans successfully demonstrating and reporting on outcome information for the availability and timeliness elements defined under 42 CFR 438.68 and 42 CFR 438.206 [42 CFR 438.320].

**AHCCCS /DIVISION OF HEALTH CARE MANAGEMENT (DHCM), QUALITY IMPROVEMENT (QI) TEAM** AHCCCS staff who evaluates Contractor Quality Management/Performance Improvement (QM/PI) Programs; monitors compliance with required Quality/Performance Improvement Standards, Contractor Corrective Action Plans (CAPs) and Performance Improvement Projects (PIPs), and provides technical assistance for QM/PI related matters.

**AHCCCS/DIVISION OF HEALTH CARE MANAGEMENT (DHCM), QUALITY MANAGEMENT (QM) TEAM** AHCCCS staff who researches and evaluates Quality of Care (QOC) concerns; provides oversight of contractor credentialing and delegation processes; monitors compliance with required quality standards and Contractor Corrective Action Plans (CAPs); and provides technical assistance for Quality Management (QM) related matters.

**EVALUATE** The process used to examine and determine the level of quality or the progress toward improvement of quality and/or performance related to Contractor service delivery systems.

---

**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE  
IMPROVEMENT PROGRAM****CORRECTIVE ACTION  
PLAN (CAP)**

A written work plan that identifies the root cause(s) of a deficiency, includes goals and objectives, actions/tasks to be taken to facilitate an expedient return to compliance, methodologies to be used to accomplish CAP goals and objectives, and staff responsible to carry out the CAP within established timelines. CAPs are generally used to improve performance of the Contractor and/or its providers, to enhance Quality Management/Process Improvement activities and the outcomes of the activities, or to resolve a deficiency.

**EXTERNAL QUALITY  
REVIEW  
(EQR)**

The analysis and evaluation by an External Quality Review Organization (EQRO), of aggregated information on quality, timeliness, and access to the health care services that a Contractor or their contractors furnish to Medicaid members [42 CFR 438.320].

**EXTERNAL QUALITY  
REVIEW ORGANIZATION  
(EQRO)**

An organization that meets the competence and independence requirements set forth in 42 CFR 438.354, performs EQR and other EQR-related activities as specified in 42 CFR 438.358, or both [42 CFR 438.320].

**MEASURABLE**

The ability to determine definitively whether or not a quantifiable objective has been met or whether progress has been made toward a positive outcome.

**MONITORING**

The process of auditing, observing, evaluating, analyzing and conducting follow-up activities, and documenting results via desktop or on-site review.

**OBJECTIVE**

A measurable step, generally one of a series of progressive steps, to achieve a goal.

**OUTCOMES**

Changes in patient health, functional status, satisfaction, or goal achievement that result from health care or supportive services [42 CFR 438.320].

**PERFORMANCE  
IMPROVEMENT PROJECT  
(PIP)**

A planned process of data gathering, evaluation, and analysis to determine interventions or activities that are projected to have a positive outcome. A PIP includes measuring the impact of the interventions or activities toward improving the quality of care and service delivery.

---

**CHAPTER 900 – QUALITY MANAGEMENT AND PERFORMANCE  
IMPROVEMENT PROGRAM****PERFORMANCE MEASURE  
PERFORMANCE  
STANDARDS (PMPS)**

The minimal expected level of performance by the Contractor, previously referred to as the Minimum Performance Standard. Beginning CYE 2021, official performance measure results shall be evaluated based upon the National Committee on Quality Assurance (NCQA) HEDIS® Medicaid Mean or Centers for Medicare and Medicaid Services (CMS) Medicaid Median (for selected CMS Core Set-Only Measures), as identified by AHCCCS, as well as the line of Business aggregate rates, as applicable.

**QUALITY**

As it pertains to external quality review, means the degree to which a Contractor increases the likelihood of desired outcomes of its members through:

1. Its structural and operational characteristics,
2. The provision of services that are consistent with current professional, evidenced-based-knowledge, and
3. Interventions for performance improvement.  
[42 CFR 438.320].

**QUALITY OF CARE  
(QOC)**

An expectation that, and the degree to which, the health care services provided to individuals and patient populations improve desired health outcomes and are consistent with current professionally recognized standards of care and service provision. (Definition adopted from The Institute of Medicine).

**STATISTICALLY  
SIGNIFICANT**

A judgment of whether a result occurs because of chance. When a result is statistically significant, it means that it is unlikely that the result occurs because of chance or random fluctuation.

