# **Organizational Service Provider Risk Assessment**

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BABH formally monitors the performance of the network of specialty behavioral health direct operated programs and contracted service provider organizations in Arenac and Bay Counties through the review of performance data and through site reviews of contracted organizational service providers. Beginning in 2016 BABH is implementing a formal Risk Assessment profile for each organizational provider, which summarizes risk information not captured in the site review process. The Risk Assessment will also be completed for BABH direct operated programs. The Risk Assessment will summarize the prior two years.

Site Review scores and Risk Assessment profiles will be taken into consideration during organizational service provider re-credentialing (i.e., renewal of contractual agreements) and will be used to determine if additional monitoring (i.e., in addition to the minimum) are warranted. BABH policiesC02-S03-T01 Site Reviews and C08-S06-T06 Organizational Credentialing and other BABH procedures contain more information about these processes.

Although it is understood that the majority of service providers provide good quality services and work in partnership with BABH to achieve and maintain network compliance with standards, BABH must fulfill its contractual responsibilities by reserving the right to act on any/all information it receives in a prudent and responsible manner and to escalate (or de-escalate) at any time it’s monitoring of a service provider based upon risk. It should be noted that a single event can occur that may necessitate a change in the Risk Assessment of a particular provider. Examples include but are not limited to: the occurrence of a significant adverse event; a serious substantiated recipient rights complaint that is not adequately resolved by the provider; adverse action against a license or certification; exclusion/debarment from participation in federal/state health care programs; or patterns of or significant single occurrences of any kind. In particular, loss of required licensure and/or provider exclusion from Medicaid or Medicare participation or debarment from Federal Procurement will preclude BABH from being able to retain a provider in the network. It should further be noted that some events may be determined to be isolated in nature and if effectively addressed by the provider, may not impact the Risk Assessment.

#### **Minimum Monitoring Activities – All Providers**

The Site Review processes employed by BABH focus on review of provider policies, procedures, plans and records, verification of postings, on-site observations and interviews, among other activities. Providers receive a formal report and must submit corrective action plans. The main areas of focus for site reviews include:

* + Clinical service delivery, including Medicaid and other state requirements;
  + Administration, including training, safety, corporate compliance and privacy;
  + Recipient rights protection systems;
  + Where applicable, nursing services and health care management systems; and
  + Where applicable, primary source verification of service claims.

The BABH Finance Department requires providers to submit financial audits or certified financial statements as applicable for review. BABH collects and analyzes information regarding service access timeliness, clinical outcomes, adverse clinical events, consumer satisfaction and other areas, such as corporate compliance and privacy. This information is reported via the BABH Performance Improvement Council and the BABH Population Committees, and providers not meeting required performance levels submit corrective action plans. Specifics of the information collected and network-wide performance are contained in the:

* + BABH Quality and Performance Improvement Plan and associated reports; and
  + BABH Corporate Compliance Plan and associated reports.

In addition to the above, BABH personnel document routine ongoing contacts with providers regarding program activities and whether requirements are being met, via a Provider Communication Log. Documentation is formal where more significant concerns are identified.

BABH will collect, analyze, and use all available data to assess risk as described in this document. BABH will provide written feedback to providers for the purpose of letting them know their risk level as assessed by BABH and, as appropriate, provide additional opportunity for action to reduce risk.

All providers remain subject to additional Medicaid Event Verification, exclusion/debarment checks, Utilization Management and Quality related record reviews per BABH, state and federal requirements.

#### **New and Small Providers**

Providers being credentialed for the first time who have been on contract with BABH for less than two years may not have adequate performance history for a valid assessment and/or enough service history for cyclical events to have occurred, such as a licensing renewal. Credentialing domains that cannot be assessed due to lack of performance history will be marked as not applicable for such baseline assessments.

