




# CORPORATE POLICY & PROCEDURE

	Policy Name: External Risk Response Process
Department: Compliance	Policy Number: CO21
Version: 2	Creation Date: 6/08/2020
Revised Date: 1/20/21	Review Date:
Line of Business: <input checked="" type="checkbox"/> All <input type="checkbox"/> Umpqua Health Alliance <input type="checkbox"/> Umpqua Health Management <input type="checkbox"/> Umpqua Health - Newton Creek <input type="checkbox"/> Umpqua Health Network	
Signature:  Approved By: Michael A. von Arx, CAO & Chief Compliance Officer Date: 2/9/2021 Approved By: Board Oversight Compliance Committee Date: 2/9/2021	

## POLICY STATEMENT

Umpqua Health is committed in having a robust Compliance Program that meets contractual, State, and Federal requirements. In the event it becomes known that Umpqua Health, its external personnel engage in conduct that is incongruent with regulatory requirements, Umpqua Health will assign a risk response action to remediate any deficiencies.

## PURPOSE

The purpose of this policy is to outline the risk response process, and ensure proper follow through in order to appropriately mitigate the known issue.

## RESPONSIBILITY

Compliance Department

## DEFINITIONS

Corrective Action Plan (CAP): Formal request from the Compliance Department to the department lead and executive assigned for a plan to be designed and followed to address identified deficiencies within a specified amount of time. Start time begins from the date assigned.

Date Assigned: The date the Compliance Department provides the risk response assignment to the department lead. This is the start date for all risk response assignments.

External Personnel: Individual contractors; subcontractors; network providers; agents; first tier, downstream, and related entities (FDR); and their workforce.

Notice of Opportunity (Notice): A notification sent from Compliance Department to the department lead informing her/him of a low risk deficiency that needs to be mitigated in a timely fashion.

Opportunity Plan (OP): Formal request from Umpqua Health for external parties to provide a written plan addressing the how identified deficiencies will be mitigated as soon as possible.



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**Risk Impact:** Is gauged by the level of physical injury or discomfort to patients or members; potential monetary losses (e.g. damages); degree of regulatory enforcement; magnitude of publicity, and amount of company disruption or resources needed to remedy the matter.

**Risk Response:** Corrective action measures designed to strategically mitigate the issues causing or potentially causing regulatory or contractual infractions.

## PROCEDURES

1. In accordance with Exhibit B, Parts 2, 4, and 8 of Umpqua Health Alliance’s Coordinated Care Organization (CCO) contract with the Oregon Health Authority (OHA) and 42 CFR § 438.608, Umpqua Health will engage in a multifaceted risk response process to address any deficiencies that become known to the organization.
2. Umpqua Health’s risk response process is a multilayered approach to ensure deficiencies are swiftly rectified. Mitigation of identified deficiencies may be dealt with in using the following means:
  - a. Notice of Opportunity (Notice).
  - b. Opportunity Plan (OP).
  - c. Corrective Action Plan (CAP).
    - i. 60-days to complete.
    - ii. 30-days to complete.
    - iii. ≤ 3-days to complete with contract review.
3. Identification of deficiencies may come through numerous channels, including but not limited to:
  - a. Provider audits.
  - b. Fraud, waste, and abuse audits.
  - c. External audits.
  - d. Subcontractor audits.
  - e. Investigations.
  - f. Monitoring activities.
4. In the event Umpqua Health becomes aware of processes that do not align with regulatory or contractual requirements Umpqua Health’s Compliance Department will assign a risk response to the appropriate party using one of the aforementioned methods. Appropriate parties may include independent contractors, subcontractors, network providers or other external personnel.
5. The activities of a risk response will vary depending on the issue, but some items may include:
  - a. Disciplinary actions.
  - b. Creation or revision of a policy.
  - c. Procedural changes.



