# Table of Contents

## Introduction

- Background.............................................................................................................................................. 1
- Contents of This Manual....................................................................................................................... 1
- What’s New in This Manual .................................................................................................................. 1
- If You Have Questions About the Value Based P4P Program ............................................................. 2
- Reporting Hotline for Fraud and Misconduct...................................................................................... 2

## P4P Audit Review for Health Plans

- Modifications to the Health Plan HEDIS Compliance Audit .................................................................. 5
  - For MY 2015 Measures Only .................................................................................................................. 6

## P4P Audit Standards for POs

- Overview.................................................................................................................................................. 11
- Information System Standards .............................................................................................................. 12
  - IS 1.0 Medical Services Data ............................................................................................................. 12
  - IS 2.0 Enrollment Data ......................................................................................................................... 14
  - IS 3.0 Practitioner Data .......................................................................................................................... 16
  - IS 4.0 Supplemental Data ....................................................................................................................... 18
  - IS 5.0 Data Integration ............................................................................................................................ 20
- Measure Determination Standards ........................................................................................................ 22
  - HD 1.0 Denominator Identification .................................................................................................... 22
  - HD 2.0 Numerator Identification ......................................................................................................... 24
  - HD 3.0 Algorithmic Compliance ........................................................................................................... 25
  - HD 4.0 Outsourced or Delegated P4P Reporting Function ................................................................... 26

## P4P Audit Review for POs

- Policies and Procedures .......................................................................................................................... 29
  - Who Must Undergo an Audit Review? .................................................................................................. 29
  - Licensed Organization and Certified Auditor Qualifications ................................................................. 29
  - Audit Monitoring and Oversight .......................................................................................................... 29
  - Portability of Opinion ............................................................................................................................ 30
  - Audit Appeal and Grievance Procedures .............................................................................................. 31
  - Measure Certification ............................................................................................................................ 31
  - Advertising ............................................................................................................................................ 32
  - Revisions to Policies and Procedures .................................................................................................. 32
- The Audit Process .................................................................................................................................. 33
- The Offsite Process .................................................................................................................................. 34
  - Contract Execution ............................................................................................................................... 34
  - Roadmap Assessment ............................................................................................................................. 35
  - Core Set Measure Selection for Source Code Review ........................................................................... 36
  - Rationales for Core Set Selection ......................................................................................................... 37
  - Additional Core Set Considerations ....................................................................................................... 37
  - Manual Source Code Review ............................................................................................................... 38
  - Supplemental Data Validation .............................................................................................................. 39
  - Planning the Onsite Visit ...................................................................................................................... 43
- The Onsite Process .................................................................................................................................. 46
  - Site Visit ................................................................................................................................................ 46
  - Opening Meeting ................................................................................................................................... 46
  - Onsite Audit Methodologies ................................................................................................................ 46
  - Data Completeness Findings and Impact Determination ...................................................................... 50
  - Closing Conference and Follow-Up Documentation ............................................................................ 51
Table of Contents

The Post-Onsite and Reporting Process ................................................................. 52
  Corrective Actions and Reassessment .............................................................. 52
  Audit Results ..................................................................................................... 53
  P4P Data Submission ......................................................................................... 53
  Final Audit Report Contents ............................................................................ 54
  Other Reporting Requirements ........................................................................... 55
  Licensed Organization Information and PO-Specific Information ................... 56
  Offsite Activities ................................................................................................. 56
  Onsite Activities .................................................................................................. 57
  Audit Result Files ............................................................................................... 57

Appendices

  Appendix 1—Roadmap for Self-Reporting POs MY 2015 (PO Roadmap)
  Appendix 2—PO IS Standards Compliance Tool
  Appendix 3—Glossary
  Appendix 4—Measures in the Scope of P4P Measure Certification
  Appendix 5—Queries
Introduction
Introduction

Background

The clinical quality measures can be found in the *P4P Integrated Healthcare Association California Value Based Pay for Performance Program: 2015 Measurement Year Manual* and should be used with this document. Many of the clinical measures are adapted from the National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS), the most widely used set of performance measures in the United States. NCQA is a not-for-profit organization committed to assessing, reporting on and improving the quality of care provided by organized delivery systems.

P4P also includes an audit review to ensure that results are an accurate report of Physician Organization (PO) performance. The audit review of the clinical measures is based on NCQA’s HEDIS Compliance Audit™ program. NCQA staff have worked with P4P participants since 2003 to incorporate the relevant components of the HEDIS Compliance Audit and to adapt policies and procedures where necessary.

Because this program is an adaptation, it is not considered a HEDIS Compliance Audit, but a Pay for Performance Audit Review. This manual includes the information needed to collect, report and conduct an audit review of the clinical measures included for the P4P reporting initiative.

Contents of This Manual

- **Audit Review for Health Plans**: This section contains information on additions to the audit process for health plans reporting P4P data on behalf of POs.
- **P4P Audit Standards for POs**: This section includes the HEDIS Compliance Audit Standards that apply to the P4P data.
- **Audit Review for POs**: This section includes all components of the audit review for POs, including an overview, audit standards and a detailed description of the audit review process.
- **Appendices**: These sections contain P4P PO audit review documents, including the PO Record of Administration, Data Management, and Processes (Roadmap), a data source documentation checklist, decision point grid, IS standards compliance tool and a glossary.

What’s New in This Manual

- New language is in red font in the e-version.
- Added *Reporting Hotline for Fraud and Misconduct* section.
- Updated Supplemental Data Validation criteria.
- Updated the Activity or Milestone table in the *Offsite Process* section.
- Updated the Health plan results table in the *P4P Audit Review for Health Plans* section.
If You Have Questions About the Value Based P4P Program

Policy Clarification Support

NCQA provides different types of policy support to customers, including frequently asked questions (FAQ), Policy Updates and a function that allows customers to submit specific policy interpretation questions to NCQA staff through the PCS system. Follow these steps to access PCS.