#### **High Risk Providers**

Providers will be assessed at High Risk if they display the following:

**Risk Assessment: Average score of ‘Poor’ across the ‘High’ Criticality Dimension OR** **percentage at or below 62%[[1]](#footnote-1)**

**OR**

**Full Formal Site Review: Composite Score 85% and below**

Providers who are assessed as High Risk may be, depending on the circumstances and risk perceived, subject to additional:

* + Site Reviews (i.e., beyond the minimum);
  + Special monitoring arrangements for the dimensions that are assessed as high risk; and/or
  + Documentation or reports to demonstrate improvement in specially identified areas.

In addition,

* + The provider may be placed on conditional credentialing status
  + Potential adverse contract action or termination may be initiated

#### **Moderate Risk Providers**

Providers will be assessed at Moderate Risk if they display the following:

**Risk Assessment: Percentage of 63%-80%**

**AND**

**Formal Site Review: Composite Score of 86-89%**

Providers who are assessed as Moderate Risk may be, depending upon the circumstances and risk perceived, subject to additional:

* + Site Reviews (i.e., beyond the minimum);
  + Special monitoring arrangements for the dimensions that are assessed as moderate or high risk; and/or
  + Documentation or reports to demonstrate compliance or improvement in specially identified areas.

#### **Low Risk Providers**

Providers will be assessed at Low Risk if they display the following:

**Risk Assessment: Percentage of 81%-100%**

**AND**

**Formal Site Review: Composite Score of 90% or above**

Providers who are assessed as Low Risk shall be subject to the minimum monitoring specified above and may have special monitoring arrangements for any dimensions that are not assessed as low risk.

#### Disclaimer

A Risk Assessment must place events in the context of the health of the person served, any limitations in the science of behavioral health services, and the chronic, serious, and complex conditions experienced by specialty behavioral health populations. Negative events which occur may/ may not be reflective of deficits in performance. ‘Rating’ the occurrence of negative events may appear insensitive or unempathetic; but it is a necessary part of evaluating the intensity of risk. Some adverse/negative events are more representative of risk than others, so the use of the terms ‘minor’, ‘moderate’ and ‘significant’ are used by the assessor only in the context of comparing one unfortunate event to another. Under no circumstances does BABH believe any occurrence abuse or neglect, fraud, adverse clinical events, etc., is a ‘minor’ occurrence.

