COLORADO
Department of Health Care Policy & Financing

OPERATIONAL MEMO

TITLE:	STATE REQUIREMENTS FOR ELIGIBILITY SITE QUALITY ASSURANCE PROGRAMS
SUPERSEDES NUMBER:	N/A
EFFECTIVE DATE:	NOVEMBER 14, 2022
DIVISION AND OFFICE:	COMMUNICATIONS AND GOVERNMENT RELATIONS, POLICY, COMMUNICATIONS AND ADMINISTRATION OFFICE; ELIGIBILITY, MEDICAID OPERATIONS OFFICE
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HCPF Memo Series can be accessed online: https://www.colorado.gov/hcpf/memo-series

Definitions:

Active Case: Eligibility determination that approves someone for assistance; this can be from an application, renewal, or change.

Cost of (Poor) Quality: The cost of doing things wrong; the price of non-compliance with standards.

Department: Health Care Policy and Financing (HCPF)

Desk Review: The Department's non-compliance and gap analysis review that complies with regulatory requirements as set forth in the Department's administration regulation (rule), sub-regulatory guidance, HCPF Memo Series, training, and contracted program requirements. A Desk Review may review any aspect of the Eligibility Site's administration of the medical assistance program.

Eligibility Site: is defined in 10 CCR 2505-10 8.100 as a location outside of the Department that has been deemed by the Department as eligible to accept applications and/or determine eligibility for applicants. This includes county departments of human/social services (counties), Medical Assistance (MA) Sites and Eligibility Application Partner (EAP) Sites.

Individual Errors: Errors that occurred due to one person at the Eligibility Site making the error(s).

Management Evaluation (ME) Review: The Department's non-compliance review program to evaluate eligibility sites' compliance with rules and guidance governing the administration of medical assistance programs.

MEQC: Medicaid Eligibility Quality Control is executed by states through "pilots" that allow states to evaluate the accuracy of their eligibility determinations, implement prospective improvements, and test the efficacy of corrective actions that are intended to address PERM eligibility errors

Negative Case: Eligibility determination that denied or terminated a person from assistance through application, renewal, or change.

Peer-to-Peer: a process of review for quality standards being met which is done by peer-level staff (for instance, a case worker reviewing another case worker's work) rather than by a designated QA/QC staff member.

Pending Cases: Eligibility determination has not been made and an authorization has not been made; the case has not yet been approved, denied, or terminated.

PERM: Payment Error Rate Measurement's purpose is to measure and report a national improper payment rate for Medicaid and the Children's Health Insurance Program (CHIP) to comply with the requirements of the Improper Payments Elimination and Recovery Improvement Act (IPERIA) (2012).

Post-Authorization Review: a review to check if quality standards are being met after an authorization of Medical Assistance eligibility determination is made in CBMS.

Pre-Authorization Review: a review to check if quality standards are being met prior to an authorization of Medical Assistance eligibility determination being made in CBMS.

Quality Assurance (QA): part of total quality management focused on providing confidence that quality requirements will be fulfilled.

Quality Control (QC): a system of maintaining standards by testing a sample of the output (eligibility determinations) against the specification (required standard).

Quality Improvement: systematic and continuous actions that lead to measurable improvement.

Quantify: express or measure the quantity of

Random Selection: a random selection of cases to be reviewed

Re-Review: a review for quality standards being met; reviews done by the Eligibility Site are subject to being re-reviewed by the Department to identify gaps in Eligibility Site quality review practices.

Systemic Errors: Errors that occur broadly across eligibility sites and systems and must be corrected on a large scale.

State-level Review: a review by the Department of Health Care Policy and Financing's (HCPF) Eligibility Quality Assurance (EQA) Team of the Eligibility Site for quality standards being met

Site Review: a review completed by the eligibility site of quality standards being met by the eligibility site; a self-review

Total Quality Management (TQM): quality emphasis that encompasses the entire organization, from trainers/coaches/leads to customers (members).

Universe: the areas of focus for medical assistance reviews

Universe Development: the process for selecting cases for the area of focus review (for instance, the eligibility site data team to pull cases, COGNOS reports, etc.) that the eligibility site will use to sample from this universe (for example, if MAGI is the area of focus, the eligibility site will use a report of all MAGI cases in their caseload and randomly select cases from that universe)

Worker: the eligibility site employee(s) equaling 1.0 full-time equivalent (FTE) position to be included in the eligibility site self-review

Purpose and Audience:

The purpose of this Operational Memo is to promulgate sub-regulatory guidance requiring the implementation and alignment of Eligibility Site Quality Assurance Programs with the State Quality Assurance Program. In addition, this Operational Memo informs eligibility sites of operational instructions to meet regulatory requirements at 10 CCR 2505-5 1.020.3.4.a regarding internal controls for quality and accuracy.

