SMSO Policy Manual
AUTHORIZATION AUDIT AND MONITORING

Executive Sponsor: Chief Medical Officer

Issuing Department: Clinical Management

Gate Keeper: Director, HSM Clinical Management

COMPLIANCE STATEMENT:

Enforcement: All members of the workforce are responsible for compliance with this policy. Failure to abide by the requirements of this policy may result in corrective action, up to and including termination. Workforce members are responsible for reporting any observed violations of this policy.

Review Schedule: This policy will be reviewed and updated as necessary and no less than every two years.

Monitoring and Auditing: The Issuing/Collaborating Department(s) is responsible for monitoring compliance with this policy.

Documentation: Documentation related to this policy must be maintained for a minimum of 10 years.

APPLIES TO:

☒ SummaCare
☒ Summa Management Service Organization (SMSO)
☒ APEX
☒ Summa Insurance Company

LINE(S) OF BUSINESS:

☒ Commercial Groups
☒ Medicare Supplemental
☒ Off-Exchange
☒ Medicare
☒ On-Exchange
☒ Self-Funded

1.0 Purpose:

1.1 To ensure Plan is compliant with all state and federal regulatory guidelines and requirements and accreditation standards.

1.2 For Medicare Advantage (MA) members, coverage decisions follow Medicare rules and regulations pertaining to MA plans, as well as federal and state regulations, and the member's evidence of coverage (EOC) document. When appropriate, relevant current clinical guidelines, SummaCare's internal policies/procedures and drug formularies may be utilized in the absence of Medicare guidance.

1.3 For non-Medicare members, coverage decisions follow appropriate federal and state requirements and the member's evidence of coverage (EOC) document. Additionally, SummaCare's internal policies/procedures, and drug formularies are followed when appropriate.

2.0 Policy:

2.1 The Plan will audit the approval and denial processes for services subject to authorizations.

3.0 Procedure:

3.1 UM procedures for monitoring and auditing occur in a corresponding manner and include:

3.1.1 Daily monitoring of authorization approvals and denials by the UM manager or UM Audit nurse concurrently and retrospectively.

3.1.2 Monthly retrospective audits of authorization approvals and denials by the UM manager;

3.1.3 Universe and Commercial/Marketplace file auditing; and

3.1.4 Ongoing authorization volume reports

3.2 Oversight responsibility is assigned as indicated:

3.2.1 Refer to grid below;

3.2.2 Monthly reports are entered on the Compliance Dashboard for the Medicare plan and sent to the Medicare Compliance Department.

3.3 Remediation is when an issue is discovered, the manager will assign an employee to:

3.3.1 Conduct a root cause investigation;

3.3.2 If there is any identified error or deficiency, the manager will return the case to the employee who made the error to contact the member/beneficiary via phone call and/ or letter for remediation if necessary. When this occurs, the remediation that is performed is recorded on the authorization.

3.4 The monitoring will be used to identify areas for improvement. This will be accomplished by:

3.4.1 Identifying and documenting the root cause;

3.4.2 Creating and implementing an Improvement action plan; and

3.4.3 Recording a log on the issues list in addition to tracking improvement action plans for resolution.

3.5 Audit Tracking can be found on the "S Drive" - see below:

3.5.1 Q:\Clinical Management\Authorization Unit/Universal Audit Issue Log

3.6 HSM Clinical Management, has the authority and responsibility for the activities in this policy or procedure.

3.7 The Issuing Dept. is responsible for monitoring/enforcing the compliance with this policy.

4.0 References:

4.1 Source of the policy (regulatory citation, accreditation standard, internal standard)

4.1.1 CMS Standard: Medicare Managed Care Manual, Chapter 13 Parts C & D Enrollee Grievances Organization/Coverage Determinations, and Appeals Guidance : 10.4.3; Chapter 21 § 50.6 Effective System for Routine Monitoring, Auditing and Identification of Compliance Risks

4.2 Are there any references to other documents, regulations, or intranet locations?

4.2.1 None

4.3 Are there other policies that work in conjunction with this policy?

4.3.1 None

4.4 Replaces (if applicable):

4.4.1 None

5.0 Definitions:

5.1 None

6.0 Key Words or Aliases (Optional):

6.1 Authorization audit

6.2 Monitoring authorizations

ORIGINAL EFFECTIVE DATE: 7/22/2014

REVIEWED: 4/1/2016; 9/26/2016; 11/21/2016; 11/13/2017; 11/26/2018

REVISED: 4/0/2016; 0/26/2016; 11/21/2016; 11/13/2017; 0/31/2019 (format); 10/10/2023, 12/1/2023, 8/1/2024, 11/3/2025