## Organizational Service Provider Risk Assessment

|  |  | ASSESSMENT | | | | | | |  |  |
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| CRITICALITY | DIMENSION | Excellent | | Good | | Fair | | Poor | Data Source | Provider Types | Assessor |
| Low | 1. Administrative Effectiveness | Provider is exceptional relative to thoroughness, accuracy, and follow-through; no stakeholder complaints | | Provider is unremarkable relative to thoroughness, accuracy, and follow-through; and/or few stakeholder complaints | | Provider tends to be below average relative to thoroughness, accuracy, and follow-through; and/or moderate stakeholder complaints | | Significant concerns relative to thoroughness, accuracy, and follow-through; and/or significant stakeholder complaints | * Meeting notes * Emails * Community agency or other stakeholder complaints * Provider Communication Log * Deadlines/timeliness | * Primary Service Providers[[2]](#footnote-2) * Secondary Service Providers[[3]](#footnote-3) * Tertiary Service Providers[[4]](#footnote-4) * Direct operated programs | * Directors of Integrated Care * Quality Manager * Finance Manager * Contract Administrator * Customer Service/ Recipient Rights Manager * Director of Healthcare Accountability |
| Low | 1. Provider’s Ratings on Consumer Satisfaction Surveys Conducted by BABHA | Exceeds satisfaction thresholds as defined by Provider (or BABH minimum of 85%, whichever is greater) across all survey questions (or on composite score) | | Meets or exceeds satisfaction thresholds as defined by Provider (or BABH minimum of 85%, whichever is greater) across most but not all survey questions (or on composite score) | | Falls below satisfaction thresholds as defined by Provider (or BABH minimum of 85%, whichever is greater) across most but not all survey questions (or somewhat below on composite score) | | Falls below satisfaction thresholds as defined by Provider (or BABH minimum of 85%, whichever is greater) across all survey questions (or well below on composite score) | * Consumer Satisfaction Reports by Provider | * Primary Providers * Secondary Providers (Vocational and Type B Residential Providers only) * Direct operated programs | * Quality Manager |
| Low | 1. Performance Indicators | Consistently exceeds all performance standards | | Provider meets most but not all performance standards on a consistent basis | | Provider meets some but not most performance standards, or is inconsistent in performance | | Provider does not meet most or all performance standards on a consistent basis | * Medicaid PIHP Timeliness Indicator Report | * Primary Service Providers * Direct operated programs | * Quality Manager |
| Moderate | 1. Clinical Outcomes | Provider exceeds BABH expectations for positive outcomes | | Outcomes meet BABH expectations for positive outcomes | | Outcomes are inconsistent and/or less than BABH expectations (without appropriate clinical justification) | | Outcomes appear uncontrolled and/or are significantly less than BABH expectations (without appropriate clinical justification) | * CAFAS/PECFAS * DECA (FY16) * LOCUS ( * SIS * RAS * VB Maps (Autism) * Rates of persons discharged for having met goals (FY17) | * Primary Service Providers * Secondary Service Providers * Selected Tertiary Service Providers * Direct operated programs | * Quality Manager * Dirs of Integrated Healthcare |
| Moderate | 1. Substantiated Consumer Grievances | No substantiated grievances | | Substantiated grievance(s) are relatively minor, or are moderate but isolated in nature and being addressed effectively | | Substantiated grievance(s) are relatively moderate, or are significant but isolated in nature and being addressed effectively, or are relatively minor but occur repeatedly | | Substantiated grievance(s) are relatively significant and not isolated in nature, or are moderate but occur repeatedly | * Customer Service Reports | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers * Direct operated programs | * Customer Service/ Recipient Rights Manager |
| Moderate | | 1. HIPAA Security/ Privacy Violations | None or relatively unremarkable security/ privacy violations:   * Violations are non-existent or if they do occur, are fully justified by the nature of the work performed * Violations are identified, remediated and mitigated exceptionally well by the provider * Systemic improvements are consistently sustained * The rate of reporting is commensurate with other providers serving similar populations | | Violations are relatively minor:   * Violations are largely justified by the nature of the work performed * Violations are identified, remediated and mitigated reasonably well by the provider * Systemic improvements are usually sustained | | Violations are relatively moderate:   * Violations are only partially justified by the nature of the work performed * Violations are not consistently identified, remediated and mitigated effectively by the provider * Systemic improvements are not consistently sustained | | Violations are relatively significant:   * Violations cannot be justified by the nature of the work performed * Violations are not identified, remediated and mitigated effectively by the provider * Systemic improvements are not sustained | * Reports of Security Breaches to HHS * Corporate Compliance Activity Report | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers * Direct operated programs | * Dir of Healthcare Accountability |
| Moderate | 1. Annual Audit or Financial Statement | Auditor’s opinion is unqualified and outstanding or exceptional practices are noted | | Auditor's opinion is unqualified | | Auditor's opinion is unqualified; some minor internal control weaknesses | | Auditor's opinion is qualified or there are significant internal control weaknesses | * Submitted provider audit reports or financial statements | * Primary Service Providers * Secondary Service Providers * Selected Tertiary Service Providers * Direct operated programs | * Finance Manager |
| High | 1. Substantiated Abuse/Neglect | None or relatively unremarkable substantiated incidents of abuse or neglect:   * Incidents are non-existent or if they do occur, are fully justified by the nature of the work performed * Incidents are identified, remediated and mitigated exceptionally well by the provider * Systemic improvements are consistently sustained * The rate of reporting is commensurate with other providers serving similar populations | | Substantiated incidents of abuse or neglect are relatively minor:   * Incidents are largely justified by the nature of the work performed * Incidents are identified, remediated and mitigated reasonably well by the provider * Systemic improvements are usually sustained | | Substantiated incidents of abuse or neglect are relatively moderate:   * Incidents are only partially justified by the nature of the work performed * Incidents are not consistently identified, remediated and mitigated effectively by the provider * Systemic improvements are not consistently sustained | | Single or multiple substantiated incident(s) of abuse or neglect is/are relatively significant:   * Incidents cannot be justified by the nature of the work performed * Incidents are not identified, remediated and mitigated effectively by the provider * Systemic improvements are not sustained | * Recipient Rights Reports | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers * Direct operated programs | * Customer Service/ Recipient Rights Manager |
| High | 1. Adverse Clinical Events | None or relatively unremarkable adverse events   * Incidents are non-existent or if they do occur, are fully justified by the nature of the work performed * Events are identified, remediated and mitigated exceptionally well by the provider * Systemic improvements are consistently sustained * The rate of reporting is commensurate with other providers serving similar populations | | Events are relatively minor, including deaths from natural causes:   * Events are largely justified by the nature of the work performed * Events are identified, remediated and mitigated reasonably well by the provider * Systemic improvements are usually sustained | | Events are relatively moderate, including deaths from natural causes:   * Events are only partially justified by the nature of the work performed * Events are not consistently identified, remediated and mitigated effectively by the provider * Systemic improvements are not consistently sustained | | Single or multiple event(s) is/are relatively significant, including deaths from natural causes:   * Events cannot be justified by the nature of the work performed * Events are not identified, remediated and mitigated effectively by the provider * Systemic improvements are not sustained | * Adverse Event Reports | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers * Direct operated programs | * Quality Manager |
| High | 1. Corporate Compliance Findings | No substantiated compliance investigations; and/or exceeding BABH minimum of 95% compliance for verification of service claims across all audit questions | | Substantiated compliance findings are relatively minor, or are moderate but isolated in nature and being addressed effectively; and/or meeting or exceeding BABH minimum of 95% compliance for verification of service claims across most but not all audit questions | | Substantiated compliance findings are relatively moderate, or are significant but isolated in nature and being addressed effectively, or are minor but occur repeatedly; and/or falling below BABH minimum of 95% compliance for verification of claims across most but not all audit questions | | Single or multiple substantiated compliance findings are relatively significant and not isolated in nature, or are moderate but occur repeatedly; and/or falling below BABH minimum of 95% compliance for verification of claims across for all audit questions | * Reports of Fraud and Abuse to MSHN/MDCH * Corporate Compliance Activity Report * Medicaid Event Verification findings | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers * Direct operated programs | * Dir of Healthcare Accountability |
| High | 1. Adult Foster Care Licensure or Medicare Certification | Full or active licensure or certification with no corrective action plan required | | Full or active licensure or certification with corrective action plan required. For residential corporations, is true for all contracted homes, or any conditional or probationary licensure status is an isolated instance and being addressed effectively | | Conditional or probationary licensure or certification. For residential corporations, is true for all contracted homes, or any suspended or revoked licensure status is an isolated instance and being addressed effectively | | Suspended or revoked licensure or certification. For residential corporations, is not an isolated instance. | * On-line portal postings * Provider Application and contract renewal materials * Site visits | * AFC Licensure: Residential Service Providers * Medicare Certification: Primary Service Providers * Direct operated programs | * AFC: Contract Administrator * Medicare: Finance Manager |
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| Bonus | 1. Accreditation Status (Optional) | Full accreditation with no findings | | Full accreditation with findings | | Partial accreditation | | Conditional or provisional accreditation | Provider Application and contract renewal materials | * Primary Service Providers * Secondary Service Providers (vocational and inpatient only) * Direct operated programs | * Contract Administrator |
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| DIMENSION | EXCELLENT | GOOD | FAIR | POOR | FREQUENCY | DATA SOURCE | PROVIDER TYPES | ASSESSOR |
| 1. Formal Site Reviews | Composite score of 100% | Composite score between 90-99% | Composite score between 86-89% | Composite score below 85% | Annually | * Site Visit Report | * Primary Service Providers * Secondary Service Providers * Tertiary Service Providers (Fiscal Intermediaries only) | * Quality Manager |