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- d. Training.
- e. Recoupment of funds.
- 6. Assignment of the type of risk response is determined by the risk impact score as determined by the Risk Response Tool (RRT). The Chief Compliance Officer may, as needed, adjust the assigned risk response.
  - a. Umpqua Health’s RRT is based on the core elements of those used by the Federal Sentencing Guidelines (see the Risk Response Tool diagram).
  - b. Issues not improved through the one risk response assignment may warrant the assignment of a higher level risk response (e.g. opportunity plan assigned if no improvement after notice).
- 7. Communication with the Compliance Department is important when working on risk responses. For instance, if an unexpected barrier arises delaying the completion of a risk response, it is important to begin that discussion with Compliance as soon as it is known instead of waiting or letting the agreed upon date of completion pass.

### Risk Response Plan Development (OPs and CAPs)

- 1. The assigned party needs to ensure that the developed plan addresses the identified issues as well as any potential or existing barriers (including any needed resources).
- 2. Compliance will collaborate with the assigned party, to ensure that the plan will appropriately mitigate the matter. However, the prescribed actions and implementation of the risk response is solely the responsibility of the party assigned to the risk response.

### Required Status Updates (OPs & CAPs)

- 1. The following Risk Response Tool diagram indicates which risk responses require status updates and the frequency (i.e. Opportunity Plans and Corrective Action Plans).
  - a. It is the party’s responsibility to provide the following information in its update:
    - i. Date of update;
    - ii. Progress details of each risk response item;
    - iii. Any barriers encountered;
    - iv. Supporting documentation, as applicable; and
    - v. If extenuating circumstances necessitate an extension request.
  - b. Status updates may be provided via meetings or formal written reports. Whichever the format, updates must be provided routinely to Compliance.
- 2. Extensions may be requested through the status update process.
  - a. The Chief Compliance Officer will review requests and either approve or deny the extension. Compliance will then notify the requesting party.

### Completion and Validation of Risk Response Plans (CAPs)

- 1. Upon completion of a CAP, Compliance will engage in follow-up activities to verify that the action plan appropriately addresses the deficiency. Such actions may include:



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- a. Auditing.
  - b. Monitoring.
2. External parties should submit any supporting documentation that provides evidence of the CAP having been completed to Compliance. This will aid with Compliance’s verification process.
  - a. Documentation may be provided during status update check-ins or in between such reports if needed.
  - b. Parties do not need to wait until status update check-ins to notify Compliance that a CAP has been completed.
3. In the event a CAP does not appropriately remediate the matter or is not completed in a timely manner, the Chief Compliance Officer in consultation with members of the Executive Team (ET) and Board Oversight Compliance Committee (BOCC), may take additional actions which may include disciplinary action such as contract review, sanctions or termination.

### Subcontractor CAPs and Umpqua Health Alliance (UHA)

1. When a subcontractor delegated work on behalf of UHA is found to have deficiencies necessitating a CAP, the OHA will be engaged.
2. A copy of the CAP will be provided to OHA via Administrative Notice documenting the following:
  - a. Deficiencies;
  - b. Actions required; and
  - c. Timeframe to be completed.
3. The provided notice will be given to OHA no more than 14-days after providing the CAP to the subcontractor.
4. No more than 14-days after the stated timeframe of completion, OHA, via Administrative Notice, will be provided an update. The update will include whether the CAP was successfully completed or if the underlying deficiency still remains.
5. These CAPs (assignment, status updates, completion, and validation) will also be tracked in the Subcontractor Risk Response Log.

