

Quality Control

Page

Overview 1

Integrity of the Quality Control Review 2

Case Record Review 4

 Case Sample 4

 Requesting Case Records From Local Offices 5

 Date of Review 5

Quality Control Case Review Process 6

 Client Contact 7

 Collateral Contacts 7

 Client Refusal to Cooperate in Review 8

 Error Review Committee 8

 Steps 1 and 2 of the Error Review Process 9

 Step 3 of the Error Review Process 10

 Step 4 of the Error Review Process 10

Report of Quality Control Review 11

Federal Quality Control 11

Record Retention 11

Overview

This chapter relates to quality control reviews for the Income Maintenance programs:

- ◆ Medicaid and the Children’s Health Insurance Program (CHIP) Payment Error Rate Measurement (PERM) and Medicaid Eligibility Quality Control (MEQC),
- ◆ Child Care Assistance (CCA),
- ◆ Healthy and Well Kids in Iowa (Hawki),
- ◆ Supplemental Nutrition Assistance Program (SNAP), and
- ◆ Family Investment Program (FIP).

Quality control may conduct state-initiated reviews of other programs or targeted areas.

The purpose of quality control is to:

- ◆ Provide a systematic method for monitoring Iowa’s administration of the Income Maintenance programs.
- ◆ Provide a means for state accountability for actions of the local offices and the determination of eligibility for benefit payment and other services.
- ◆ Serve as a basis for establishing state agency liability for payment errors.
- ◆ Fulfill federal program integrity requirements.

The Department uses information gained through quality control reviews to develop corrective action plans to:

- ◆ Ensure that programs are implemented according to state and federal rules and regulations.
- ◆ Prevent errors from recurring through activities such as modification of policies, structures, or procedures.

Policies and procedures found in this chapter are based on the Code of Federal Regulations, which mandates the establishment of quality control systems. The authorities are for:

- ◆ Medicaid: 42 CFR 431.800 through 431.1010
- ◆ Child Care Assistance: 45 CFR 98 Subpart K
- ◆ Food Assistance: Title 7, Part 275, Subpart C (sections 275.10 through 275.14).

Iowa Code Sections 234.6(1), 239B.2(7), 239B.4(1) and (2), 234.12, 249A.4, 514I.4 and 441 Iowa Administrative Code Chapter 13 are the legal basis for quality control.

In addition, quality control operates under policies and procedures found in the:

- ◆ Supplemental Nutrition Assistance Program *Quality Control Sampling Handbook*, FNS 311.
- ◆ Supplemental Nutrition Assistance Program *Quality Control Review Handbook*, FNS 310.
- ◆ Child Care Improper Payments Data Collection Instructions, Office of Child Care, Administration for Children and Families
- ◆ Medicaid Eligibility Quality Control Sub-Regulatory Guidance, Centers for Medicare and Medicaid Services. Center for Program Integrity

Integrity of the Quality Control Review

Legal reference: Section 154, FNS Quality Control 310 Handbook; 42 CFR 431.812(a); Child Care Improper Payments Data Collection Instructions, Office of Child Care, Administration for Children and Families

Policy: State quality control's goal is to continue to improve program accuracy. The objective nature of the quality control process must not be compromised in attempts to achieve this goal. To maintain the integrity of the quality control system, the state is required to apply consistent, unbiased standards for sampling and reviewing cases.

To ensure that the state quality control sample and reviews remain free from unacceptable bias, the state and local office staff are prohibited from treating:

- ◆ Sampled cases differently from non-sampled cases, or
- ◆ One sampled case differently from another quality control sampled case.

If bias occurs, the results of the review will not mirror the state's overall level of accuracy. Whether inappropriate actions are intentional or unintentional, it is a form of bias.

The following types of actions are examples of inappropriate activities, which, if conducted, will produce an unacceptable bias in the quality control system. Once a case has been pulled for a quality control review, the local office may not do any of the following:

- ◆ Add or remove documentation from the case record.
- ◆ Make changes to the record that would affect the eligibility or benefits for the case, other than for routine case management.

- ◆ Contact the household or a collateral contact before or during the review in order to:
 - Make any changes to the case, or
 - Persuade the household into saying or doing anything that might misrepresent the household's circumstances.
- ◆ Obtain additional information in an attempt to clarify the household's circumstances after the fact.
- ◆ Get statements that would alter the findings of the quality control reviewer.