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| **Organizational Service Provider Risk Assessment**  **Matrix** | | | **Applicability** | | | | | | |
| **Direct Operated** | **Contracted** | | | | | | **Excellent** | **Good** | **Fair** | **Poor** |
|  |  | **Dimension** | **Primary** | **Secondary: Residential** | **Secondary: Vocational** | **Secondary**  **Other** | **Tertiary:**  **Fiscal Inter-mediary** | **Tertiary:**  **Clinical** |
| **Criticality** | **Low** | Administrative Effectiveness | X[[5]](#footnote-5) | X | X | X | X | X | X | Point Value = 4 | Point Value = 3 | Point Value = 2 | Point Value = 1 |
| Provider’s Ratings on Consumer Satisfaction Surveys Conducted by BABHA | X | X | X | X |  |  |  | Point Value = 4 | Point Value = 3 | Point Value = 2 | Point Value = 1 |
| Performance Indicators | X | X |  |  |  |  |  | Point Value = 4 | Point Value = 3 | Point Value = 2 | Point Value = 1 |
| **Moderate** | Clinical Outcomes | X | X |  |  |  |  | X | Point Value = 5 | Point Value = 4 | Point Value = 3 | Point Value = 2 |
| Substantiated Consumer Grievances | X | X | X | X | X | X | X | Point Value = 5 | Point Value = 4 | Point Value = 3 | Point Value = 2 |
| HIPAA Security/Privacy Violations | X | X | X | X | X | X | X | Point Value = 5 | Point Value = 4 | Point Value = 3 | Point Value = 2 |
| Annual Financial Statement or Audit | X | X | X | X | X | X |  | Point Value = 5 | Point Value = 4 | Point Value = 3 | Point Value = 2 |
| **High** | Substantiated Recipient Rights Complaints | X | X | X | X | X | X | X | Point Value = 6 | Point Value = 5 | Point Value = 4 | Point Value = 3 |
| Adverse Clinical Events | X | X | X | X | X | X | X | Point Value = 6 | Point Value = 5 | Point Value = 4 | Point Value = 3 |
| Medicaid Fraud or Abuse | X | X | X | X | X | X | X | Point Value = 6 | Point Value = 5 | Point Value = 4 | Point Value = 3 |
| Adult Foster Care Licensure or Medicare Certification | X | X | X |  |  |  |  | Point Value = 6 | Point Value = 5 | Point Value = 4 | Point Value = 3 |
|  |  | **Maximum Points**  (for calculation of percentages - i.e., 100%) | 56 | 56 | 47 | 41 | 37 | 37 | 37 |  |  |  |  |

