

# Medi-Cal Healthier California for All

## Summary of NCQA Accreditation Standards as Compared with Federal and State Medicaid Requirements

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The California Department of Health Care Services (DHCS) is exploring whether, and how, it might leverage the National Committee for Quality Assurance (NCQA) Accreditation process to reduce duplicative oversight responsibilities by DHCS and its EQRO of the Medicaid managed care plans (MCPs). NCQA's accreditation process uses a series of standards to evaluate the extent to which health plans deliver high-quality care, monitor internal operations, and continually evaluate their performance. NCQA evaluates plans based on the following six health plan accreditation categories:

- Quality Management and Improvement.
- Population Health Management
- Network Management
- Utilization Management
- Credentialing and Recredentialing
- Members' Experience

NCQA also offers two optional add-on surveys that DHCS is considering:

- Long-term Services and Supports Distinction Survey
- Medicaid Module

Currently, DHCS audits its MCPs, but does not allow the results of any accrediting entity to satisfy federal oversight requirements (also known as deeming), except for the category of credentialing, although federal regulations permit the state to do so on an annual basis. If DHCS decides to deem categories beyond credentialing, the MCPs would still be audited on an annual basis but these audits could be targeted, and monitoring and oversight would expand.

DHCS has contracted with a vendor to compare NCQA accreditation standards with Medicaid managed care regulations at 42 CFR §438 and with California managed care requirements (as defined in state regulation, model contracts, and subregulatory guidance, such as All Plan Letters) to identify requirements that could be deemed through NCQA accreditation and where gaps exist such that deeming would not be feasible.

For example, NCQA accreditation standards exceed the federal Medicaid requirements pertaining to adequate capacity of providers (42 CFR §438.207) to serve the expected enrollment of MCPs, which suggests that if MCPs were accredited by the NCQA, DHCS could use the accreditation status as evidence (or deem) that the MCPs fulfilled this federal requirement. However, NCQA accreditation standards do not require MCPs to conduct performance improvement projects, which are a federal requirement under 42 CFR §438.330. In this case, NCQA accreditation alone would not be sufficient to deem

this requirement, as DHCS would still be required to review performance improvement projects.

Ultimately, a detailed comparison chart of NCQA accreditation standards cross-walked to federal and state, including DHCS, requirements will be shared with the public. DHCS and its vendor will also be talking with other states that have leveraged NCQA accreditation for deeming purposes, and will share the results of these conversations with stakeholders. Prior to the release of the comparison chart, DHCS shares a high level summary of the findings from the analysis of the NCQA accreditation standards, and federal and state requirements, categorized into three main areas: (1) Federal Requirements that are potentially deemable; (2) Federal requirements that are not likely to be deemable, and (3) Federal requirements that need further analysis of current state requirements or the NCQA review process to make a determination on deeming.

### 1. Requirements that are potentially deemable—Key Findings

NCQA accreditation standards exceed the majority of federal requirements under §438.10 (Information Requirements) and a majority of related state requirements. These deemable regulations pertain to the way MCPs communicate information to current and potential enrollees on covered benefits, providers, eligibility, grievances, and other related plan information. Similarly, NCQA accreditation standards exceed a majority of federal and state requirements pertaining to the availability of services and network adequacy (§438.206 and §438.207) and care coordination (§438.208). Regulations pertaining to grievances and appeals may be deemed at the federal level as NCQA standards address grievance and appeal procedures within the Utilization Management, Member Experience, and Medicaid modules. However, a closer analysis of NCQA standards as they relate to DHCS regulations is recommended, as many of the state’s requirements are significantly different from NCQA standards.

**Table 1. Federal and State Requirements that are Potentially Deemable through NCQA Accreditation**

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
<b>Information Requirements</b>			
438.10(c )(6)	Format of enrollee information	YES	YES
438.10(c )(7)	Mechanisms to help enrollees and potential enrollees understand the requirements and benefits of the plan	YES	YES