**Step 1** Use the following link: my.ncqa.org.

**Step 2** Complete the Register section.

**Step 3** After logging in, click on. My Questions.
- To ask a new question click Ask a Question.
- Click PCS Policy/Program Clarification Support
- For Product/Program Type, click P4P – IHA Pay for Performance in the drop-down box.
- For General Content Area, select the appropriate category for your question.
- For Specific Area, scroll down and click the appropriate area, or click Not Applicable if your question type is not listed.
- Select the appropriate Publication Year, click 2016 (for MY2015) from the drop-down box.
- For Subject, type the subject of your question.
- For Question, type your question (3,000 characters or less).

**Step 4** Click Submit Your Question.

FAQs and Policy Updates

The FAQs clarify P4P specifications and are posted to the NCQA Web site (www.ncqa.org) on the 15th of each month. Select the IHA P4P product.

FAQs are also posted on the IHA Web site (http://www.iha.org/manuals_operations_2015.html).

Reporting Hotline for Fraud and Misconduct

NCQA does not tolerate submission of fraudulent, misleading or improper information by organizations as part of their survey process or for any NCQA program.

NCQA has created a confidential and anonymous Reporting Hotline to provide a secure method for reporting perceived fraud or misconduct, including submission of falsified documents or fraudulent information to NCQA that could affect NCQA-related operations (including, but not limited to, the survey process, the HEDIS measures and determination of NCQA status and level).

How to Report
- **Toll-Free Telephone:**
  - English-speaking USA and Canada: 855-840-0070 (not available from Mexico).
  - Spanish-speaking North America: 800-216-1288 (from Mexico, user must dial 001-800-216-1288).
- **Web Site:** https://www.lighthouse-services.com/ncqa
- **E-Mail:** reports@lighthouse-services.com (must include NCQA’s name with the report).
- **Fax:** 215-689-3885 (must include NCQA’s name with the report).
P4P Audit Review for Health Plans
## Modifications to the Health Plan HEDIS Compliance Audit

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Enrollment in the PO</strong></td>
<td>The Certified Auditor confirms that the health plan appropriately calculated enrollment at the PO level, as specified in the <em>P4P General Guidelines</em>. As part of this process, the auditor assesses whether the health plan accurately maintains associations between the member and the PO.</td>
</tr>
<tr>
<td><strong>Medical record data</strong></td>
<td>The Certified Auditor confirms that medical record review was not used to collect P4P data.</td>
</tr>
<tr>
<td><strong>Roadmap</strong></td>
<td>The Certified Auditor may request additional detailed information about the processes for generating measure results by PO.</td>
</tr>
<tr>
<td><strong>Core set selection</strong></td>
<td>If the health plan does not use a vendor with NCQA Certified Measures, the Certified Auditor selects a core set of measures for detailed source code review. Selection is based on many considerations, including the initial assessment of the Roadmap and a review of the previous year’s results.</td>
</tr>
<tr>
<td><strong>Source code review</strong></td>
<td>The auditor performs a manual or automated examination of the health plan’s original programming to verify that it is accurate and complete and that it complies with measure specifications.</td>
</tr>
<tr>
<td><strong>Supplemental data</strong></td>
<td>Refer to <em>Supplemental Data Validation</em> in the <em>P4P Audit for PO Review</em> section of this manual for details on validating supplemental data. P4P health plans that use audited PO supplemental data receive the audited data files, audit results and primary source verification (PSV) samples from the PO by the April deadline. The health plan receives all supporting documents for each supplemental data source (e.g., Roadmap section, file layouts, training materials) when the Roadmap is submitted to the auditor (by January 29 or at least two weeks prior to the site visit, whichever date is earlier). The PO sends the health plan all necessary documentation to support the use of supplemental data. Only health plans that participate in the P4P program may use audited PO supplemental data for their P4P and HEDIS data submissions. The PO provides the health plan with a completed Roadmap section for each supplemental data source, all applicable attachments, the auditor’s review findings and PSV results. <strong>Note:</strong> P4P health plans are not required to collect proof-of-service documents for these audited and approved PO data.</td>
</tr>
<tr>
<td><strong>Benchmarks and thresholds</strong></td>
<td>The Certified Auditor validates the reasonability of the PO data reported by the P4P health plans by:</td>
</tr>
<tr>
<td></td>
<td>• At a minimum, comparing PO rates reported in the current reporting year with rates reported in prior P4P reporting year.</td>
</tr>
<tr>
<td></td>
<td>• Comparing mean PO rates with the plan’s HEDIS administrative rates.</td>
</tr>
</tbody>
</table>
Other data checks

**General**
- Compare the ENRST denominator to total group enrollment for similarity.
- Check the PO master list to ensure that all groups are reported.
- Ensure that the rate column equals the numerator column/denominator column.
- Ensure that each rate field has five digits after each decimal and that numbers have not been rounded.
- Ensure that no rate is more than 100%.
- Compare P4P total enrollment to the total plan enrollment.
- Check each P4P ID/Sub ID file:
  - For a record for each clinical measure.
  - For ENRST.

**Measure-specific**
- *Chlamydia Screening in Women*: Ensure that the sum of the denominators and numerators of each age group is the total for the overall age group.
- Ensure that the denominator for Diabetes Care is the same for all reported numerators.
- Ensure that the sum of all PO denominators for a specific measure equals or is less than the health plan’s HEDIS eligible member population.

**Compare the following rates**
- The P4P current rate with the HEDIS current rate.
- The P4P current rate with the P4P rate in the prior year.
- The P4P current rate with the P4P NCQA plan-level percentiles and thresholds.
- *For new measures*, the P4P current rate with the prior year’s HEDIS administrative rate.

**Audit results**
The P4P Audit Review results in audited rates or calculations at the measure level and indicate if the measures can be publicly reported. All measures selected for reporting must have a final, audited result. A measure selected for reporting by a PO can receive a rate of NR if the auditor determines it is not reportable.