A local office may ask the quality control reviewer to reexamine some aspect of the case, but the reviewer makes the decision to do so based on quality control policies and practices.

A quality control reviewer may not contact the worker responsible for administering the case selected for quality control review. This also includes contacting any person who participated in the action under review. An exception is made when the quality control reviewer needs assistance from a local office to locate or gain the cooperation of the household.

Normal case management activities are allowed to continue on sampled cases. These must not be initiated or undertaken at an accelerated pace in order to affect the review. The local office will continue to conduct routine case management, such as:

- ◆ Filing household reports,
- ◆ Acting on reported changes,
- ◆ Issuing notices of expiration, or
- ◆ Conducting recertification interviews.

Staff responsible for QC reviews must be functionally and physically separate from personnel responsible for program policy and operations, including eligibility decisions.

- ◆ QC staff may contact policy staff during a review for general policy clarification, however, case specific information cannot be disclosed, including, but not limited to, the case number, client's name(s), or details about variances in the case that would allow someone to identify the household under review.
- ◆ A reviewer with prior knowledge of a case scheduled for review shall not review that case.

Case Record Review

Legal reference: 441 IAC 13.2(234, 239B, 249A, 514I); 7 CFR 275.2(a), 272.1(c), 275.3(c), and 275.10; 42 CFR 431.812; 45 CFR 98 Subpart K

Policy: Quality control reviewers will review all pertinent case records within the Department to determine if:

- ◆ The household provided complete, correct, and accurate information necessary for eligibility determination.
- ◆ The local office correctly administered state policies in the eligibility determination.
- ◆ Program benefits for the month of review were correct.
- ◆ There is indication of fraudulent practice or abuse of the public assistance program by either the client or the local office.

Case Sample

Legal reference: 441 IAC 13.3(234, 239, 249A, 514I); 13.5(1); 7 CFR 275.10 and 275.11; 42 CFR 431.812; 45 CFR 98.101

Policy: Each month a random sample of active and negative case actions is selected for review.

“Active case” means any case that received assistance in the month of review.

“Negative case” means any case that was terminated or denied assistance in the month of review.

“Random sample” means a systematic (or every nth unit) sample for which each item in the universe has an equal probability of being selected. Sample size is determined by federal guidelines when federal reporting is required.

Procedure: Quality control reviews the following samples:

- ◆ Medicaid and CHIP active cases
- ◆ Medicaid and CHIP negative actions
- ◆ SNAP active cases
- ◆ SNAP negative actions
- ◆ Child Care Assistance active cases
- ◆ FIP active cases
- ◆ FIP negative actions

The Department may review any active or negative case to:

- ◆ Ensure compliance with federal and state rules and regulations.
- ◆ Detect error-prone areas to aid corrective action efforts.
- ◆ Ensure program integrity.
- ◆ Determine the state's error rates.

The quality control process begins by selecting and distributing cases sampled for review using the following steps:

1. The database administrator or statistician selects the cases using a statistically valid sample.
2. The sample cases are provided to the state's quality control supervisors,
3. The sample cases are assigned to the state quality control reviewers.
4. Review data is tracked and recorded by the Quality Control Bureau for reporting.

Requesting Case Records From Local Offices

Policy: The quality control reviewer will request case records from the local office by email, phone, in writing, or in person when case information is not part of an electronic file.

The local office will make available or send the case record to the quality control reviewer within two working days of receiving the request.

Procedure: If a case requested for review has a pending action, the local office will:

- ◆ Copy forms and information needed to complete the action.
- ◆ Send all original forms with the case record to the reviewer.
- ◆ Complete the pending action.

The quality control reviewer will:

- ◆ Read and return case records within four weeks from receipt, unless the local office and the supervisor grant a longer period of time.
- ◆ Return a case record immediately if a local office asks for it.

Date of Review

Legal reference: 7 CFR 275.12, 45 CFR 98 Subpart K, 42 CFR 431 Subpart P

Policy: Quality control reviews a specific sampled calendar month for program eligibility and correctness of benefits.