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal</u> Requirement	NCQA Standard Meets or Exceeds <u>State</u> Requirement
438.10(d)(2)	Oral interpretation and written translation services for written materials	YES	YES
438.10(d)(3-4)	Non-English versions and auxiliary aids for written materials	YES	YES
438.10(g)(C)	Availability of assistance	YES	YES
438.10(g)(D-E)	Right to request hearing and appeal timeframes	YES	YES
438.10(g)(xii)	Advance directives	YES	YES
438.10(g)(xiii-xiv)	Auxiliary aids and units providing member services	YES	YES
438.10(g)(A-D)	Enrollee Handbook	YES	YES
438.10(h)(1-3)	Updating of provider directories	YES	YES
438.10(i)	Formulary content and format	YES	YES
<b>Access to Care - Availability of Services</b>			
§438.206(b)(1)	Maintains and monitors network of appropriate providers	YES	YES
<b>Access to Care - Coordination and Continuity of Care</b>			
438.208(b)(1)	Care and coordination of services for all MCO, PIHP, and PAHP enrollees.	YES	YES
438.208(b)(3)	Provide for initial screening	YES	YES
438.208(b)(4)	Share results with state	YES	YES
438.208(b)(6)	Ensure enrollee's privacy is protected during coordination of care	YES	YES
438.208(c)(2)	Assessment for enrollees with special health care needs or need LTSS	YES	YES
438.208(c)(3)(i-ii, iv-v)	Service plan for enrollees with LTSS needs	YES	YES

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal</u> Requirement	NCQA Standard Meets or Exceeds <u>State</u> Requirement
438.208(c)(4)(iii)	Direct access to specialists for enrollees with special health care needs	YES	YES
<b>Access to Care - Coverage and Authorization of Services</b>			
§438.210(a)(3)(ii)	Coverage: May not deny or reduce the amount duration or scope of service	YES	YES
§438.210(a)(4)(i)	Coverage: Limits on service on basis of criteria such as medical necessity	YES	YES
§438.210(b)(2)	Review criteria for authorization of services	YES	YES
§438.210(b)(3)	Decision to approve or deny service may be made by individual with expertise	YES	YES
§438.210(c)	Written notice of denial	YES	YES
<b>Structure and Operations - Confidentiality</b>			
§438.224 (-)	Confidentiality	YES	YES
<b>Quality Measurement and Improvement - Practice Guidelines</b>			
§438.236 (b)	Adoption of practice guidelines	YES	YES
§438.236 (c)	Dissemination of guidelines	YES	YES
§438.236 (c)	Application of guidelines	YES	YES
<b>Quality Measurement and Improvement - Quality Assessment and Performance Improvement Program</b>			
§438.330(a)(1)	Implement an ongoing comprehensive quality assessment and performance improvement program	YES	YES
§438.330(b)(3-4)	Mechanisms to detect under- and overutilization and appropriateness of care	YES	YES
§438.330(c)(2)	Measure and report to the State on its performance	YES	YES

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
<b>Grievances – General Requirements</b>			
§438.402(b)	Level of appeals	YES	YES
§438.402(c)	Filing requirements	YES	YES
<b>Grievances – Timely and adequate notice of adverse benefit determination</b>			
§438.404(c)(2)	Timing of notices related to termination, suspension, or reduction of services	YES	YES
<b>Grievances – Handling of grievances and appeals</b>			
§438.406(b)(1-6)	Special requirements for handling grievances and appeals	YES	YES
<b>Grievances – Resolution and notification: Grievances and appeals</b>			
§438.408(c)(1-3)	Extension of appeals timeframes	YES	YES
§438.408(e)(1)	Content of appeal resolutions	YES	YES
<b>Grievances – Expedited resolution of appeals</b>			
§438.410(a)	Expedited review process for appeals	YES	YES
§438.410(c)(1-2)	Action following denial of request for expedited resolution	YES	YES
<b>Grievances – Recordkeeping requirements</b>			
§438.416(a)	Records of grievances and appeals	YES	YES
<b>Grievances – Continuation of benefits while the MCO, PIHP, or PAHP appeal and the State fair hearing are pending</b>			
§438.420(a)(i-ii)	Timeliness of filing of appeals	YES	YES
§438.420(b)	Continuation of benefits during an appeal	YES	YES
§438.420(c-d)	Duration of benefits and enrollee responsibility during an appeal	YES	YES
<b>Grievances – Effectuation of reversed appeal resolutions</b>			

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal</u> Requirement	NCQA Standard Meets or Exceeds <u>State</u> Requirement
§438.424(a-b)	Services furnished while an appeal is pending	YES	YES

## 2. Requirements that are not likely to be deemable—Key Findings

Fourteen specific instances where the NCQA standards did not exceed federal and state requirements (if an NCQA standard did not meet or was silent on one of these federal requirements, it was determined that it also would not meet the state standards) were identified. The regulations, such as disclosure of physician incentives, machine-readable provider directories and formularies, and performance improvement projects, would need to continue to be monitored by DHCS; NCQA accreditation could not replace that monitoring process.

