

6004-E OPERATIONAL REVIEWS

EFFECTIVE DATE: May 20, 2016

REFERENCES: 42 CFR Part 438, AHCCCS 1115 Waiver

Purpose of Operational Reviews

The purpose of the Division performing an Operational Review (OR) is to:

- A. Know the Contractor's system and operation.
- B. Support Contractor compliance with Division requirements.
- C. Improve Contractor's compliance with Division requirements.
- D. Recognize Contractor accomplishments.
- E. Perform Contractor oversight as required by the Centers for Medicare and Medicaid Services (CMS), in accordance with the Arizona Health Care Cost Control System (AHCCCS) 1115 Waiver.
- F. Determine whether the Contractor satisfactorily meets:
 - 1. Division contract requirements
 - 2. Division policies
 - 3. Arizona Revised Statute
 - 4. Arizona Administrative Code
 - 5. 42 CFR Part 438, Managed Care.
- G. Determine progress made in implementing recommendations made during prior reviews.
- H. Determine Contractor compliance with its own policies and procedures.
- I. Evaluate the effectiveness of Contractor policies and procedures.

Types of Operational Reviews

The following are types of Operational Reviews:

- A. Full Review, which includes a review of all standards
- B. Focused Review, which includes review of specific:
 - 1. Areas across all Contractors, e.g., implementation of value based purchasing
 - 2. Standards related to individual Contractor performance.

Prior to Onsite Review Timeline

The timeline for performing Operational Reviews is as follows:

- A. Three (3) weeks before onsite review, the Division provides formal notification of the onsite review to the Contractor.
- B. Two (2) weeks before onsite review, the Contractor submits the first documents, which include Populations for Samples, e.g., Prior Approval (PA) Logs.
- C. Within three (3) days of receipt of above documents, the Division notifies Contractor of which samples will be reviewed.
- D. One (1) week before onsite review, the Contractor uploads all documents to the Division's File Transfer Protocol (FTP) site.

After Onsite Review Timeline

After the onsite review occurs, the following occur:

- A. Six (6) weeks after the onsite review, the Division forwards a draft of its findings to the Contractor.
- B. Within one week after above action, the Contractor may challenge The Division's finding by submitting a Challenge Letter to the Division.
- C. Nine (9) weeks after the onsite review, the Division issues its Final Report.
- D. Eleven (11) weeks after the onsite review, the Contractor Corrective Action Plan(s) (CAP) is due to the Division.
- E. Six (6) months after the Division approves the CAP approval – CAPs must be completed and closed.

The Process – Document Review

The Division reviews documents at the Contractor's place of business (on-site), off-site, or a combination of both.

When the Division requests additional documents:

- 1. Before noon, the Contractor supplies the documents by close of business on the same day.
- 2. After noon, the Contractor supplies the documents by 9:00 a.m. on the following day.

OR Categories

OR Categories are:

- A. Case Management (CM)
- B. Claims and Information Systems (CIS)
- C. Delivery Systems (DS)
- D. General Administration (GA)
- E. Grievance System (GS)
- F. Maternal/Child Health and EPSDT (MCH)
- G. Medical Management (MM)
- H. Member Information (MI)
- I. Quality Management (QM)
- J. Reinsurance (RI)
- K. Third Party Liability (TPL)
- L. Corporate Compliance (CC).