

EQR PROTOCOL 1 – ASSESSING MCO COMPLIANCE WITH MEDICAID AND CHIP MANAGED CARE REGULATIONS

Attachment B: Compliance Definitions

Prior to the initiation of an EQR, the State must clearly define what constitutes compliance and identify the amount of compliance detail it requires to satisfy Federal and State regulations. It must also determine the rating or scoring system for each requirement or characteristic that the EQRO will review. Clear definitions are necessary to avoid any confusion about the State's expectations, the meaning of EQRO findings, and value of compliance ratings.

A variety of rating or scoring systems are possible:

Two-point rating or scoring - Either the requirement is met or is not met.

- 1 - Met
- 2 - Not Met

Three-point rating or scoring - This scale allows for credit when a requirement is partially met and can be used if this level of performance is defined acceptable by the State prior to the EQR.

- 1 - Fully Met
- 2 - Partially Met
- 3 - Not Met

Five point rating or scoring – This scale allows for five levels compliance to be assessed. Scoring in this manner allows greater flexibility in the requirements for MCO performance, especially in complex performance areas.

- 1 - Fully Met
- 2 - Substantially Met
- 3 - Partially Met
- 4 - Minimally Met
- 5 - Not Met

One of the above rating or scoring scales may serve as the primary system, or alternative scales may be adapted to certain regulatory provisions. In an extensive EQR, a State may assert that the definition of compliance for most regulatory provisions are appropriate for a 5 point rating scale, with two or three particular provisions rated as “met” or “unmet.”

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0786. The time required to complete this information collection is estimated to average 1,591 hours per response for all activities, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Baltimore, Maryland 21244-1850

Compliance Definitions Options

Full compliance:

- All documentation listed under a regulatory provision, or component thereof, is present; and
- MCO staff provide responses to reviewers that are consistent with each other and with the documentation; or
- A State-defined percentage of all data sources – either documents or MCO staff – provide evidence of compliance with regulatory provisions.

Substantial Compliance:

- After review of the documentation and discussion with MCO staff, it is determined that the MCO has met most of the requirements as stated above.

Partial compliance:

- All documentation listed under a regulatory provision, or component thereof, is present, but MCO staff are unable to consistently articulate evidence of compliance; or
- MCO staff can describe and verify the existence of compliant practices during the interview(s), but required documentation is incomplete or inconsistent with practice; or
- Any combination of “Met,” “Partially Met” and “Not Met” determinations for smaller components of a regulatory provision would result in a “Partially Met” designation for the provision as a whole.

Minimal Compliance:

- After review of the documentation and discussion with MCO staff, it is determined that although some requirements have been met, the MCO has not met most of the requirements.

Non-compliance:

- No documentation is present and MCO staff have little to no knowledge of processes or issues that comply with regulatory provisions; or
- No documentation is present and MCO staff have little to no knowledge of processes or issues that comply with key components (as identified by the State) of a multi-component provision, regardless of compliance determinations for remaining, non-key components of the provision.

A Note about Targeted Regulatory Components

If all applicable federal requirements are met, the State may focus on specific aspects or components of its regulatory provisions to make performance improvement more manageable and targeted. If less than full compliance with a full set of State regulations is defined by the State as acceptable, the State must identify to the EQRO and the MCO specific regulatory provisions of the Compliance Review for which the MCO is accountable. This must take place before the review begins. However, over the three year Compliance Review cycle, the EQRO must review all compliance requirements.