**For P4P MY 2015 Measures Only**

**Health plan results**
Health plan audits assess each contracted PO, indicating each measure’s suitability for data aggregation. The auditor gives a designation for the rate of each measure included in the audit, as shown in the table below.

<table>
<thead>
<tr>
<th>Rate/Result</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–XXX</td>
<td>Reportable. Reportable rate for P4P measure. The rate of 0 includes instances when the health plan calculated the rate but found that no members met the criteria specified in the denominator.</td>
</tr>
<tr>
<td>BR</td>
<td>Biased Rate. The calculated rate was materially biased. The auditor determines a result is not reportable due to material bias.</td>
</tr>
<tr>
<td>NR</td>
<td>Not Reported. The health plan did not report the measure (may only be used only for testing measures).</td>
</tr>
</tbody>
</table>

**Note**
- For measures reported as a rate, *materially biased* is any error that causes a (±/-) 5 percentage point difference in the reported rate.
- Testing measures do not require an audit result. These measures are collected but not audited.
Data submission

The final date for audited P4P data submission to NCQA’s subcontractor, TransUnion HealthCare is shown on the “Data Collection and Reporting Timeline” in the P4P General Guidelines. The timeline also shows the date when TransUnion HealthCare provides the standard format for submitting data.

The auditor approves the health plan’s data submission file to TransUnion HealthCare, including all data elements defined in the data submission file specifications.

Final Audit Opinion

At the close of the audit, the auditor renders the Final Audit Opinion, which contains an audit review statement for P4P data. The Final Audit Opinion for P4P must be submitted to NCQA no later than 30 days after the HEDIS commercial reporting deadline.

Final Audit Report

When the audit is complete, the auditor prepares a Final P4P Audit Review Report, which includes the summary report, the IS assessment and findings for all POs. The auditor submits copies of the report to the organization and to NCQA, which uses it to evaluate the audit process and to ensure that all audits are conducted according to guidelines.

The report must provide enough information for NCQA to evaluate the rates and audit results and decide if the rates and audit results are supported by the work performed. The Final Audit Opinion for P4P must be submitted to NCQA no later than 30 days after the HEDIS commercial reporting deadline.

Health Plan P4P Audit Review Statement

The template for the Audit Review Statement is below. The auditor submits this document electronically to the audit department at NCQA. There is only one Audit Review Statement for all P4P PO-level data the plan provides.
Health Plan P4P Audit Review Statement

We have examined MY 2015 submitted measures of [insert Health Plan's Name here] for conformity with the Integrated Healthcare Association Value Based Pay for Performance Program: P4P MY 2015 Clinical Measure Specifications and the P4P MY 2015 Audit Review Guidelines. Our audit planning and testing were constructed to measure conformance to the P4P MY 2015 Manual (health plan sections only) for all measures presented at the time of our audit.

This report is the [insert Health Plan’s Name here] management’s responsibility. Our responsibility is to express an opinion on the report based on our examination pursuant to the audit guidelines established in the MY 2015 P4P Manual. Our examination included procedures necessary to obtain reasonable assurance that the MY 2015 submitted measures were generated according to the P4P MY 2015 Manual and, accordingly, included procedures we considered necessary to obtain a reasonable basis for rendering our opinion. Our opinion does not constitute a warranty or any other form of assurance as to the nature or quality of the health services provided by or arranged by any of the participating Provider Organizations (PO), the adequacy of the PO information systems, or the PO policies and procedures for submission of data to the health plan.

In our opinion, MY 2015 submitted measures of [insert Health Plan’s Name here] were prepared according to the P4P MY 2015 Manual and presents fairly, in all material respects, the Health Plan’s adherence to these specifications.

We understand that if the signatures we submit below are electronic, they have the same legal effect, validity and enforceability as original signatures submitted on paper.

________________________________________  ______________________________
(NCQA-Certified Auditor)  (Date)

________________________________________  ______________________________
(Responsible Officer)  (Date)

Organization ID: _______________________________
Submission ID(s): _______________________________

Audit review work papers

In addition to the Final Audit Report submitted to NCQA, Certified HEDIS Compliance Auditors (CHCA) retain additional work papers related to the P4P audit review and make them available on request for monitoring purposes. Work papers include all relevant documentation completed, requested or reviewed during the P4P audit review.

The NCQA monitoring program includes a review of these papers and ensures adherence to program policies and procedures. All e-mail correspondence between team members, the auditor and the PO must be available during monitoring.

For a complete list of required documents, refer to HEDIS 2016 Volume 5: HEDIS Compliance AuditTM: Standards, Policies and Procedures.
P4P Audit Standards for POs
Overview

P4P Audit Review Standards for POs are derived from NCQA’s HEDIS Compliance Audit Standards, the foundation on which Certified HEDIS Compliance Auditors assess a health plan’s ability to report HEDIS data accurately and reliably. These standards represent key processes involved in P4P clinical data collection and reporting.

This section includes the standards and assessments that apply to POs that self-report the P4P clinical data, and which are a derived subset of the HEDIS Compliance Audit Standards that health plans must meet during HEDIS audits.

Standards are divided into two sections.

1. **Information System (IS) standards used in P4P Audit Review.** Because P4P clinical data depend on the quality of the PO’s information systems, the IS standards measure how the PO collects, stores, analyzes and reports medical, service, member and vendor data. A PO unable to process health care data cannot accurately and reliably report P4P clinical information.

   The standards specify the minimum requirements that information systems should meet and criteria for manual processes used in P4P clinical data collection. The audit review assesses the IS standards and ensures that the PO has effective systems information practices and control procedures for reporting P4P clinical data.

2. **Measure Determination (HD) standards used in P4P Audit Review.** The HD standards are the foundation against which auditors assess P4P clinical data compliance (i.e., if a PO adhered to specifications). The standards describe specific information that the auditor should look for, such as proper identification of denominators and numerators and verifying algorithms and rate calculations.

