EXTERNAL QUALITY REVIEW TOOLKIT FOR STATES

Per 42 C.F.R. Part 438, subpart E, each state contracting with a Managed Care Organization (MCO) or Prepaid Inpatient Health Plan (PIHP) must perform an annual external quality review (EQR) of each MCO and PIHP. The following provides a worksheet for states to use in the development and assessment of the detailed EQR technical report states must annually produce per 42 C.F.R. § 438.364.

Instructions: Any time there is a citation under the "regulatory reference" column, this indicates that the item is a regulatory requirement and states must include information associated with that item in the EQR technical report. If there is no citation under the "regulatory reference" column, this indicates that the item is not a regulatory requirement, but instead, is a component that CMS strongly recommends states address in the EQR technical report. States should use this toolkit in conjunction with the EQR Protocols (Updated 2012), available at: http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Quality-of-Care-External-Quality-Review.html.

SECTION I: MANDATORY REGULATORY REQUIREMENTS

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.364(a)(2)	The technical report includes an assessment of each MCOs' and PIHPs' strengths and weaknesses with respect to quality, timeliness, and access to health care services furnished to Medicaid beneficiaries.	
§438.364(a)(3)	The technical report includes recommendations for improving quality of health care services furnished by each MCO or PIHP.	
§438.364(a)(4)	The technical report includes methodologically appropriate, comparative information for all MCOs/PIHPs. This information should align with what the state outlines in its quality strategy as methodologically appropriate.	
§438.364(a)(5)	The technical report includes an assessment of the degree to which each MCO or PIHP has addressed effectively the recommendations for quality improvement made by the External Quality Review Organization (EQRO) during the previous year's EQR. If there were no prior year recommendations, this requirement is not applicable.	
§438.364(b)	The information included in the technical report is readily available through print or electronic media. It must be available for persons with sensory impairments, when requested.	

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.364(c)	The information included in the technical report does not disclose the identity of any patient.	

SECTION II: MANDATORY EQR ACTIVITIES

Validation of Performance Improvement Projects (PIPs)

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.358(b)(1)	The technical report includes information on the validation of PIPs required by the state to comply with requirements set forth in § 438.240(b)(1) and that were underway during the preceding 12 months.	
§438.364(a)(1)	The technical report describes the manner in which the data from the validation of PIPs were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the MCO or PIHP.	
§438.364(a)(1)(i-iv)	The technical report includes the following related to the validation of PIPs: • Objectives; Methods of data collection and analysis (Note: this should include a description of the validation process/methodology, e.g., was the CMS PIP validation protocol used, or a method consistent with the CMS protocol); • Description of data obtained; and • Conclusions drawn from the data.	
	The technical report includes an assessment of the overall validity and reliability of study results and includes any threats to accuracy/confidence in reporting.	
§438.358(b)(1)	The technical report includes validation results for all state-required PIP topics for the current EQR review cycle.	
	The technical report includes a description of PIP interventions and outcomes information associated with each state-required PIP topic for the current EQR review cycle.	

Validation of Performance Measures (PMs)

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.358(b)(2)	The technical report includes information on the validation of MCO or PIHP PMs reported (as required by the state) or MCO or PIHP PMs calculated by the state during the preceding 12 months to comply with requirements set forth in § 438.240(b)(2).	
§438.364(a)(1)	The technical report describes the manner in which the data from the validation of PMs were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the MCO or PIHP.	
§438.364(a)(1)(i-iv)	The technical report includes the following related to the validation of PMs: • Objectives; Methods of data collection and analysis (Note: this should include a description of the validation process/methodology, e.g., was the CMS PM validation protocol used, or a method consistent with the CMS protocol); • Description of data obtained; and • Conclusions drawn from the data.	
	The technical report clearly documents which PMs the state required the EQRO to validate for the current EQR review cycle (Note: this may be a subset of reported PMs or all reported PMs).	
	The technical report indicates that the EQR performed an assessment of the MCO/PIHP information system as part of the validation process.	
§438.358(b)(2)	The technical report includes validation results of PMs for each MCO/PIHP for the current EQR review cycle.	
	The technical report includes outcomes information associated with each PM for the current EQR review cycle.	

Compliance Review

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.358(b)(3)	The technical report includes information on a review, conducted within the previous 3-year period, to determine the MCO's or PIHP's compliance with standards (except with respect to standards under §§ 438.240(b)(1) and (2), for the conduct of PIPs and calculation of PMs respectively) established by the state to comply with the requirements of § 438.204(g). Note: This may be done once every three years, or partially deemed as per § 438.360. If partially deemed, the state must identify in its quality strategy the standards for which the EQR will use information from Medicare or private accreditation reviews, and explains the rationale for why the standards are duplicative.	
§438.364(a)(1)	The technical report describes the manner in which the data from the compliance review were aggregated and analyzed, and conclusions were drawn as to the quality, timeliness, and access to the care furnished by the MCO or PIHP.	
§438.364(a)(1)(i-iv)	The technical report includes the following related to the compliance review: • Objectives; Methods of data collection and analysis (Note: this should include a description of the validation process/methodology, e.g., was the CMS PM validation protocol used, or a method consistent with the CMS protocol); • Description of data obtained; and • Conclusions drawn from the data.	
§438.358(b)(3)	The technical report includes compliance assessment results for each MCO/PIHP from within the past three years.	

SECTION III: OPTIONAL EQR ACTIVITIES

The following are all optional EQR activities, and thus only applicable to the states which contract with their EQRO to perform such activities.

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.364(a)(1)(i-iv)	If state contracts with the EQRO to validate encounter data (as described in §438.358(c)(1)), the technical report must include the following related to that EQR activity: • Objectives; • Methods of data collection and analysis; • Description of data obtained; and • Conclusions drawn from the data.	
§438.364(a)(1)(i-iv)	If state contracts with the EQRO to administer or validate consumer or provider surveys of quality of care (as described in §438.358(c)(2)), the technical report must include the following related to that EQR activity: • Objectives; • Methods of data collection and analysis; • Description of data obtained; and • Conclusions drawn from the data.	
§438.364(a)(1)(i-iv)	If state contracts with the EQRO to calculate PMs in addition to those reported by an MCO or PIHP and validated by an EQRO (as described in §438.358(c)(3)), the technical report must include the following related to that EQR activity: • Objectives; • Methods of data collection and analysis; • Description of data obtained; and • Conclusions drawn from the data.	
§438.364(a)(1)(i-iv)	If state contracts with the EQRO to conduct PIPs in addition to those calculated by an MCO or PIHP and validated by an EQRO (as described in §438.358(c)(4)), the technical report must include the following related to that EQR activity: • Objectives; • Methods of data collection and analysis; • Description of data obtained; and • Conclusions drawn from the data.	

Regulatory Reference	DESCRIPTION	Page Reference or Comment
§438.364(a)(1) (i-iv)	If state contracts with its EQRO to conduct of studies on quality that focus on a particular aspect of clinical or nonclinical services at a point in time (as described in §438.358(c)(5)), the technical report must include the following related to that EQR activity: • Objectives; • Methods of data collection and analysis; • Description of data obtained; and • Conclusions drawn from the data.	