Quality Control Case Review Process

Legal reference: 42 CFR 431.812; 7 CFR 275.12 and 275.13; 45 CFR 98 Subpart K; 441 IAC 13.5

Policy: The review process is an examination of each factor that relates to determining a household's eligibility and benefit amount for the program under review.

The quality control reviewer will concentrate on information applicable to the case as of the review date, including applications, worksheets, case documentation, correspondence, verification, etc., to become familiar with family situations and to note gaps or deficiencies in information.

The quality control reviewer must independently establish and verify the facts about each element of eligibility and benefit as of the date of review, to the extent allowed by federal regulations.

Procedure: Quality control will review eligibility and benefits for each active case as follows:

- ◆ For Food Assistance cases, review the correctness of the eligibility determination and the basis of issuance,
- ◆ For Child Care Assistance, review the correctness of the authorized subsidy amounts,
- ◆ For Medicaid cases, review the correctness of the eligibility determination, client participation and premium amounts.
- ◆ A negative action review determines the correctness of termination or denial of assistance and the timeliness and accuracy of the notice of adverse action.

Quality control will conduct the review as follows:

- ◆ Examine documentation the local office used in determining program eligibility, and any benefits the household received.
- ◆ Analyze the case record to ascertain that policies and procedures were properly followed.
- ◆ Gather factual information to confirm eligibility factors.

If an action taken is out of compliance with policies and procedures, the reviewer will apply the correct policies or procedures to determine if a difference in the benefits the client received exists, and what benefits the client should have received.

Comment: See [5-D Appendix](#) for the various forms used in the processing of a quality control review.

Client Contact

Legal reference: 441 IAC 13.5(3); 7 CFR 275.12(c)(1) and 275.13(c)

Policy: Personal interviews:

- ◆ Are required on all active SNAP case reviews, and
- ◆ Occasionally, may be required on a negative review to substantiate an element in the case record.

Procedure: Conduct the interview at a location that is agreeable to the client.

Use form 470-1627, *Notice of Interview*, to notify the client:

- ◆ That the household's case has been selected for a quality control review interview, and
- ◆ Of the location, date, and time of the scheduled interview.

At the interview with the client or the household's representative:

- ◆ Tell the household it and others were selected at random. And, the purpose is to make sure households are getting the correct benefits.
- ◆ Establish identity, relationship, and living arrangements of all members of the household.
- ◆ Discuss each element as applies to each household member,
- ◆ View and document the household's verification, and
- ◆ Explore any changes in the household's circumstances as they relate to factors in the case record.

Collateral Contacts

Legal reference: 441 IAC 13.5(4); 7 CFR 275.12(c)(2) and 275.13(c)

Policy: A collateral contact is a source of information that can be used to verify a client's circumstances. Collateral contacts are required whenever:

- ◆ The client is unable to provide needed information, or
- ◆ More information must be obtained to establish the correctness of the case under review.

Procedure: Ask the client to:

- ◆ Help identify and select the best collateral contact for the information that is needed.

- ◆ Consent to contacting collaterals by signing the appropriate release of information form.

If the client refuses to cooperate with the quality control review, attempt to complete the review by contacting collateral sources, as allowed by federal policy.

Client Refusal to Cooperate in Review

Legal reference: 441 IAC 13.6(234, 239B, 249A); 7 CFR 273.2(d)(2) and 275.12(ii); 42 CFR 431.800

Policy: Clients are required to cooperate with a quality control review as a program eligibility requirement.

Procedure: Quality control makes the determination that the client has refused to cooperate with a review. Quality control will send form 470-0479, *Noncooperation Notice*, to the local office as notification of the noncooperation. This notification will specify the length of the disqualification and the date by which the review must be completed for federal reporting.

The *Noncooperation Notice* instructs the local office on the appropriate action. The local office must act on the *Noncooperation Notice* within ten days from the date of receipt.

If the client reapplies for the same program, but:

- ◆ Before the date on the *Noncooperation Notice*, the client remains ineligible for that program until cooperation.
- ◆ After the date on the *Noncooperation Notice*, the deadline has passed for Quality Control to complete the review. However, the client must be willing to cooperate with future quality control reviews as an eligibility requirement.