Auditors must take into account PO compliance with the IS and HD standards to assess P4P reporting capabilities fully. To verify compliance with these standards, NCQA requires that all applicable items be evaluated during an audit engagement.
Information System Standards

IS 1.0 Medical Services Data—Sound Coding Methods and Data Capture, Transfer and Entry

IS 1.1 Industry standard codes (e.g., ICD-9-CM, ICD-10-CM, ICD-10-PCS, CPT, DRG, HCPCS) are used and all characters are captured.

- Data submission documents and transaction files include industry standard codes with full character levels.
- Claims and encounter data entry screens allow entry of all codes and all characters.
- Data entry processors enter all codes and characters.
- Policy and procedure manuals document that codes cannot be altered or deleted and that default codes are not used or are mapped correctly.

IS 1.2 Principal codes are identified and secondary codes are captured.

- Data submission documents and transaction files differentiate principal codes from secondary codes.
- Claims and encounter data entry screens allow entry of all principal and secondary codes.
- Data entry processors enter all principal and secondary codes accurately.

IS 1.3 Nonstandard coding schemes are fully documented and mapped back to industry standard codes.

- Mapping documents show that all nonstandard codes and code systems are identified and mapped according to the requirements in the General Guidelines.
- Program code ensures that mapping documents are executed accurately.

IS 1.4 Standard submission forms are used and capture all fields relevant to P4P measure reporting. All proprietary forms capture equivalent data. Electronic transmission procedures conform to industry standards.

- Standard and nonstandard forms have policies, procedures and completion instructions to verify that all fields relevant to P4P reporting are included.
- Nonstandard submission forms include required data and capture all:
  - Codes.
  - Characters for all codes.
  - Data fields listed in the PO Roadmap for the appropriate claims system.
- Electronic file formats are consistent with industry standard forms and capture all data fields listed in the PO Roadmap for the appropriate claims system.
- Policies and procedures for submitting information on electronic forms verify:
  - The PO effectively monitors the quality and accuracy of electronic submissions.
  - Transmissions are properly controlled by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

Current Procedural Terminology © 2015 American Medical Association. All rights reserved.
IS 1.5 Data entry processes are timely and accurate and include sufficient edit checks to ensure accurate entry of submitted data in transaction files for P4P measure reporting.

- Claims and encounter data entry screens display:
  - Edit checks for parity, field sizes, date ranges, code ranges.
  - Cross checks with member and practitioner files.
  - All data fields listed in the appropriate claims section of the PO Roadmap.
- Reports for claim/encounter processing staff and hardware operations verify that the PO effectively monitors the quality, accuracy, timeliness and productivity of the entry processes.
- Flowcharts clearly describe claim and encounter processing from all sources.
- Policies and procedures and training manuals for data submission and entry ensure accuracy and completeness.
- Data transaction files confirm accuracy, including:
  - Comparison of a sample of data entry files with source documents to ensure that all data are entered and are not changed or deleted during processing.
  - Capture of denied claims for P4P reporting, if applicable.

IS 1.6 The PO continually assesses data completeness and takes steps to improve performance.

- The PO's data completeness studies help determine their impact on P4P reporting.
- Payment arrangements for all providers show their impact on P4P reporting.
- Policies, procedures and performance standards require complete submission of claims or encounter data from all practitioners to assess data completeness.

IS 1.7 The PO regularly monitors vendor performance against expected performance standards.

- Contracts with vendors confirm that the PO:
  - Requires data for P4P reporting.
  - Provides inspection and onsite auditing of data, correction and resubmission of data.
  - Has backlog control standards and procedures and enforces quality standards.
- Studies and reports are used to:
  - Determine that claim and encounter data from vendors are complete and accurate.
  - Ensure that no data are lost or modified during transfer among vendors.

Measure Certification

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
IS 2.0 Enrollment Data—Data Capture, Transfer and Entry

IS 2.1 The PO has procedures for submitting P4P-relevant information for data entry. Electronic transmissions of membership data have necessary procedures to ensure accuracy.

- Policies, procedures, log forms and training manuals for data submission ensure accuracy and completeness and verify that the PO has mechanisms for transferring information to the appropriate location within the PO.
- Forms used by employers for additions, deletions and changes—including samples of completed forms, policies, procedures and instructions for completing membership forms—ensure that all fields relevant to P4P reporting are included.
- Electronic file formats and protocols ensure capture of all data fields listed in the PO Roadmap.
- Policies and procedures for submitting and transmitting electronic information should include evidence that:
  - The PO effectively monitors the quality and accuracy of its electronic submissions.
  - Transmissions are properly controlled by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

IS 2.2 Data entry processes are timely and accurate and include sufficient edit checks to ensure accurate entry of submitted data in transaction files.

- Standard monitoring reports for all membership operations personnel—including data entry, membership processing staff and hardware operations—verify that the PO effectively monitors the quality, accuracy, timeliness and productivity of its entry processes.
- Flowcharts describe membership processing from all sources.
- Data entry processors enter all required P4P data elements.
- Data entry policies and procedures and training manuals ensure accuracy and completeness.
- Membership data entry screens have:
  - Proper edit checks for parity, field sizes, date ranges, code ranges, practitioner services by specialty and cross checks with member and practitioner files.
  - All data fields listed in the PO Roadmap.
- Data transaction files are accurate, including:
  - Comparison of a sample of data-entry files with source documents to ensure that all data are entered and are not changed or deleted during processing.
  - Comparison of a sample of electronically transmitted files with source documents to ensure that all data are transmitted and are not changed or deleted during processing.

IS 2.3 The PO continually assesses data completeness and takes steps to improve performance.

