

Organizational Service Provider Risk Assessment

(For Credentialing/recredentialing of providers)



BABHA formally monitors contracted service provider organizations in Arenac and Bay Counties through a site review process. In 2016 BABHA began assessing other performance information that is not captured through the site review process and summarizing it as a provider profile or rating. The resulting rating is intended to predict the risk to Arenac and Bay Counties that the provider may not meet performance expectations such as service access timeliness, achieving positive clinical outcomes, avoiding adverse clinical events, satisfying consumers, maintaining regulatory compliance, protecting privacy and other performance expectations outlined in the service agreement. The BABHA Organizational Service Provider Risk Assessment profile or rating is a lagging indicator of risk in that it summarizes performance information for the prior two years.

The Risk Assessment is also completed for BABHA direct operated programs, but is not completed for contracted service providers which are not organizations.

Site Review scores and Risk Assessment profiles are 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. BABHA policies [C02-S03-T01 Site Reviews](#) and [C08-S06-T06 Organizational Credentialing](#) and other BABHA 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 BABHA to achieve and maintain network compliance with standards, BABHA 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 BABHA 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 BABHA 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 BABHA Finance Department requires providers to submit upon request financial audits or certified financial statements as applicable for review. BABHA collects and analyzes information regarding service access timeliness, adverse clinical events, and other areas, such as corporate compliance and privacy. This information is reported via the BABHA Performance Improvement Council and the BABHA 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:

- BABHA [Quality and Performance Improvement Plan](#) and associated reports; and
- BABHA [Corporate Compliance Plan](#) and associated reports.

In addition to the above, BABHA personnel document routine ongoing contacts with providers regarding program activities and whether requirements are being met, via an internal Provider Management Meeting. Documentation is formal where more significant concerns are identified.

BABHA will collect, analyze, and use all available data to assess risk as described in this document. BABHA will provide written feedback to providers for the purpose of letting them know their risk level as assessed by BABHA 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 BABHA, state and federal requirements.

New and Small Providers

Providers being credentialed for the first time who have been on contract with BABHA 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.

Exceptional Providers

In addition to the Poor-Fair-Good-Excellent risk rating, raters will have the option to add an 'exceptional' notation to the rating for the highest scoring organizational providers in the 'Excellent' risk rating category. These are providers achieving a 99-100% rating.

The addition of this notation will not alter the overall risk rating because it does not add points to the rating calculation (bonus points would depress the ratings of other organizations who are an excellent risk for contracting and highly valued members of the provider network). Its purpose is only to highlight unusually high performing/low risk providers.

Providers at a Poor Risk Level

Providers will be assessed as being at a Poor Risk level if they display the following:

Risk Assessment: Average rating of 'Poor' across the 'High' Criticality Dimensions OR a percentage at or below 62%¹

OR

Full Formal Site Review: Composite Score 85% and below

Providers who are assessed as being at a Poor Risk level 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

¹ Banding of Risk Assessment percentages was generated based upon a bell curve based 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

Providers at a Fair Risk Level

Providers will be assessed as being at a Fair Risk level if they display the following:

Risk Assessment: Average rating of 'Fair' across the 'High' Criticality Dimensions OR a percentage of 63%-74%

AND

Formal Site Review: Composite Score of 86-89%

Providers who are assessed as being at a Fair Risk level 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.

Providers at a Good Risk Level

Providers will be assessed as being at a Good Risk level if they display the following:

Risk Assessment: Average rating of 'Good' or better across the 'High' Criticality Dimensions AND a Percentage of 75%-86%

AND

Formal Site Review: Composite Score of 90% or above

Providers who are assessed as being at a Good Risk level 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.

Providers at an Excellent Risk Level

Providers will be assessed as being at an Excellent Risk level if they display the following:

Risk Assessment: Average rating of 'Excellent' across the 'High' Criticality Dimensions AND a Percentage of 87%-100%

AND

Formal Site Review: Composite Score of 100%

Providers who are assessed as being at an Excellent Risk level shall be subject to the minimum monitoring specified above only.

Providers at Excellent Risk Level Who are Exceptional

In addition, providers with a risk assessment percentage of 95-100% will be considered to be Exceptional Providers. This notation will not alter the score and will not be included in contract renewal recommendations at this time.

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 BABHA believe any occurrence abuse or neglect, fraud, adverse clinical events, etc., is a 'minor' occurrence.

Organizational Service Provider Risk Assessment

CRITICALITY	DIMENSION	ASSESSMENT				Data Source	Provider Types	Assessor
		Excellent	Good	Fair	Poor			
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	<ul style="list-style-type: none"> Meeting notes Emails Community agency or other stakeholder complaints Provider Communication Log Deadlines/Timeliness 	<ul style="list-style-type: none"> Primary Service Providers² Secondary Service Providers³ Tertiary Service Providers⁴ Direct operated programs 	<ul style="list-style-type: none"> Directors of Integrated Care Quality Manager Finance Manager Contract Administrator Customer Service/Recipient Rights Manager Director of Healthcare Accountability
Low	2. 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	<ul style="list-style-type: none"> Medicaid PIHP Timeliness Indicator Report 	<ul style="list-style-type: none"> Primary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Quality Manager
Moderate	3. 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	<ul style="list-style-type: none"> Customer Service Reports 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Customer Service/Recipient Rights Manager

²The 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.