**Table 2. Federal and State Requirements that are not Likely to be Deemable through NCQA Accreditation**

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal</u> Requirement	NCQA Standard Meets or Exceeds <u>State</u> Requirement
<b>Information Requirements</b>			
§438.10.(f)(3)	Disclosure of physician incentive plans	NO	NO
§438.10(g)(vii)	Information Requirements - Obtaining OON benefits, including family planning services	NO	NO
§438.10(g)(xv)	Information Requirements - Information on how to report suspected fraud or abuse	NO	NO

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
§438.10(g)(4)	Information Requirements - Notice of significant changes	NO	NO
§438.10(g)(h)	Information Requirements - Machine readable provider directories	NO	NO
§438.10(i)	Information Requirements - Machine readable formularies	NO	NO
<b>Access to Care - Emergency and post-stabilization services</b>			
§438.114(c)(1)(ii)	Denial of payment for emergency services	NO	NO
§438.114(c)(2)	Out of network emergency services	NO	NO
<b>Access to Care - Coordination and Continuity of Care</b>			
§438.208(b)(2)	Care coordination of services through other plans	NO	NO
§438.208(c)(3)(iii)	Approval of care plans by the MCO	NO	NO
<b>Access to Care - Coverage and Authorization of Services</b>			
§438.210(a)(ii)	Plan contracts must specify the types of covered services	NO	NO
<b>Quality Measurement and Improvement - Quality assessment and performance improvement program</b>			

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
§438.330(b)(i)	Performance improvement projects as part of the QAPI	NO	NO
<b>Grievances</b>			
§438.404(c)(1)	Timing of notices related to termination, suspension, or reduction of services	NO	NO
§438.410(b)	Punitive action toward members	NO	NO

### 3. Requirements that need further analysis—Key Findings

Among the remaining federal regulations assessed for potential deeming through NCQA accreditation, there were several areas where it could not readily be determined whether the NCQA standard would enable the state to deem the requirements. Further analysis will need to be conducted to resolve questions around these areas.

**Table 3. Federal and State Requirements that Require Further Analysis**

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
<b>Access to Care - Emergency and post-stabilization services</b>			
§438.114(c)(1)(ii)	Denial of payment for emergency services	NO	MAYBE
§438.114(d)(1-3)	Rules for emergency services	YES	MAYBE
<b>Access to Care - Availability of Services</b>			
§438.206(b)(2)	Provides female enrollees with direct access to a women's	YES	MAYBE



Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
	health specialist within the provider network		
§438.206(b)(3)	Provides for a second opinion from a network provider, or arranges for the enrollee to obtain one outside the network, at no cost to the enrollee	YES	MAYBE
§438.206(b)(4)	Delivery Network – Out of Network Coverage	YES	MAYBE
§438.206(b)(5)	Delivery Network – Out of Network Costs	YES	MAYBE
§438.206(b)(7)	Delivery Network – Family Planning	YES	MAYBE
§438.206(c)	Furnishing of Services	YES	MAYBE
<b>Access to Care - Assurances of Adequate Capacity and Services</b>			
§438.207(b)	Nature of supporting documentation	YES	MAYBE
<b>Access to Care - Coverage and Authorization of Services</b>			
§438.210(a)(5)	Specifying medically necessary services	MAYBE	MAYBE
§438.210(d)	Standard Authorization Procedures	NO	MAYBE
<b>Structure and Operations – Provider Selection</b>			
§438.214 (b-c)	Credentialing, Recredentialing, Nondiscrimination	YES	MAYBE
<b>Structure and Operations – Subcontractual relationships and delegation</b>			

Federal Regulation	Description	NCQA Standard Meets or Exceeds <u>Federal Requirement</u>	NCQA Standard Meets or Exceeds <u>State Requirement</u>
§438.230 (b-c)	Subcontractual relationships and delegation	YES	MAYBE
<b>Quality Measurement and Improvement – Health Information Systems</b>			
§438.242(a)	Quality Measurement and Improvement – Health Information Systems	MAYBE	YES
<b>Quality Measurement and Improvement – Quality assessment and performance improvement program</b>			
§438.330(e)(2)	Quality Measurement and Improvement – Program review by the state	YES	MAYBE
<b>Grievances</b>			
§438.402(a)	Grievance and appeals system	YES	MAYBE
§438.404(b)(1-2)	Content adverse benefit determination notices	YES	MAYBE
§438.404(c)(4)	Timing of notices, extension of timeframes	MAYBE	MAYBE
§438.406(a)	Providing assistance to members for completing forms and other grievance/appeal steps	MAYBE	YES
§438.408(b)(1-3)	Appeals timeframes	YES	MAYBE
§438.408(d)(2)	Format of appeals notices	YES	YES
§438.414	Distribution of information on appeals and grievances	YES	MAYBE