

## External Quality Review and Compliance Monitoring Review

### What is External Quality Review (EQR)?

EQR is the analysis and evaluation of the quality, timeliness, and access to the health care services provided by managed care entities (MCEs) to Medicaid and Children’s Health Insurance Program (CHIP) beneficiaries.

EQR is one part of an interrelated set of quality requirements that apply to Medicaid managed care. The federal requirements related to Medicaid managed care quality were established in statute at section 1932(c) of the Social Security Act (the Act) and are set forth in 42 CFR §438, subpart E.

Federal regulations require states to contract with External Quality Review Organizations (EQROs) to perform EQR each calendar year (CY).

### What is an External Quality Review Organization (EQRO)?

An EQRO is an organization that meets the competence and independence requirements set forth in 42 CFR §438.354, and performs EQR, other EQR-related activities as set forth in 42 CFR §438.358, or both. An EQRO is the only entity which may conduct the annual EQR.

### What is the annual EQR process?

The EQR process includes a set of mandatory and EQR-related activities designed to provide a sound understanding of the strengths and weaknesses of Medicaid and CHIP MCE performance related to quality, timeliness, and access to care.

EQR activities	Calendar Year 2019	Calendar Year 2020
Follow Up on 2017/2018 Compliance and Information Systems Capabilities Assessment (ISCA) Findings	✓	
ISCA		✓
Compliance Monitoring Review (CMR) and Follow-Up on Prior Findings		✓
Validation of Performance Measures	✓	✓
Validation of Performance Improvement Projects (PIP)	✓	✓
Validation of network adequacy ( <i>future activity; TBD CMS</i> )		
Annual EQR Technical Report	✓	✓
Conduct Training and Technical Assistance	✓	✓

The EQRO aggregates the data collected from these activities into an annual EQR technical report that summarizes results across all MCEs and provides state-level recommendations for performance improvement. Once compiled, the EQR technical report is submitted to the Centers for Medicare & Medicaid Services (CMS).

## What is EQR Compliance Monitoring Review (CMR)?

CMR is the EQRO's assessment of MCE compliance with federal and state standards (CFRs, OAR, or MCE contract requirements) for access to care, structure and operations, and quality measurement and improvement. CMR includes a comprehensive desk review and onsite interview with each MCE. The EQRO uses this data to complete EQR reports for each MCE. The EQR reports highlight substantive findings and suggested actions for improvement.

## What are EQR CMR findings?

If the EQRO finds operational deficiencies or non-compliance with state or federal guidelines during an MCE's EQR, the EQRO will issue a finding to the MCE.

## How can MCEs resolve CMR findings?

Upon receipt of the EQR report and its findings, the MCE must develop and implement corrective actions to address and resolve any deficiencies identified during the CMR. Actions and activities undertaken by MCEs to resolve findings are reported in MCE EQR improvement plans; submitted to OHA and EQRO annually.

Resolution of deficiencies is critical to ensuring compliance with regulatory requirements and the quality, timeliness, and access to care for Medicaid/CHIP beneficiaries.

- Annually, the EQRO reviews previous EQR CMR findings and collects evidence to determine whether the MCE's corrective actions have been implemented and were sufficient to bring the MCE into compliance.
- The EQRO's determination is based on compliance definitions set and communicated to the MCE and OHA in advance of the follow-up review.

## Can MCEs ask OHA to resolve EQR CMR findings?

No; only the EQRO as an independent entity may validate whether EQR CMR findings are resolved. Changing or removing a finding is not within OHA's scope and would obstruct the integrity of the EQRO's assessment.

## What if MCEs do not agree with EQR CMR criteria, findings, process or activity plan?

An EQRO is an independent, external, organization that meets the competence and independence requirements set forth in 42 CFR §438.354.

MCE have three opportunities each year to submit written or verbal comment directly to the EQRO. The EQRO and OHA will review all MCE feedback and comments.

1. **Pre-EQR CMR:** MCEs will be issued a copy of the EQR CMR protocol, criteria and activity plan developed by the EQRO and approved by OHA; and invited to an in-person review of the EQR CMR protocol and criteria with the EQRO and OHA. MCEs may submit feedback about the CMR protocol and criteria in-person or in writing.
2. **Post-EQR CMR:** The EQRO will produce drafts of each MCE's EQR Report for MCE review. MCEs may respond in writing to the EQRO about specific findings in their draft report and explain why the MCE's previously submitted evidence demonstrates compliance with the CMR criteria. *Please note: the EQRO cannot accept any additional evidence or documentation towards compliance at this stage in the CMR process.*
3. **Post-EQR:** For quality improvement of the EQR process, the EQRO will conduct an annual EQR process evaluation. For this evaluation, the EQRO will collect and analyze MCE

comments and feedback about the effectiveness of the EQR process and the EQRO's performance.

### **What if MCEs have complaints or concerns about the EQRO?**

The EQRO is operating under a professional services contract with OHA. The HSD Quality Assurance Unit oversees this contract. MCEs may submit concerns about the EQRO to the unit at [HSD.QualityAssurance@dhsoha.state.or.us](mailto:HSD.QualityAssurance@dhsoha.state.or.us). The unit will review and respond to each concern.