- The PO’s membership system can accommodate:
  - Changes in family status.
  - Changes in employment.
  - Changes in product line.
  - Changes in product.
  - Methods for defining coverage start and end.
  - Multiple membership status changes, including membership periods and disenrollment information.
• Policies, procedures and performance standards require:
  – Complete submission and entry of membership data.
  – Proper control of transmissions through logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

• Policies, procedures and performance standards:
  – Require complete submission of data to ancillary vendors.
  – Describe the process for submitting data to ancillary vendors and how often data are submitted.
  – Describe the data oversight process for the ancillary vendor.

**IS 2.4 The PO regularly monitors vendor performance against expected performance standards.**

• Contracts with vendors require data for P4P reporting and provide inspection and onsite auditing of data; correction and resubmission of data and backlog control standards and procedures; and enforce quality standards.

• Studies and reports show that:
  – Membership level data from vendors are complete and accurate.
  – No data are lost or modified during transfer.

**Measure Certification**

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
IS 3.0 Practitioner Data—Data Capture, Transfer and Entry

IS 3.1 Provider specialties are fully documented and mapped to P4P provider specialties necessary for measure reporting.

- Mapping documents show that all nonstandard codes and code systems are identified and mapped according to the requirements in the General Guidelines.
- Program code ensures that mapping documents are executed accurately.

IS 3.2 The organization has effective procedures for submitting P4P measure-relevant information for data entry. Electronic transmissions of practitioner data are checked to ensure accuracy.

- Policies, procedures, log forms and training manuals for data submission ensure accuracy and completeness and verify that the organization has mechanisms for transferring information to the appropriate location within the organization.
- Forms used to process practitioner additions, deletions and changes—including samples of completed forms, policies, procedures and instructions for completing the forms—ensure that all fields relevant to P4P reporting are included.
- Electronic file formats and protocols ensure capture of all data fields.
- Policies and procedures for submission and transmission of electronic information ensure:
  - The organization effectively monitors the quality and accuracy of its electronic submissions.
  - Transmissions are properly controlled by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

IS 3.3 Data entry processes are timely and accurate and include edit checks to ensure accurate entry of submitted data in transaction files.

- Standard monitoring reports for all provider operations personnel—including data entry, provider processing staff and hardware operations—verify that the organization effectively monitors the quality, accuracy, timeliness and productivity of its entry processes.
- Flowcharts describe provider processing from all sources.
- Data entry processors enter all required P4P data elements in the claims processing system.
- Data entry policies and procedures and training manuals ensure accuracy and completeness.
- Provider claims processing screens have:
  - Proper edit checks for parity checks, field sizes, date ranges, cross checks with claims/encounter and practitioner file, code ranges and practitioner services by specialty.
  - All data fields listed in the PO Roadmap.
- Data transaction files are accurate, including:
  - Comparison of a sample of data entry files with source documents to ensure that all data are entered and that data are not changed or deleted during processing.
  - Comparison of a sample of electronically transmitted files with source documents to ensure that all data are transmitted and that data are not changed or deleted during processing.
IS 3.4 The organization continually assesses data completeness and takes steps to improve performance.

- Policies, procedures and performance standards require:
  - Complete submission and entry of provider data.
  - Proper control of transmissions through logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

IS 3.5 The organization regularly monitors vendor performance against expected performance standards.

- Contracts with vendors require data for P4P reporting and provide inspection and onsite auditing of data; correction and resubmission of data and backlog control standards and procedures; and enforce quality standards.

- Studies and reports show that:
  - Practitioner-level data from vendors are complete and accurate.
  - No data are lost or modified during transfer.

**Measure Certification**

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
IS 4.0 Supplemental Data—Capture, Transfer and Entry

IS 4.1 Nonstandard coding schemes are fully documented and mapped to industry standard codes.
- Mapping documents show that all nonstandard codes and code systems are identified and mapped according to the requirements in the General Guidelines.
- Program code ensures that mapping documents are executed accurately.

IS 4.2 The PO has effective procedures for submitting P4P measure-relevant information for data entry. Electronic transmissions of data have checking procedures to ensure accuracy.
- Policies, procedures, log forms and training manuals for data submission ensure accuracy and completeness and verify that the PO has mechanisms for transferring information to the appropriate location within the PO.
- Forms—including samples of completed forms, policies, procedures and instructions for completing the forms—ensure that all fields relevant to P4P reporting are included.
- Electronic file formats and protocols ensure capture of all data fields listed in the PO Roadmap.
- Policies and procedures for collecting supplemental data specify:
  - Exclusions are not collected for previous reporting years for members with clinical conditions that can change.
  - Information obtained by the provider’s office or clinician directly from the member is entered in the medical record by the deadline established for the measure.
  - Information obtained by the provider’s office or clinician directly from the member is verified when taking a patient history.
  - Information obtained from a simple provider attestation is not used.
  - Information obtained from member surveys is not used.
  - Proof-of-service documentation is collected for all member-reported data.
- Policies and procedures for submission and transmission of electronic information:
  - The PO effectively monitors the quality and accuracy of its electronic submissions.
  - Transmissions are properly controlled by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.

IS 4.3 Data entry processes are timely and accurate and include edit checks to ensure accurate entry of submitted data in transaction files.
- Standard monitoring reports for all personnel—including data entry, provider processing staff and hardware operations—verify that the PO effectively monitors the quality, accuracy, timeliness and productivity of its entry processes.
- Flowcharts describe data from all sources.
- Data entry processors enter all required P4P data elements.
- Policies and procedures and training manuals for data entry ensure accuracy and completeness.
- Data entry screens have:
  - Proper edit checks for parity checks, field sizes, date ranges, cross checks with claim/encounter and practitioner files, code ranges and practitioner services by specialty.
  - All data fields listed in PO Roadmap.
• Data transaction files are checked for accuracy, including:
  – Comparison of a sample of data entry files with source documents to ensure that all data are entered and are not changed or deleted during processing.
  – Comparison of a sample of electronically transmitted files with source documents to ensure that all data are transmitted and are not changed or deleted during processing.