Information:

The Department of Health Care Policy and Financing (the Department) has statutory responsibility for the supervision of local administration of the Medical Assistance (MA) Program (which includes Medicaid and Child Health Plan Plus); it is critical that the Department continuously assess site administration of the program to ensure a proper applicant and member experience, demonstrate compliance with federal and state requirements, monitor progress towards program goals, and to identify and rectify any gaps in accurate eligibility determinations for all Eligibility Sites.

In accordance with 10 CCR 2505-5 1.020.3.4.a, Eligibility Sites are responsible for organizing operations and establishing adequate internal control processes related to ensuring quality, accuracy and compliance with audits. This memo promulgates sub-regulatory requirements for adequate internal controls relating to Medical Assistance quality and outlines process/operational requirements to meet quality standards. Adequate internal controls help to reduce the cost of (poor) quality by capturing errors sooner in the eligibility process rather than waiting for errors to be found by state-level quality reviews, audits, and/or by members.

Eligibility Site Quality Assurance/Quality Control Program Requirements

Eligibility Sites are required to have and implement both a complete Quality Assurance & Quality Control (QA/QC) Plan and QA/QC Tracking System for MA Programs. The Quality Assurance & Quality Control Plan for MA Programs requires Eligibility Sites to conduct case reviews and may be based on peer-to-peer review, supervisor review, or with a QA/QC team. The plan must be reviewed annually, and updated as necessary, and must include the minimum requirements defined below.

1. Eligibility Site Quality Assurance & Quality Control (QA/QC) Plan
    - Must be in written format and address all requirements as outlined in 10 CCR 2505-5 1.020 and this Operational Memo

- Must be reviewed annually (and updated if necessary) and submitted to HCPF_CountyRelations@state.co.us (and applicable EAP/MA contract manager) **by March 1, 2023**, and annually thereafter
- Must identify who in the Eligibility Site is responsible for implementing and maintaining the QA/QC Plan
- Is subject to review during Management Evaluations (MEs) or Desk Reviews
- And describes the Eligibility Site's QA/QC program and processes for case reviews

The QA/QC Plan case reviews must address:

- Which eligibility criteria did the eligibility site review and how does that criteria align with state requirements (for example: citizenship, income, social security number, etc.)
- What sources are used during reviews to determine if the eligibility was determined correctly (for instance: 10 CCR 2505-5, HCPF Official Memos, state trainings, etc.)
- How the eligibility site determines an error occurred and what documentation is kept supporting the error finding
- How and when findings and errors are communicated to staff to minimize the risk of that error reoccurring
- How eligibility site staff are held accountable to past errors to prevent future errors
- How the eligibility site uses error findings data from QA/QC reviews and MAP Dashboard data to prevent repeating future similar errors to improve accuracy
- Plan must cite system errors and document the submission of help desk tickets for those errors
- Reviews in the plan can be pre- or post-authorization
- Reviews in the plan can include MA-only and combo cases
- Reviews can target specific eligibility criteria (for instance: income, MBU, resources, etc.)
    - While the Eligibility Site can target case reviews, they must continue to conduct wide cast reviews that align with the HCPF Eligibility Quality Assurance Program

2. The QA/QC Plan Tracking System:

- Must retain reviews, to be provided to the Department at request, and are subject to review during ME Review or Desk Review.

- Must track where the error occurred, how the error occurred, and why the error occurred.
- Must allow for errors, both location and type of error, to be quantified so the Eligibility Site can focus attention on areas for improvement.
    - Errors should be quantified not only at an individual level (specific worker), but also a systemic level (all eligibility workers).
- Must be a formal system used to track and quantify results
    - The system should be either database, spreadsheet-based or Department-approved alternative
    - Cannot be tracked via Microsoft Word or Google Docs
- Must be used to identify ways to improve accuracy
- Must be used to identify ways to improve timely processing

The QA/QC Plan: Alignment with State Eligibility Quality Assurance (EQA) Program

The State Quality Assurance form is added as an attachment to this memo. The Eligibility Site QA/QC form shall capture all the eligibility criteria for the program categories under review. The Eligibility Site form shall review all areas in CBMS that could create an error and capture what caused the error.