There is a cutoff for determining statistical significance. This cutoff is the significance level. If the probability of a result (the significance value) is less than the cutoff (the significance level), the result is judged to be statistically significant.

**WORK PLAN**

A document that addresses all the requirements of AMPM Chapter 900, and AHCCCS-suggested guidelines, as well as supports the Contractor's QM/PI goals and objectives with measurable goals (Specific, Measurable, Attainable, Relevant and Timely [SMART]), timelines, methodologies and designated staff responsibilities. The Work Plan shall include measurable physical, behavioral, and oral health goals and objectives.

**WORK PLAN EVALUATION** For purposes of this policy, a detailed analysis of Contractors' progress in meeting or exceeding the Quality Management/Performance Improvement (QM/PI) Program Objectives, strategies, and activities proposed to meet or exceed the performance standards and requirements as specified in Contract and AMPM Chapter 900.

### **III. POLICY**

#### **A. QUALITY MANAGEMENT/PERFORMANCE IMPROVEMENT PROGRAM PLAN**

The Contractor shall develop a written QM/PI Program Plan that specifies the objectives of the Contractor's QM/PI Program and addresses the Contractor's proposed approaches to meet or exceed the performance standards and requirements as specified in Contract and AMPM Chapter 900. The QM/PI Program Plan shall be submitted as specified in Contract and shall describe how program activities will improve the Quality Of Care (QOC), service delivery, and satisfaction for members. The Contractor shall incorporate monitoring and evaluation activities, at a minimum, for the services and services sites specified in the AHCCCS QM/PI Program Plan Checklist found on the AHCCCS website under Resources, AHCCCS Guides – Manuals-Policies.

The QM/PI Program Plan shall contain, at a minimum, the following:

1. QM/PI Program Narrative (Plan Description)

A written, narrative description that specifies the objectives of the Contractor's QM/PI Program and addresses the Contractor's planned activities for the upcoming calendar year to meet or exceed the minimum requirements as specified in Contract and AMPM Chapter 900. The QM/PI Program Narrative shall include the Contractor's activities to identify member needs and coordinate care, follow-up activities to ensure appropriate and medically necessary treatment is received in a timely manner, and participation in community and/or Quality initiatives.

2. QM/PI Program Work Plan Evaluation

The QM/QI Program Work Plan Evaluation shall contain evidence/documentation supporting continued routine monitoring to evaluate the effectiveness of the actions (interventions) and other follow up activities conducted throughout the previous calendar year. The Contractor shall provide a description of how any sustained goals/objectives will be incorporated into the Contractor's business practice (or institutionalized) and develop new goals/objectives once a goal or objective has been sustained. In addition, the Contractor shall include all performance measure related Plan-Do-Study-Act (PDSA) cycles that have been initiated, updated, and/or refined as part of the Contractor's ongoing Corrective Action Plan (CAP) monitoring and evaluation activities.

### 3. QM/PI Program Work Plan

An outline of the Contractor’s proposed approaches for the upcoming calendar year that formally documents the QM/PI Program objectives, strategies, and activities proposed to meet or exceed the performance standards and requirements as specified in Contract and AMPM Chapter 900.

The QM/PI Program Work Plan shall contain:

- a. A detailed, written set of specific measurable goals and objectives related to clinical (physical and behavioral health) and non-clinical care areas that the Contractor will utilize to determine if its QM/PI Program meets or exceeds established goals and complies with QM/PI requirements in Contract as well as all components of AMPM Chapter 900:
  - i. Identified goals and objectives shall be realistic and measurable. These objectives shall be based on established Performance Standards and requirements as specified in Contract and AMPM Policies Chapter 900, and
  - ii. Other generally accepted benchmarks that continue the Contractor’s improvement efforts will be used to establish the program’s measurable objectives, in cases where the National Committee on Quality Assurance (NCQA) Medicaid Mean or Center for Medicare and Medicaid (CMS) Medicaid median (for select CMS Core Set only measures) have been met. This may include utilizing percentile/quartile data established by NCQA or CMS (for select CMS Core Set only measures).
- b. Strategies and activities to meet or accomplish the identified goals and objectives,
- c. Staff positions responsible and accountable for meeting each of the established goals and objectives, and
- d. Targeted implementation and completion dates for included measurable goals, objectives, activities, and performance improvement projects.

