



Statements of Deficiency

Purpose: This memo informs the managed care organizations (MCOs) of the change in the distribution of Statements of Deficiency (SOD) by the Department's Division of Quality Assurance (DQA) and confirms the MCO role and responsibilities in the review, processing, and follow-up of SODs.

Consensus agreement to this distribution process change was achieved by input from and collaboration with:

- Directors and designated staff of applicable DQA bureaus – Bureau of Assisted Living (BAL), Bureau of Nursing Home Resident Care (BNHRC), Bureau of Health Services (BHS)
- MCO Leadership via the Quality Management and Provider Network workgroups
- OFCE Regional Managers

Background

It is a contractual requirement (Article VIII.F.1.) that each MCO has a system for monitoring the quality of the services they purchase. The MCO must:

- Establish mechanisms to monitor the performance of subcontractors to ensure compliance with provisions of the subcontract on an ongoing basis, including formal review according to a periodic schedule, consistent with industry standards or state laws and regulations.
- Identify deficiencies or areas for improvement.
- Take corrective action if there is a failure to comply.

DQA's SODs provide one means for MCOs to monitor regulated provider quality – specifically adult family homes, community-based residential facilities, residential care apartment complexes, nursing homes, and home health agencies.

DQA regulates provider competency. They accomplish this through regular surveys of certified and licensed residential facilities. Based on survey findings, provider citations are issued by DQA through Statements of Deficiency (BAL and BHS) and enforcement letters (BNHRC).

The OFCE MCO Oversight Teams' role is to monitor member care coordination between MCO and its regulated providers and assure that members receive quality services.

SOD Distribution Process Change

Effective September 2012, DQA, specifically, the Bureau of Assisted Living (BAL) and the Bureau of Nursing Home Resident Care (BNHRC), will distribute *all* Statements of Deficiency (SOD)/enforcements for *all* Wisconsin counties to *all* MCOs via a single distribution list – “MCO_SOD”.

Effective May 2013, the Bureau of Health Services (BHS) will distribute its Statements of Deficiency via a monthly email to “MCO_SOD”. In the email, MCOs will be provided with a Directory Listing of home health agencies with citations. MCOs can then access the respective SOD and plan of correction via the DQA Provider Search portal at <http://www.dhs.wisconsin.gov/bqaconsumer/search.htm>.

MCO Responsibilities

Each MCO is responsible to:

1. Triage/review of SODs/enforcements applicable to the respective MCO

Each MCO shall have specific SOD review processes in place to address SODs with significant enforcement action, such as, directed plan of correction, no new admission orders, impending revocations, repeat citations, immediate jeopardy with unresolved deficiencies, or situations of actual serious harm or risk for serious harm to members not already identified via MCO’s internal critical incident reporting system.

2. Take any necessary action related to provider compliance/competency and assure member health and safety

- Each MCO shall respond to SODs by taking reasonable and prudent actions to assure member health and safety.
- As available, each MCO shall review relevant provider plans of correction submitted to DQA and determine whether to require any additional plan of correction.
- Each MCO shall monitor the quality improvement of any of its cited providers.

3. Communicate with the MCO’s respective OFCE Oversight Team

Each MCO must have consistent criteria and processes for reporting substantial provider and/or member quality of care concerns and any other findings/outcomes to their respective MCO Oversight Team.

4. Develop a collaborative working relationship with the MCO’s respective regional DQA staff

Each MCO encourages DQA participation in relevant MCO meetings and attend relevant regional DQA meetings.

5. Notify the Office of Family Care Expansion via DHSOFCE@wisconsin.gov of any MCO address change related to distribution of SODs.**6. Incorporate proactive prevention activities with providers based on SODs.**

DQA Implementation of Electronic SOD Processes

BNHRC encourages the use of electronic processes for dissemination of statements of deficiency and provider submission of plans of correction.

As of July 2012, any BNHRC provider within the state

- May choose to receive E-SODs (electronic SODs/enforcement notifications)
- May choose to submit E-POCs (electronic plans of correction)
- May choose to continue the old paper process via USPS

For any questions concerning this document, please email DHSOFCE@wisconsin.gov.

References:Family Care contract:

- Article XII.C.5.a.i-iii
- Article VIII.F.1.