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).

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).

ASSESSMENT								
CRITICALITY	DIMENSION	Excellent	Good	Fair	Poor	Data Source	Provider Types	Assessor
Moderate	4. HIPAA Security/Privacy/RR Confidentiality Violations	<p>No violations or they are minor and are:</p> <ul style="list-style-type: none"> Justified by the nature of the work performed Identified, remediated and mitigated well by the provider Systemic improvements are sustained 	<p>Violations are minor or are:</p> <ul style="list-style-type: none"> Mostly justified by the nature of the work performed, and/or Usually identified, remediated and mitigated effectively by the provider, and/or Systemic improvements are usually sustained 	<p>Violations are relatively moderate or are:</p> <ul style="list-style-type: none"> Minimally justified by the nature of the work performed, and/or Not usually identified, remediated and mitigated effectively by the provider, and/or Systemic improvements are not usually sustained 	<p>Violations are relatively significant or:</p> <ul style="list-style-type: none"> Cannot be justified by the nature of the work performed, and/or Are not identified, remediated and mitigated effectively by the provider, and/or Systemic improvements are not sustained 	<ul style="list-style-type: none"> Reports of Security Breaches to HHS Corporate Compliance Activity Report (HIPAA Privacy findings incorporate results of Recipient Rights Investigations of confidentiality violations) 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Dir of Healthcare Accountability
High	5. Substantiated Abuse/Neglect	<p>None or relatively unremarkable substantiated incidents of abuse or neglect:</p> <ul style="list-style-type: none"> 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 	<p>Substantiated incidents of abuse or neglect are relatively minor:</p> <ul style="list-style-type: none"> 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 	<p>Substantiated incidents of abuse or neglect are relatively moderate:</p> <ul style="list-style-type: none"> 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 	<p>Single or multiple substantiated incident(s) of abuse or neglect is/are relatively significant:</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Recipient Rights Reports 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Customer Service/Recipient Rights Manager

ASSESSMENT								
CRITICALITY	DIMENSION	Excellent	Good	Fair	Poor	Data Source	Provider Types	Assessor
High	6. Adverse Clinical Events	None or relatively unremarkable adverse events <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Adverse Event Reports 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Quality Manager
High	7. Corporate Compliance Findings	No compliance investigations	Compliance findings are relatively minor, or are moderate but isolated in nature and being addressed effectively	Compliance findings are relatively moderate, and/or are more significant but are isolated in nature and being addressed effectively	Compliance findings are relatively significant and/or are moderate but not isolated in nature	<ul style="list-style-type: none"> Reports of Fraud and Abuse to MSHN/MDCH Corporate Compliance Activity Report 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Dir of Healthcare Accountability
High	8. Medicaid Event Verification	100% compliance for verification of service claims	Meeting or exceeding BABHA minimum of 95% compliance for verification of service claims	Falling below 95% but above 90% compliance for verification of claims	Falling below 90% compliance for verification of claims	<ul style="list-style-type: none"> Medicaid Event Verification findings 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers Direct operated programs 	<ul style="list-style-type: none"> Quality Manager

DIMENSION	EXCELLENT	GOOD	FAIR	POOR	FREQUENCY	DATA SOURCE	PROVIDER TYPES	ASSESSOR
9. Formal Site Reviews	Composite score of 100%	Composite score between 90-99%	Composite score between 86-89%	Composite score below 85%	Annually	<ul style="list-style-type: none"> Site Visit Report 	<ul style="list-style-type: none"> Primary Service Providers Secondary Service Providers Tertiary Service Providers (Fiscal Intermediaries only) 	<ul style="list-style-type: none"> Quality Manager

**Organizational Service
Provider Risk Assessment
Matrix**

Applicability

Criticality	Dimension	Contracted						Excellent	Good	Fair	Poor	
		Direct Operated	Primary	Secondary: Residential	Secondary: Vocational	Secondary Other	Tertiary: Fiscal Intermediary					Tertiary: Clinical
Low	Administrative Effectiveness	X ⁵	X	X	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
	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 and RR Confidentiality Violations	X	X	X	X	X	X	X	Point Value = 5	Point Value = 4	Point Value = 3	Point Value = 2
High	Substantiated Abuse Neglect	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
	Corporate Compliance Findings	X	X	X	X	X	X	X	Point Value = 6	Point Value = 5	Point Value = 4	Point Value = 3
	Medicaid Event Verification	X	X	X	X	X	X	X	Point Value = 6	Point Value = 5	Point Value = 4	Point Value = 3
	Maximum Points (for calculation of percentages - i.e., 100%)											

* "Other" is CLS and ABA; "Tertiary" is OT/PT/SP and Psychiatric Clinic.

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