Error Review Committee

Legal reference: Section 154, Quality Control SNAP 310 Handbook

Policy: The purpose of the error review committee is to ensure the accuracy of review findings and corrective action measures while maintaining the integrity of the review process. The error review committee reviews error reports that have been finalized by the Quality Control Bureau and are released to the local offices and service areas. The error review committee is made up of quality control supervisors and monitors, program managers and policy trainers and service area supervisors.

The committee reviews quality control errors for each program to:

- ◆ Identify error trends;
- ◆ Utilize training to ensure the correct understanding of any policies determined to have been misapplied by the worker or the reviewer;
- ◆ Implement process improvements or technology to prevent future errors from occurring based on the root causes identified through the quality control process.

Lessons learned during the error review meetings receive immediate attention. During the program error review process if it is learned that:

- ◆ There is a need for making a change in training, the trainers use this information right away when developing materials and training to improve future case actions and actions in progress.
- ◆ A specific policy or procedure contributed to an error, the program managers use the knowledge when drafting manual material.
- ◆ Quality control reviewers need guidance in an area; it is acted on right away.

The standing committee(s) also provides an opportunity for the:

- ◆ Quality control supervisors and monitors to get policy or procedure clarification, and seek input on general policy interpretation pertaining to reviews in process.
- ◆ Committee members to discuss how to use policies and quality control procedures together to craft policies for the employees' manual.
- ◆ Committee to ensure program integrity is maintained on each case.

Steps 1 and 2 of the Error Review Process

Policy: A error report may be reviewed during an error review committee meeting.

Meeting participants will be staff who are most familiar with the case. Participants may include the following:

- ◆ Income maintenance worker (if possible, the worker responsible for the case as of the date of the review),
- ◆ Income maintenance supervisor,
- ◆ Quality assurance and improvement coordinator,
- ◆ Quality control monitor, and
- ◆ Other persons, as appropriate.

The quality control monitor is responsible to facilitate the meeting. During the meeting:

- ◆ Review findings are discussed.
- ◆ Participants analyze the issues revealed in the review and try to come to agreement on their understanding of the error findings.

A second purpose of the meeting is to focus on best practices. The quality assurance and improvement coordinator will analyze the error and provide feedback.

If an agreement cannot be reached on the appropriate case action, the review will proceed to Step 3 of the error review process.

Step 3 of the Error Review Process

A meeting is held with the:

- ◆ Service area income maintenance administrator and/or supervisor,
- ◆ Quality control bureau chief and/or supervisor,
- ◆ Policy bureau chief and/or the program manager.

The purpose of the meeting is to:

- ◆ Review case findings,
- ◆ Discuss discrepancies between what the parties believe to be the correct review finding, and
- ◆ Attempt to reach an agreement.

If an agreement cannot be reached, the review will proceed to Step 4 of the error review process.

Step 4 of the Error Review Process

Case findings are discussed with the quality control panel. The quality control panel members are the:

- ◆ Administrator of the Division of Adult, Children and Family Services,
- ◆ Administrator of the Division of Field Operations, and
- ◆ Administrator of the Iowa Medicaid Enterprise.

The quality control panel has final authority in determining the review findings for the state.

NOTE: Specific case review findings for the SNAP program cannot be discussed outside of the Quality Control Bureau prior to releasing results to the USDA Food and Nutrition Service in order to maintain the integrity of the review process and prevent bias.

Report of Quality Control Review

Policy: For cases subject to review, the Quality Control Bureau will issue form 470-0451, *Report of Quality Control Review*. This form is used to let the field staff know the outcome of the review and any new information verified in the review process and to receive the corrective action response from the county office handling the case.

Comment: See [5-D Appendix](#) for information on this report.

Federal Quality Control

Legal reference: 7 CFR 275.23, 42 CFR 431.816, 45 CFR 98.101

Policy: Federal quality control staff may review a sample of state quality control reviewed cases to determine the correctness of the reviews and use a formula to calculate the state's error rate.

Record Retention

Legal reference: 7 CFR 275.4, 42 CFR 431.17, 45 CFR 98.101

Quality control records consist of samples, review schedules, worksheets, and other information supporting the review finding. Quality control retains all SNAP and Medical review records for three-years following fiscal year closure. Child Care Assistance review records are maintained for five years from the final submission of the applicable error rate report.