

APA-1

TRANSMITTAL SHEET FOR  
NOTICE OF INTENDED ACTION

Control No: 560 Department or Agency: Alabama Medicaid Agency

Rule No: 560-X-2-.01

Rule Title: Methods for Assuring High Quality Care

\_\_\_\_\_ New; X Amend; \_\_\_\_\_ Repeal; \_\_\_\_\_ Adopt by Reference

Would the absence of the proposed rule significantly harm or endanger the public health, welfare, or safety? \_\_\_\_\_ no

Is there a reasonable relationship between the state's police power and the protection of the public health, safety, or welfare? \_\_\_\_\_ yes

Is there another, less restrictive method of regulation available that could adequately protect the public? \_\_\_\_\_ no

Does the proposed rule have the effect of directly or indirectly increasing the costs of any goods or services involved and, if so, to what degree? \_\_\_\_\_ no

Is the increase in cost, if any, more harmful to the public than the harm that might result from the absence of the proposed rule? \_\_\_\_\_ no

Are all facets of the rulemaking process designed solely for the purpose of, and so they have, as their primary effect, the protection of the public? \_\_\_\_\_ yes

Does the proposed action relate to or affect in any manner any litigation which the agency is a party to concerning the subject matter of the proposed rule? \_\_\_\_\_ no

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Does the proposed rule have an economic impact? \_\_\_\_\_ no

If the proposed rule has an economic impact, the proposed rule is required to be accompanied by a fiscal note prepared in accordance with subsection (f) of Section 41-22-23, Code of Alabama 1975.

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Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it conforms to all applicable filing requirements of the Administrative Procedure Division of the Legislative Services Agency.

Signature of certifying officer: Stephanie Lindsay

Date: 6/20/2018

**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** Alabama Medicaid Agency

**RULE NO. & TITLE:** 560-X-2-.01 – Methods for Assuring High Quality Care

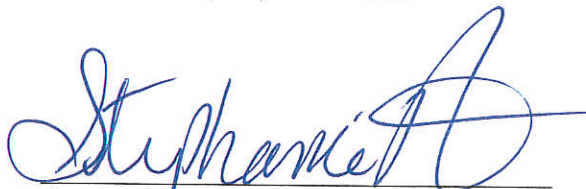
**INTENDED ACTION:** Amend 560-X-2-.01

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended to amend section (D) Physician Task Force to replace with a more generalized Quality Assurance Committee.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than August 3, 2018.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Phone: (334) 242-5833.



Stephanie McGee Azar  
Commissioner

**Rule No. 560-X-2-.01. Methods for Assuring High Quality Care.**

The following methods shall be used 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) Peer Review Committees, as appropriate, will be 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 Alabama Medicaid Agency, its fiscal agent, providers, and recipients. Additional Peer Review Committees may be established as needed.

(a) Problem referral procedure.

1. The fiscal agent shall gather information about a problem discovered through claims processing and attempt to resolve it with a provider or recipient.

2. Where a solution cannot be reached, the facts will be submitted to the Alabama Medicaid Agency for resolution.

3. Problems not resolved by the Alabama Medicaid Agency may be referred to the appropriate peer review committee. Medicaid will assemble the facts and arrange for the Peer Review Committee to consider the problems at a mutually agreeable time and place. When a professional specialty consultation is needed, Medicaid may arrange for the service.

(b) Facts about Peer Review Committees.

1. Peer Review Committees act independently of fiscal agent and representatives of the Alabama Medicaid Agency.

2. 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.

3. 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 a professional responsibility.

4. Peer Review Committees may be provided with advice and consultation from other medical and paramedical specialty agencies organized to deal with problems within their specialty.

5. A majority of the members of the committee will constitute a quorum.

6. Peer Review Committees will send their reports to the Deputy Commissioner Program Administration, Alabama Medicaid Agency. Information and reports are releasable on a need-to-know basis.

7. A decision made by a Peer Review Committee is final and binding on all parties if approved by the Director, Programs, Alabama Medicaid Agency.

(c) Pharmacy Peer Review Committees.

See Chapter 16: Pharmacy Services: Rule 560-X-16-.23, Rule 560-X-16-.24, and Rule 560-X-16-.25.

(d) Optometric Peer Review Committee.

1. An optometric Peer Review Committee will be maintained in the state by Medicaid.

2. The committee shall meet at least twice each calendar year to discuss problems and complaints relative to optometric services within the Alabama Medicaid Program.



3. The Committee shall function as an appeal body on the request of Medicaid, optometric providers, and Medicaid recipients.

4. Prior authorization requests from optometrists denied by Medicaid shall be submitted for consultation to the peer review committee before a final determination is made.

(2) Utilization Review.

Each agency, organization, or institution providing care or services in the Medicaid program, must have a utilization review plan approved by Medicaid or its designated agent.

(a) Medicaid or its designee will monitor facility utilization review activities on inpatient hospital and extended care services.

(b) Utilization review for dental services is a part of the dental professional review program.

(c) Medicaid monitors utilization review activities concerned with evaluation and supervision of nursing and other services provided by home health agencies.

(d) Utilization review for Pharmaceutical services is a part of the pharmacy professional review program and monitored by the Drug Utilization Review Program in cooperation with the fiscal agent. Other monitoring activities are carried out by Medicaid in cooperation with the fiscal agent.

(e) Medical review for hospitals will be the responsibility of Medicaid or its designee.

(f) Medical review for skilled and intermediate care nursing facilities, to include ICF/MR and ICF/MD, is the responsibility of the Alabama Medicaid Agency.

(3) Medical Care Advisory Committee.

(a) The State Plan established the requirement for a State Medical Care Advisory Committee to participate with the Commissioner in policy development and program administration, including the seeking of recipient participation in the Alabama Medicaid Program.

(b) The Commissioner 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 an Indian Tribal Member designee shall be included on the committee.

(c) The State Health Officer and the Commissioner, Department of Human Resources shall be permanent ex-officio members of the committee.

(d) The Medical Care Advisory Committee shall meet semi-annually and at other times as required to advise the Commissioner on medical assistance matters brought before it.

~~(4) — Physician's Task Force:~~

~~———— (a) Medicaid established a Physician's Task Force to obtain input from physicians and physician type providers regarding identification of problems and possible initiatives Medicaid might consider to enhance its relationship with providers.~~

~~———— (b) The commissioner shall arrange for committee representation from licensed physicians and dentists who are familiar with the medical needs of low income population groups.~~

~~———— (c) The State Health Officer and the Executive Director of the Medical Association of the State of Alabama shall be permanent ex-officio members of the Committee.~~

~~\_\_\_\_\_ (d) The Physician's Task Force shall meet semi-annually and at other times as required to advise the commissioner on medical assistance matters brought before it.~~

(4) Quality Assurance Committee:

(a) Medicaid may convene standing Quality Assurance Committees to provide guidance, insight and technical assistance as appropriate. The Committees will be convened and members will be selected as appropriate for the initiative or program the Agency is requesting guidance for.

(b) The Commissioner shall arrange for committee representation from licensed physicians and other appropriate providers who are familiar with the medical needs of low income population groups that will be incorporated in the initiative or program.

**Author:** Drew Nelson, Director, Quality Assurance

**Statutory Authority:** State Plan; 42 C.F.R. Sec. 401, et seq.

**History:** Rule effective October 1, 1982. **Amended**, May 9, 1984, October 12, 1995, Filed December 20, 2010; effective March 18, 2011. **Amended**, June 20, 2018.