### Adherence to Risk Response Process

1. Failure to adhere to this policy may result in review of contract, sanctions, and/or termination.

### Corresponding Policy & Procedure

1. CO18 – Internal Risk Response Process

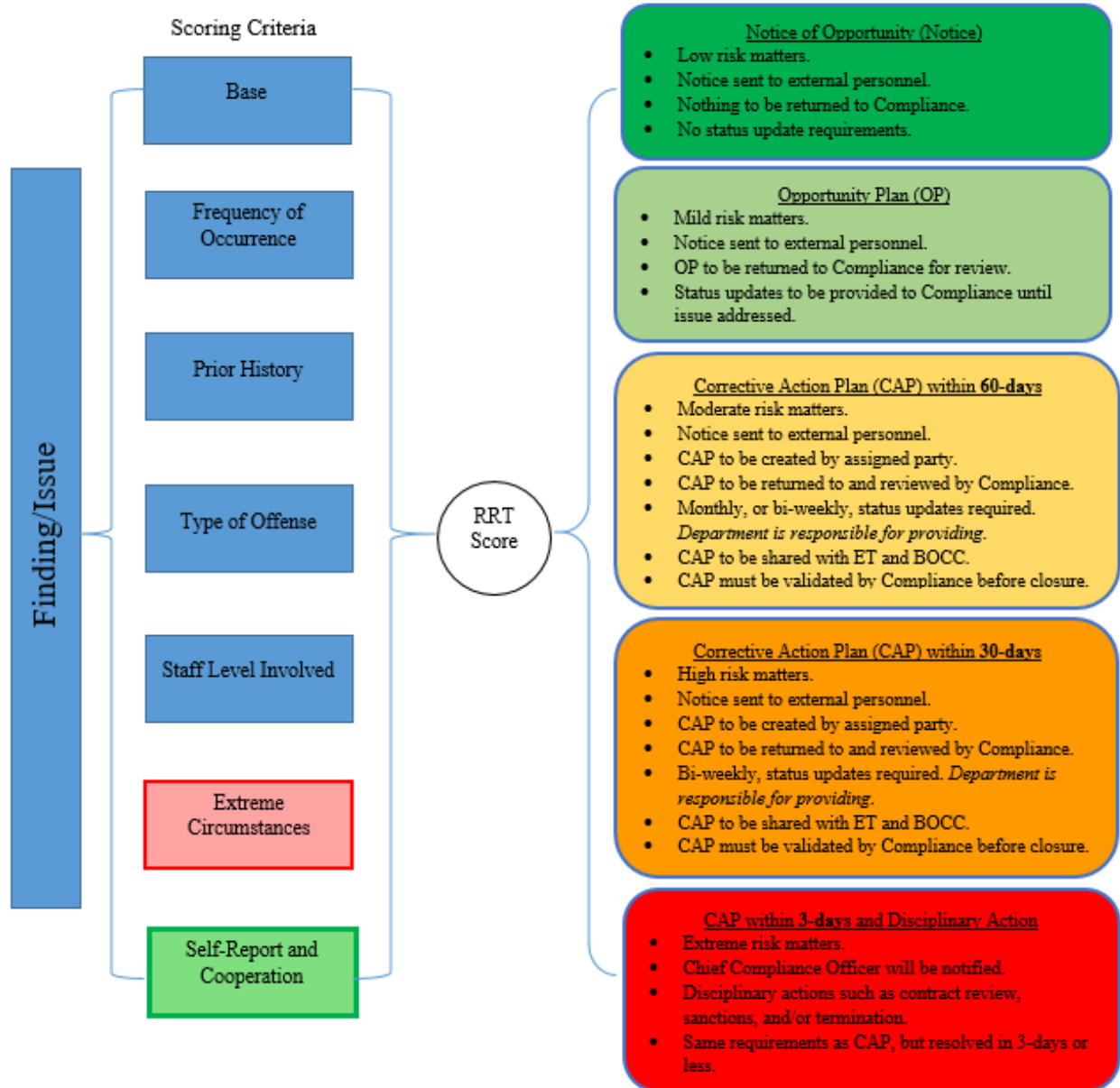
Department	Standard Operating Procedure Title	SOP Number	Effective Date	Version Number
Compliance	External Risk Response Process	SOP-CO21	6/8/20	1



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## External Risk Response Tool Diagram