**IS 4.4 The PO continually assesses data completeness and takes steps to improve performance.**

• Policies, procedures and performance standards require:
  – Complete submission and entry of data.
  – Proper control of transmissions by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs to ensure that all data are received.

• Contracts with vendors require data for P4P reporting and provide inspection and onsite auditing of data, correction and resubmission of data and backlog control standards and procedures.

• Policies, procedures and performance standards require reconciliation of data between the originating system and the repository.

**IS 4.5 The PO regularly monitors vendor performance against expected performance standards.**

• Documentation acquired by the PO shows that the responsible agency has reasonable processes in place for data collection and accuracy.

• Studies and reports show that:
  – Data from vendors are complete and accurate.
  – No data are lost or modified during transfer.

**Measure Certification**

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
IS 5.0 Data Integration—Accurate P4P Reporting, Control Procedures That Support P4P Reporting Integrity

IS 5.1 Nonstandard coding schemes are fully documented and mapped to industry standard codes.
- Mapping documents show that all nonstandard codes and code systems are identified and mapped according to the requirements in the General Guidelines.
- Program code ensures that mapping documents are executed accurately.

IS 5.2 Data transfers to P4P repository from transaction files are accurate.
- Standard monitoring reports for all operations personnel, including IS staff, and hardware operations verify that the PO effectively monitors the quality and accuracy of its processes.
- Flowcharts describe data from all sources.
- Data source identifiers are clear and documented.
- P4P repository data entry and data transfer processes produce the intended result.
- Policies and procedures document building, maintaining, testing and reporting for the P4P reporting repository.
- Data samples from transaction files are compared with the P4P repository to ensure accurate procedures for populating the repository.
- P4P repository edits lists explain all edit failures.
- Electronic file formats and protocols ensure capture of all data fields.
- Policies and procedures for submission and transmission of electronic information show:
  - The PO effectively monitors the quality and accuracy of its electronic submissions.
  - Transmissions are properly controlled by logs, record count verification, redundancy checking receipts, retransmissions and sign-offs.
- Training materials and procedure manuals for operator staff ensure accuracy and completeness.

IS 5.3 File consolidations, extracts and derivations are accurate.
- P4P repository data manipulation programs and processes produce the intended result, including programs that consolidate information from multiple transaction files.
- Flowcharts describe data from all sources.
- Data source identifiers are clear and documented.
- Mechanisms link data across all data sources to satisfy P4P data integration requirements.
- Data entry screens show all data are captured.

IS 5.4 Repository structure and formatting are suitable for P4P measures and enable required programming efforts.
- The repository design ensures that it can accommodate analysis that produces P4P results.
  Documents available for review include:
  - Record and file formats.
  - Descriptions for entry and intermediate files.
  - Data source identifiers.
IS 5.5 Report production is managed effectively and operators perform appropriately.

- Policies, procedures and dated job logs govern the production process.
- Report run controls are reviewed by operators.

IS 5.6 P4P measure reporting software is managed properly with regard to development, methodology, documentation, version control and testing.

- P4P repository manuals cover the application system development methodology, database development and design, and the decision support system used to validate proper controls.
- Report documentation, including code review methodology and testing, meets industry standards.
- Programming specifications, work flow diagrams, data sources and diagrams or narrative descriptions meet industry standards.
- A list of measures indicates the programmer responsible for each measure.

IS 5.7 Physical control procedures ensure P4P measure data integrity such as physical security, data access authorization, disaster recovery facilities and fire protection.

- P4P repository computer operations and system security schemes, documentation and procedures ensure that data are not compromised by physical security, data access authorization, disaster recovery procedures, power failures, fire or smoke.
- Adequate copies of the repository and documentation are maintained.
- Policy, procedures and log forms for monitoring control, security hardware functions, hardware activities, back-ups, recovery, archiving, capacity, physical states and access are available for review.

IS 5.8 The PO regularly monitors vendor performance against expected performance standards.

- Contracts with vendors require data for reporting and provide inspection and onsite auditing of data; correction and resubmission of data; and enforcement of quality standards.
- Studies and reports show that:
  - Data and results from vendors are complete and accurate.
  - No data are lost or modified during transfer.

Measure Certification

If the certified measure vendor maintains a repository, documents describing the repository structure are included with the PO Roadmap. The analysis of measure code is tested as part of the Measure Certification program.

If the PO uses P4P Certified Measures℠, this information is included in the vendor’s portions of the PO Roadmap. The PO and auditor must discern that the appropriate version of the certified measure was used to produce P4P results.
Measure Determination Standards

**HD 1.0 Denominator Identification**

**HD 1.1 Members and service events are correctly categorized into member subgroups.**

- Code and program flowcharts ensure accurate calculation of:
  - Age.
  - Age range.
  - Gender.
  - Product.
  - Product line.
  - Enrollment determination date.
  - Newborns.

- Member-level files ensure accuracy:
  - Comparison of a sample of member-level files with source documents to ensure that all data are correctly processed.

**HD 1.2 Relevant medical and service events are correctly considered in terms of time and services.**

- Code and program flowcharts ensure that they:
  - Adhere to the P4P time frame requirements for periods of membership.
  - Properly identify events that require linking visit codes, procedure codes and practitioner type codes.
  - Properly identify events that require matching claim/encounter and pharmacy data.
  - Properly identify claim/encounter-dependent events.
  - Use all the correct clinical codes.
  - Include all members in the denominator, whether or not they had services.
  - Include all model types and practitioners in the measures and a correct count.

- Member-level files ensure accuracy:
  - Comparison of a sample of member-level files with source documents to ensure that all data are correctly processed.

**HD 1.3 Membership parameters and continuous enrollment are computed as defined by P4P.**

- Code and program flowcharts ensure that the software:
  - Adheres to the P4P time frame requirements for periods of membership.
  - Determines continuous enrollment in the specified period, including any allowable gaps in enrollment followed by reenrollment.
  - Tracks member enrollment history, separate coverage periods, change in ID numbers, change in relationship to subscriber and change in product or product line.
  - Provides a complete and unduplicated count of member months and other membership variables.
  - Properly assigns members to products and product lines for reporting.