### 4. Health Disparity Summary and Evaluation Report -

A stand-alone report, specific to each line of business, that provides:

- a. A description of the process utilized to conduct disparity analyses including the analytical tools and the methodology for identifying disparities,
- b. Disparity analysis findings, associated projects/activities meant to ameliorate the disparity(s), and related measurable goals/objectives,
- c. An evaluation of the disparity analysis findings, progress on targeted strategies/interventions, and progress on identified goals/objectives,
- d. A detailed evaluation of performance measure rates specific to subpopulations,
- e. An analysis of the effectiveness of implemented strategies and interventions in meeting the Contractor’s health equity goals and objectives during the previous calendar year,
- f. A detailed overview of the Contractor’s identified health equity goals/objectives for the upcoming calendar year to address noted disparities and promote health equity, and

- g. Targeted strategies/interventions planned for the upcoming calendar year to achieve its goals.

#### 5. Engaging Members Through Technology – Executive Summary

A stand-alone report specifying the Contractor’s strategic plan for the upcoming calendar year to engage and educate its membership, as well as improve access to care and services, through telehealth services and web-based applications. This includes, but is not limited to, chronic conditions, pregnancy, social determinants of health resources, or other health related topics the Contractor considers to be most beneficial to members. This may include mobile device technologies, health applications, member outreach, and similar web-based applications; however, references to the Contractor’s website does not meet criteria.

The Contractor shall submit the Engaging Members Through Technology (EMTT) - Executive Summary as specified in Contract and include separate analysis and discussion for telehealth services and web/mobile-based applications within its submission. At a minimum, the EMTT - Executive Summary shall include the following:

- a. An evaluation of the Contractor’s previous calendar year EMTT activities including, but not limited to:
  - i. The percent of members engaged through telehealth services and through web/mobile-based applications in comparison to total membership, and
  - ii. Supporting data for member-related Outcomes in comparison to identified goals and objectives.
- b. Criteria for identifying and targeting members who can benefit from telehealth services and from web/mobile-based applications, including but not limited to:
  - i. The identification of populations who can benefit from telehealth services to increase access to care and services, and
  - ii. The identification of populations who can benefit from web/mobile-based applications.
- c. A description of telehealth services and web/mobile-based applications in development and currently being utilized to engage members,
- d. Strategies used to engage the identified members in the use of telehealth services and web/mobile-based applications,
- e. A description of desired goals and outcomes for telehealth services and for each web/mobile-based application currently being utilized to engage members, including how the desired outcome will be measured and directly impact the overall quality of and/or access to care for the identified population(s),
- f. The percent of members anticipated to engage through telehealth services and through web/mobile-based applications during the upcoming calendar year based on the identified strategies and related goals/objectives.

**6. Referenced/Associated Policies**

New (or substantially revised) relevant policies and procedures, referenced in the QM/PI Program Plan Checklist, are submitted as separate attachments. Current policies that have not had substantive changes during the year are not required to be submitted in the Plan and will be evaluated as part of the AHCCCS Operational Review unless the Contractor sees their submission as a value-add to the QM/PI Program Plan.

The QM/PI Program Plan shall be submitted to AHCCCS as specified in Contract. The submission shall be accompanied by a completed QM/PI Program Plan Checklist.

**B. CONTRACTOR’S BEST PRACTICES AND FOLLOW UP ON PREVIOUS YEAR’S EQR REPORT RECOMMENDATIONS**

The Contractor's Best Practices and Follow Up on Previous Year’s External Quality Review (EQR) Report Recommendations shall be submitted as specified in Contract and include:

1. An overview of Contractor self-reported Best Practices (specific to line of business), submitted as a stand-alone document, highlighting a minimum of three initiatives aimed at improving the care and services provided to members.
2. A summary of the Contractor’s efforts to date in implementing the most current and previous year’s EQR Report recommendations, as a standalone document.

The submission shall be accompanied by a completed Contractor’s Best Practices and Follow Up on Previous Year’s EQR Report Recommendations Checklist.

**C. AHCCCS PERFORMANCE MEASURE MONITORING REPORT**

A report submitted utilizing the AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Template and AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Attachment, specifying the Contractor’s progress in meeting, sustaining, and improving its performance for contractually required performance measures. The report shall include the following based on the associated reporting period:

1. Internal rates, specific to line of business, for each performance measure in accordance with associated measure specifications, AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Template, and AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Attachment instructions.
2. Identified barriers in implementing the Contractor’s planned interventions and opportunities for improvement intended to support the Contractor in meeting the Contractor’s identified goals/Objectives.

3. Detailed analysis of results that includes an evaluation of Contractor performance and noted trends or declines in performance compared to:
  - a. Performance Measure Performance Standards (PMPS),
  - b. Contractor self-identified goals and Objectives, and
  - c. Historical performance.