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## Sample Scenarios

Vignette	Scoring	Risk Response
Health Plan receives a few complaints that NEMT drivers are discourteous and have made their own determinations about member needs.	Base: (5) Frequency: Seldom (+1) Prior History: Second (+2) Type of Offense: Regulatory Infraction without fines (+2) Staff Level: Line-level or unknown (+1) Extreme Circumstances: None (0) Self-Report/Cooperation: Cooperative when notified (-5) <b>Total Corrective Action Score: 6</b>	Notice
DCO data shows inability to see members for emergent care within 24 hours 100% of the time (KPI 94%).	Base: (5) Frequency: Seldom (+1) Prior History: First (+1) Type of Offense: Regulatory Infraction without fines (+2) Staff Level: Mid-level (+2) Extreme Circumstances: None (0) Self-Report/Cooperation: Self-reported with no corrective actions underway (-2) <b>Total Corrective Action Score: 9</b>	OP
Subcontractor Audit of credentialing practices finds that credentialing is not being done in accordance with policies and procedures. Policies and contractual requirements to be followed and policies to be revised.	Base: (5) Frequency: Ongoing (+3) - process in place and not used Prior History: First (+1) Type of Offense: Discovery before infraction (+1) Staff Level: Mid-level (+2) Extreme Circumstances: None (0) Self-Report/Cooperation: Cooperative when notified (-1) <b>Total Corrective Action Score: 11</b>	CAP 60-days
First CCO deliverable submission by NEMT results in OHA identifying deficiencies to be corrected: policies do not adhere to contract/reg; data issues; and other minor issues to fix.	Base: (5) Frequency: Seldom (+1) Prior History: First (+1) Type of Offense: CCO fined by OHA (+4) Staff Level: Mid-level (+2) Extreme Circumstances: None (0) Self-Report/Cooperation: Cooperative when notified (-1) <b>Total Corrective Action Score: 12</b>	CAP 60-days or less if required by OHA or Chief Compliance Officer (CCO).



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Vignette	Scoring	Risk Response
Through EQR HSAG identifies through sampling of claims that TPA did not process them in accordance with contract requirements as directed by Health Plan. Health Plan has ticket number showing TPA supposedly resolved issue prior to sample pulled by HSAG.	Base: (5) Frequency: Occasional (+2) - not found in all samples Prior History: Second (+2) - Prior CAP for claim processing. Type of Offense: Infraction discovery by OHA (+3) Staff Level: Exec-level (+2) - TPA not following P&Ps. Extreme Circumstances: None (0) Self-Report/Cooperation: Cooperative when notified (-1) <b>Total Corrective Action Score: 14</b>	CAP 30-days or less if required by OHA or Chief Compliance Officer (CCO).
<b>Extreme:</b> Health Plan learns subcontractor did not follow member's Mental Health Declaration which exacerbated issue. While trying to restrain agitated member, death resulted. Negative media coverage followed.	Base: (5) Frequency: Seldom (+1) Prior History: First (+1) Type of Offense: Regulatory infractions (+2) Staff Level: Exec-level (+3) Extreme Circumstances: Negative media coverage & harm (+10) Self-Report/Cooperation: Cooperative when notified (-1) <b>Total Corrective Action Score: 21</b>	Immediate corrective action (within 3-days) and contract review, sanction, or termination.
<b>Extreme:</b> Health Plan staff enticed by network provider to increase referrals to that provider's office. Health Plan staff receives under-the-table reward from network provider.	Base: (5) Frequency: Ongoing (+3) Prior History: First (+1) Type of Offense: Regulatory Infraction with fines (+4) Staff Level: Mid-level (+2) Extreme Circumstances: Criminal conduct without media exp. (+5) Self-Report/Cooperation: No self-report or overt acts of cooperation. (+0) <b>Total Corrective Action Score: 20</b>	Immediate corrective action (within 3-days) and contract review, sanction, or termination.