- Member-level files ensure accuracy, including:
  - Comparison of a sample of member-level files with source documents to ensure that all data are correctly processed.
Measure Certification

If the PO uses P4P Certified Measures\textsuperscript{SM}, the auditor should review the vendor’s Certification Report. The auditor should not review the denominator identification logic for measures with a Pass status.

If any measure received a Fail status, the auditor must evaluate the process used by the PO or vendor to produce the results. The auditor must review all source code associated with measures not included in the Certification Report.
Measure Determination Standards

HD 2.0 Numerator Identification

HD 2.1 Claims or encounter, membership, practitioner and vendor data are analyzed properly in the assessment of numerator qualifications.

- Program code and program flowcharts ensure:
  - Compliance with specified time frames for medical and service events.
  - Accurately computed multiple numerator events.
  - Use of correct clinical codes.
  - Evaluation of correct time periods for numerator events.

- Member-level files ensure accuracy, including:
  - Comparison of a sample of member-level files with source documents to ensure that all data are correctly processed.

- Code and program flowcharts ensure:
  - Identification of specified medical and service events (e.g., diagnoses, procedures, prescriptions, volume of calls).

Measure Certification

If the PO uses P4P Certified Measures\textsuperscript{SM}, the auditor should review the vendor’s Certification Report. The auditor should not review the numerator logic for measures that received a \textit{Pass} status.

If any measure received a \textit{Fail} status, the auditor must evaluate the process used by the PO or vendor to produce a numerator.

The auditor must review all source code associated with measures not included in certification.
HD 3.0 Algorithmic Compliance

HD 3.1 Rate calculations are arithmetically correct and precise.
- Code and program flowcharts ensure accurate:
  - Computation of row and column totals.
  - Computation of percentages.

HD 3.2 Rates are accurately entered into the data submission tool.
- Numerator and denominator counts are accurately entered into the submission tool.

Measure Certification

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
HD 4.0 Outsourced or Delegated P4P Reporting Function

HD 4.1 If the PO delegates any aspect of P4P data collection or reporting to an external vendor, vendor data meet all applicable NCQA P4P Compliance Audit standards.

- Materials for all previous IS and HD standards ensure that the vendor complies with standards.
- Contracts ensure:
  - Communication of quality standards.
  - Data submission is required on a timeline consistent with P4P reporting.

HD 4.2 The PO regularly monitors vendor performance against expected performance standards.

- Studies and reports:
  - Determine if the PO reviews vendor performance against quality and timeliness standards.
  - Ensure that no data are lost or modified during transfer among vendors.
  - Ensure that vendor errors and deficiencies are addressed completely and in a timely manner.

HD 4.3 If aspects of P4P data collection or reporting are delegated to multiple vendors, the PO coordinates vendor activities to safeguard the integrity of P4P data.

- Flowcharts determine if the data flow among vendors will impede accuracy or timeliness of the P4P report.

HD 4.4 The PO works with the vendor to get preliminary and final rates according to the audit timeline.

Measure Certification

The auditor is required to assess compliance with this standard. No item is affected by Measure Certification.
P4P Audit Review for POs
Policies and Procedures

Who Must Undergo an Audit Review?

Any organization that produces P4P data must undergo a P4P Audit Review. Licensed Organizations contracting with a health plan or PO ensure that NCQA’s requirements are met. Health plan and PO requirements and responsibilities are listed in Integrated Healthcare Association California Value Based Pay for Performance Program: P4P 2015 Measurement Year Manual.

Licensed Organization and Certified Auditor Qualifications

NCQA has a licensing program for organizations interested in conducting HEDIS Audits and a certification program for individual auditors. NCQA posts lists of Licensed Organizations and Certified Auditors on its Web site under Program Contact Information.

Audit Monitoring and Oversight

To ensure the continued success of the audit program, NCQA administers a monitoring program that gives constructive feedback to Licensed Organizations and Certified Auditors. This program helps improve and evolve the practices of Certified Auditors and Licensed Organizations.

Program goals

- Ensure that audits are conducted in a manner consistent with NCQA specifications, standards and policies and procedures.
- Ensure that the rigor of audits is consistent across all Licensed Organizations and Certified Auditors.
- Identify opportunities for improvement (design and implementation).

Performance categories:

NCQA evaluates the consistency of audit practices across organizations and auditors by observing individual Certified Auditors as they conduct Audits at health plans and POs and reviewing work papers for evidence that audits conform with NCQA methodology and documentation standards. NCQA assesses performance by Certified Auditors and Licensed Organizations in five major categories.

1. Pre-Audit
   Audit strategy, team selection, preparation and initial assessment.

2. IS Assessment
   Evaluation of systems and processes used to collect and report P4P measures.

3. Measure Compliance and Preliminary Rate Review
   Determination of compliance with P4P technical specifications and evaluation of preliminary rates.

4. Reporting
   Conclude audit findings and final rate review for rendering a final audit opinion.

5. Work Papers
   Documentation and evidence that support the audit activity and decisions in four major areas: offsite, onsite, post-onsite and overall audit effectiveness.
NCQA focuses on:

- Client communication.
- Roadmap assessment.
- Core set selection and source code review strategies (when appropriate).
- Information systems assessment.
- P4P determination evaluation.
- Documentation of issues and resolution.
- Follow-up documentation.
- Submission tool validation.
- Final Audit Reports.

Licensed Organizations receive an annual monitoring report from NCQA that identifies areas of achievement and areas for improvement, and are required to submit a Corrective Action Plan (CAP) to NCQA for all identified areas of improvement.