Refer to AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Template and AHCCCS Performance Measure & Work Plan Evaluation Attachment. and instructions for additional information. Refer to AMPM Policy 970 for information related to Performance Measures.

#### **D. PERFORMANCE IMPROVEMENT PROJECT REPORT**

A Report submitted using AMPM Policy 980, Attachment B, C, and D [attachment based on line of business or submission type (AHCCCS-mandated or Contractor self-selected) for which the report is associated] for each AHCCCS-mandated and Contractor self-selected PIP. The PIP Report(s) shall include annual updates (at a minimum) that meet the instructions and requirements specified in AMPM Policy 980 and the associated reporting template(s).

#### **E. CORRECTIVE ACTION PLAN**

The Contractor shall develop and implement a CAP for taking appropriate steps to improve care, if and when issues or concerns are identified. All proposed CAPs are to be submitted to AHCCCS for review and approval, prior to implementation.

1. Proposed QM/PI Program specific CAPs submitted for approval shall address the following:
  - a. The concern(s) that require corrective action,
  - b. Identified root cause(s) of a deficiency and steps to be taken to facilitate an expedient return to compliance,
  - c. Documentation of proposed time frames for CAP completion, as applicable,
  - d. Person(s) or body (e.g. Board) responsible for making the final determinations regarding QM/PI Program concerns,
  - e. Type(s) of action(s) to be taken including, but not limited to:
    - i. Education/training/technical assistance,
    - ii. Follow-up Monitoring and evaluation of improvement, as well as implementing new interventions/approaches, when necessary,
    - iii. Changes in processes, structures, and forms, and
    - iv. Informal counseling.
  - f. Documentation of an assessment of the effectiveness of the action(s) taken,
  - g. Method(s) for internal dissemination of CAP findings and results to appropriate staff and/or network providers, and
  - h. Method(s) for dissemination of pertinent information to AHCCCS and/or appropriate stakeholders.



For QOC-related corrective actions, refer to AMPM Policy 960.

2. Proposed Quality Improvement specific CAPs and CAP updates submitted by the Contractor shall include the required elements contained within Attachment B, the AHCCCS Quality Improvement Corrective Action Plan Proposal Checklist, and AHCCCS Quality Improvement Corrective Action Plan Update Checklist.
3. The Contractor shall maintain documentation that confirms the development and implementation of CAPs.

#### **F. CONTRACTOR REPORTING REQUIREMENTS**

The Contractor, including Contractors that are contracted with AHCCCS for more than one line of business, shall submit deliverables as specified in Contract and AHCCCS/DHCM QI Team instructions and guidance.

If an extension of time is needed to complete a deliverable, the Contractor shall submit a formal request in writing before the deliverable due date to the AHCCCS/Division of Healthcare Management (DHCM), Quality Improvement (QI) Team Manager or Quality Management (QM) Team, as appropriate to the deliverable. QM specific extension requests shall be submitted utilizing the CQM email address, CQM@azahcccs.gov. The request shall include the basis for additional time needed and be submitted no later than two business days prior to the submission due date as an extension may or may not be granted, based on AHCCCS' discretion. The Contractor's internal Compliance Officer and designated AHCCCS/DHCM, Operations and Compliance Officer shall be copied (cc'd) on any formal request for extension.

QM/PI Program administrative deliverables shall be submitted as specified in Contract and are subject to AHCCCS approval. Following submission and approval, any significant modifications to the QM/PI Program Plan throughout the year shall be submitted to the AHCCCS/DHCM, QM and QI Team Managers for review and approval prior to implementation.

Contractor QM/PI administrative deliverables and other select deliverable submissions are provided to the AHCCCS EQRO with Contractor supplied information included within the Agency's annual EQR Report(s) posted to the AHCCCS website.

#### **G. CONTRACTOR DOCUMENTATION REQUIREMENTS**

The Contractor shall maintain records that document QM/PI Program activities. The records shall be made available to AHCCCS/DHCM, QM and/or QI Teams upon request. The required documentation shall include, but is not limited to:

1. Policies and procedures.
2. Studies and PIPs.

3. Reports (including quarterly reports addressing strategies for QM/PI activities).
4. Processes/desktop procedures.
5. Meeting minutes.
6. CAPs.
7. Documentation supporting and/or requested by the EQRO as part of the EQR process.
8. Other information and data appropriate to support changes made to the scope of the QM/PI Program.