

## **Appendix D**

Federal regulations at 42 §§ CFR Part 438, subpart E External Quality Review (EQR) equality review) set forth the parameters that states must follow when conducting an EQR of its contracted managed care organizations (MCOs). An EQR is the analysis and evaluation by an external quality review organization (EQRO) of aggregated information on quality, timeliness, and access to the health care services that an MCO furnishes to Medicaid recipients. SeniorCare is a comprehensive drug benefit that is not contracted to MCOs.

The DHS Medicaid Quality Control section leads two federally mandated Medicaid quality control programs, the Medicaid Eligibility Quality Control program (MEQC) and the Payment Error Rate Measurement (PERM) programs. As part of the audits performed by the Quality Control section, random samples of members are selected, including SeniorCare members, for a comprehensive eligibility review. The ACA has suspended formal MEQC and PERM requirements. Instead, states have been directed to conduct targeted pilot reviews of ACA-affected populations. SeniorCare members are not part of the ACA expansion or otherwise affected population.