1. Banding of Risk Assessment percentages will be generated based upon a bell curve upon the first risk assessment of the provider network; a starting point of 62% as High Risk Provider, 63-80% as Moderate Risk Provider and 81-100% as Low Risk Provider [↑](#footnote-ref-1)
2. The primary care organization (CMHSP or contract agency), responsible for coordination of the person centered planning process and completion of treatment planning documentation. “Case-holding” programs include core services such as ACT, CSM/SC, Outpatient, and Wraparound, as well as Respite Only and Medications Only, if offered. [↑](#footnote-ref-2)
3. Organizational providers who are not responsible for coordinating the person centered planning process, such as Skill Building, Vocational Supports, Community Living Supports, Autism (Applied Behavioral Analysis) and Inpatient Psychiatric Hospitals. Residential providers are a sub-set of Community Living Supports providers and include Type A (i.e., contracts for partial occupation of a setting) and Type B (i.e., contracts for full occupation of a setting). [↑](#footnote-ref-3)
4. Organizations providing clinical disciplines and other professional services such as Nurses, Dieticians, Psychologists, Physical Therapists, Occupational Therapists, Speech-Language Pathologists and Fiscal Intermediaries. Includes Independent Facilitation. (Licensed Independent Practitioners are a non-organizational type of Tertiary Service Provider; which are outside of the scope of this risk assessment tool). [↑](#footnote-ref-4)
5. Administrative effectiveness of direct operated programs will be addressed at a later date and will possibly incorporate results from contracted service provider feedback surveys [↑](#footnote-ref-5)