Eligibility Sites shall review the Medicaid Eligibility Quality Control (MEQC) and Payment Error Rate Measurement (PERM) documents listed in the attachment section of this memo to familiarize themselves with the level of detail an Auditor may capture.

Alignment with the State Eligibility Quality Assurance Program includes:

- Areas Required to be Reviewed (use MEQC sub-regulatory guidance from 2018 pages 16-19) include but are not limited to:
    - Non-Financial Requirements
    - Financial Requirements
    - Eligibility Processes: Considerations for Review (MEQC guidance table 4)
- Active Cases, such as approvals from Applications, RRRs, and changes
- Negative Actions, such as denials/terminations from Applications, RRRs, and changes
- Pending Cases/Individuals, known as "pre-authorization" reviews
- Number of cases (sample size) to be reviewed monthly by Eligibility Site:
    - Determine the number of Medical Assistance full-time equivalent (FTE) position workers employed by the Eligibility Site.
        - a medical specialist is equal to one FTE as this worker only works Medical Assistance

        - an FTE generalist who works Medical Assistance and other programs would be determined based on amount time processing Medical Assistance cases.
    - Number of cases to be included in the Eligibility Site self-review to be tiered as follows (see attached County Size)
        - Large = maximum 120 self-reviews each month
        - Medium = maximum 40 self-reviews each month
        - Small = maximum 12 self-reviews each month
    - If possible, complete a minimum of two self-reviews per FTE worker up to the maximum reviews by Eligibility Site size. For example,
        - If an Eligibility Site has 5 FTE workers, the site will conduct 10 monthly case reviews
        - If the Eligibility Site has 2.5 FTE, the site will conduct 5 monthly case reviews
        - If the number of workers at an Eligibility Site will result in exceeding the maximum number of reviews for the tier, the Eligibility Site can select within their FTE workers who to target for reviews until the maximum is reached.
            - For example, if an Eligibility Site has 75 FTE workers, the Eligibility Site will complete 120 monthly case reviews
    - An Eligibility Site, at their discretion, can choose to complete more monthly case reviews than the maximum for their Eligibility Site tier size. All reviews must be included on the self-review tracker.
    - Eligibility Sites are allowed to self-review combo cases that include Medical Assistance.
- Track and quantify type of error impact aligned with MAP Accuracy Dashboard:
    - Incorrect Eligibility Determinations
    - Errors That Did Not Impact Eligibility
- Track and quantify root cause(s) of errors:
    - Data Entry
    - Case File Documentation that supports the Determination.
        - For elements that permit self-attestation, is there documentation that the client attested to the information that is in CBMS?
        - If verifications were required and received, are those verifications in the case file?
    - Over-verification (holding up approval until client provides birth certificate, etc.)
    - Under-verification (accepting identity affidavit as verification of citizenship and enters it as such in CBMS)
- A universe development and sample selection methodology that includes:
    - MAGI vs. Non-MAGI

- Long Term Care
- Home and Community Based Services
- Random selection

Eligibility Site Action on Site and State QA/QC Findings

The Eligibility Site Quality Assurance & Quality Control Plan or Total Quality Management plan must address how the Eligibility Site will

- integrate findings and adjusts business processes based on state-level QA findings and site-level QA reviews for improvement
- address errors at both a systemic and individual level based on root cause
- monitor to validate those errors have been eliminated or significantly reduced

Eligibility Site Reviews Subject to Re-Review

During ME Review and/or Desk Reviews, site QA/QA Program reviews conducted under the Site's approved QA/QC Plan are subject to being re-reviewed, per 10 CCR 2505-5 1.020.10.4.

During the ME Review selection and notification process, Eligibility Sites will be notified of their selection and steps needed to be taken for the QA Module of their ME Review. If through the re-review it is determined the county's reviews align with HCPF EQA, then their data can, but is not required to, be used in the county's sample size for the Medical Assistance Performance (MAP) Dashboard accuracy indicators.

Attachment(s):

MEQC sub-regulatory guidance 2018

PERM Manual pg 51-53 "Eligibility Reviews"

Eligibility Quality Assurance (EQA) Review Form

County and Eligibility Site Size List

Department Contact:

For question for Eligibility Quality Assurance (EQA), please email hcpf_moo_eqr@state.co.us

For questions for County Relations, please submit a webform ticket: https://hcpfdev.secure.force.com/HCPFCountyRelations, or email

HCPFCountyRelations@state.co.us