

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

STATE OF ALABAMA

Methods For Assuring High Quality of Care

The following methods shall be used by the Alabama Medicaid Agency in administering the Medical Assistance Program to ensure that medical, remedial care, and service provided are of high quality, properly utilized and based on acceptable professional medical standards, State and Federal laws and regulations.

1. Fiscal agent will perform quality review and utilization procedures consistent with good business practices to meet Alabama Medicaid requirements. The activities of the fiscal agent will be regularly reviewed through an Alabama Medicaid audit and in depth quality assurance case review on a sample basis.
2. Peer Review Committees have been established in Alabama for the purpose of settling disputes related to charges made for professional and other medical assistance services. Problems submitted to Peer Review Committees may originate with the Alabama Medicaid Agency, its fiscal agent, providers and recipients. Additional Peer Review Committees may be established as needed.
  - a. Peer Review Committees act independently of the fiscal agent and representatives of Alabama Medicaid Agency.
  - b. No member of a Peer Review Committee who has an ownership interest in a facility under review will participate in committee action for the facility.
  - c. A member of a Peer Review Committee shall not review a case on which he or a partner or associate is the attending physician or dentist or in which he has had professional responsibility.
  - d. Medical peer review is the responsibility of the Medical Association of the State of Alabama. They sponsor a statewide peer review system for resolution of physician provider problems referred to them by the Alabama Medicaid Agency and others.
  - e. Dental Peer Review Committees shall be maintained in the state according to the districts established by the Alabama Dental Association. These committees shall function as appeal bodies on requests from the Alabama Medicaid Agency, Utilization Review Committees, and patients. Matters not resolved by these committees shall be referred, where possible malpractice is involved, to the State Board of Dental Examiners.

- f. Pharmacy Peer Review Committees are maintained in several districts to ensure adequate coverage of the entire state. Each committee shall have registered active pharmacists who are participants in the state Medicaid drug program, selected by the Alabama Medicaid Agency Pharmaceutical Program Administrator. The committees shall determine whether established drug standards and accepted principles are being followed and aid in monitoring proper drug utilization within the Medicaid pharmacy program. Unusual findings detected by the fiscal agent or the Alabama Medicaid Agency in cost, frequency of service, and volume or quality of drug service, shall be referred to a Pharmaceutical Review Committee, if a satisfactory solution cannot be reached with a pharmacy provider.
  - g. An Optometric Peer Review Committee will be maintained in the state by the Alabama Medicaid Agency. The committee shall meet at least twice each calendar year to discuss problems and complaints relative to optometric services within the Alabama Medicaid Program. It shall also function as an appeal body on request of the Alabama Medicaid Agency, optometric providers, and Medicaid recipients. Prior authorization requests from optometrists denied by Alabama Medicaid shall be submitted for consultation to the peer review committee before a final determination is made.
3. Each agency, organization, or institution providing care or services in the Alabama Medicaid program, must have a utilization review plan approved by the Alabama Medicaid Agency or its designated agent.
- a. The Alabama Medicaid Agency shall have a Utilization Review Committee to examine problems brought before it that are related to medical care and services rendered to Medicaid recipients by providers.

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- b. The Bureau of Licensure and Certification, Department of Public Health, has been designated, through an agreement with the Agency, to monitor facility utilization review activities on extended care services.
- c. Utilization review for dental services is a part of the dental professional review program.
- d. The Alabama Medicaid Agency monitors utilization review activities concerned with evaluation and supervision of nursing and other services provided by home health agencies.
- e. Utilization review for pharmaceutical services is a part of the pharmacy professional review program or monitored by

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AL-87-26  
Attachment 3.1-C  
Page 3

the Alabama Medicaid Pharmacy Program in cooperation with the fiscal agent. Other monitoring activities are carried out by the Alabama Medicaid Agency in cooperation with the fiscal agent.

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f. Hospital inpatient utilization review will be the responsibility of the Agency and/or its designated agent.

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g. Medical review for Skilled and Intermediate Care nursing facilities to include ICF/MR and ICF/MD is the responsibility of the Alabama Medicaid Agency. Independent professional utilization review for Free-Standing ICF/MR and ICF/MD is the responsibility of the Alabama Medicaid Agency.

4. Additional procedures for assuring high quality care include the following:
- a. Patient and provider profiles and other pertinent data will be developed through data processing for the Alabama Medicaid Agency by the fiscal agent. The profiles will be used for program control and reporting purposes.
  - b. Members of the Alabama Medicaid Agency staff shall make scheduled and unscheduled visits, as necessary, to approved Medicaid providers to evaluate medical care and resolve problems that may arise.
  - c. Fiscal agent provider relations personnel will help resolve provider claim processing problems.
  - d. A liberal drug formulary published as the Alabama Drug Code Index (ADCI) shall be used. This publication will permit adequate pharmaceutical selections of drugs and their utilization without precipitating undesirable restrictions in the practice of medicine.
  - e. Evaluation and supervision of nursing and other services provided by State Home Health Agencies will be carried out by the Bureau of Public Health Nursing, Alabama Department of Public Health, under an agreement with the Alabama Medicaid Agency. Consultation evaluation and supervision of nursing and other services provided by all other home health agencies will be carried out by the Alabama Medicaid Agency.

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f. All home health records are subject to on-site audits and in-house reviews by representatives of the Alabama Medicaid Agency.

5. The Alabama Medicaid Agency Quality Control unit is responsible for monitoring Medicaid program effectiveness. Through its findings, administrators may identify and eliminate dollar losses by effecting corrective action in program operations

- a. Alabama Medicaid Agency shall form a Corrective Action Committee to monitor the Medicaid program eligibility, claims processing, and third party liability procedures to identify and eliminate deficiencies in these functions.
  - b. The committee shall by July 31st of each year prepare and submit to the Federal Regional Medicaid Director, a report on its error analysis and a corrective action plan.
6. A state Medical Care Advisory Committee shall participate with the Commissioner of Medicaid in policy development and program administration, including the seeking of recipient participation in the Alabama Medicaid Program.
- a. The Commissioner, Alabama Medicaid Agency, shall arrange for committee representation from licensed physicians and others from the health and medical care professions familiar with the medical needs of low income population groups. Representatives of consumer groups and of the public shall be included on the committee.
  - b. The State Health Officer and the Commissioner, Department of Human Resources shall be permanent ex-officio members of the committee.
  - c. The Medical Care Advisory Committee shall meet semi-annually and at other times as required to advise the Commissioner of Medicaid on medical assistance matters brought before it.