NCQA may also monitor the quality and satisfaction of the Audit Program through a survey provided to audited health plans and POs after each reporting cycle. Organizations rate their Licensed Organization on various aspects of the audit process, and the findings are used in ongoing evaluation of Licensed Organizations and audit standards and guidelines.

**Portability of Opinion**

Because accountability at the measure level is crucial to maintaining audit integrity, NCQA allows an audit result rendered by one Licensed Organization to be used in another Licensed Organization’s opinion without further review.

NCQA does not allow the portability of audit opinions at the process level (i.e., IS review); therefore, one Licensed Organization’s assessment of vendor information systems is not transferable to another Licensed Organization.

**Confidential communication**

Communications other than the PO’s data submission file and the Certified Auditor’s Final Audit Report to NCQA are confidential and are known only by the PO and the Certified Auditor. The auditor’s working papers are the property of the Licensed Organization and are subject to review by NCQA under the Audit Monitoring Program. NCQA may disclose additional information to third parties if it determines that the PO misrepresented Audit Review results.

**Disclaimer**

NCQA bears no responsibility for any use by third parties of the Final Audit Report or other information concerning the PO released as provided herein, or for any effect of such release on the PO.
Audit Appeal and Grievance Procedures

**Licensed Organization’s responsibility**

The Licensed Organization has an appeals process that gives organizations the opportunity to file a complaint or appeal an audit result it has issued by the Licensed Organization. The written appeal process is submitted to NCQA for approval as a condition of licensure, and the Licensed Organization conducts all appeals in compliance with the approved appeal process. Any changes to the appeal process must be approved in advance by NCQA.

The Licensed Organization informs the audit client that changes in rates resulting from an appeal may not be eligible for resubmission to NCQA for inclusion in NCQA’s reporting products or accreditation, due to publication timelines and other submission deadlines set by third-party stakeholders, including CMS.

The Licensed Organization notifies the NCQA director of Measure Validation, in writing, within two business days of the filing of:

- A complaint against the Licensed Organization.
- A complaint against an auditor employed or directly contracted by the Licensed Organization to perform audits.
- An appealed measure result.

The Licensed Organization investigates and responds in a timely manner not to exceed 14 calendar days from filing. It informs NCQA of the investigation’s progress and notifies NCQA of the outcome and the nature of any corrective action.

NCQA may investigate a grievance filed with NCQA regarding the actions of the Licensed Organization or a Certified Auditor. The Licensed Organization agrees to cooperate fully in any investigation by NCQA and to institute corrective actions deemed necessary resulting from an investigation. A substantiated grievance may result in termination of the organization’s license or the auditor’s certification.

Measure Certification

POs and health plans that self-report clinical measures may find value in using a vendor whose measures are certified by NCQA.

If the PO or health plan uses P4P Certified Measures^SM, the auditor reviews source code only for measures that are not certified. Measure Certification does not include the testing measures. If the PO or health plan reports testing measures, it has the option of including the measures in the audit process.

If the PO or health plan does not use P4P Certified Measures, the auditor reviews source code for a core set of P4P measures. The core set should include, or be augmented to include, measures that represent P4P reporting. In addition, the auditor reviews all additional steps, especially the attribution of results to individual POs and workarounds used to generate the P4P measures.

The Certified Auditor must review each vendor’s certification report and determine that the unique identifier on the report matches the unique identifier loaded into the P4P data submissions files for each measure.

Vendors who will participate in the MY 2015 measure certification testing process are listed on the NCQA Web site[^1]. The MY 2015 certified measures will be available no later than April 1, 2016.

[^1]: [http://www.ncqa.org/Portals/0/Vendor_List.pdf](http://www.ncqa.org/Portals/0/Vendor_List.pdf)
Advertising

Following completion of an audit, the PO may use the NCQA audit seal to market itself as having completed a NCQA Audit Review. Refer to the Advertising and Marketing section in the P4P Integrated Healthcare Association California Pay for Performance Program: 2015 Measurement Year Manual.

Revisions to Policies and Procedures

At its sole discretion, NCQA may amend its Policies and Procedures, appeal and grievance procedures or any other audit program policy.
The Audit Process

The P4P Audit Review process includes all parts of the HEDIS Compliance Audit that are relevant to POs reporting P4P clinical data. There are three key parts to the audit review; each is described in detail in the following sections.

- **Offsite Process:**
  - Contract Execution.
  - Roadmap Completion.
  - Core Set Selection.
  - Supplemental Data Validation.
  - Site Visit Planning and Conference Calls.

- **Onsite Process:**
  - Onsite Visit.
  - Follow-Up Documents.

- **Post Onsite and Reporting:**
  - Documents and Corrective Actions.
  - Audit Results.
  - Data Submission.
  - Final Audit Report.
The Offsite Process

During a P4P Audit Review, many tasks are completed away from the PO’s location. The audit preparation phase includes all activities that occur before the onsite visit, such as contracting with a Licensed Organization, negotiating a timeline, reviewing the PO Roadmap and planning the onsite visit. Other offsite tasks include core set selection, source code review and supplemental data validation. The sections in this chapter follow the same order as typical audit’s offsite activities:

- Contract Execution.
- Roadmap Assessment.
- Core Set Selection.
- Site Visit Planning and Conference Calls.
- Supplemental Data Validation.

**Contract Execution**

**Select an NCQA-Licensed Audit Organization**

The first activity in audit preparation is contract execution. This phase includes executing the contract with all the necessary ancillary agreements (e.g., HIPAA business associate agreements, confidentiality and conflict of interest documents) and negotiating a timeline. The organization selects and contracts with an NCQA Licensed Organization to conduct the audit. All Licensed Organizations employ or contract with Certified Auditors and select an audit team for the organization. NCQA lists Licensed Organizations on its Web site (www.ncqa.org).

*Note: NCQA recommends that the contract and all ancillary agreements be executed by December of the measurement year.*

**Negotiate a timeline**

During the contracting phase, the PO and the Licensed Organization negotiate an audit timeline. To guide this negotiation, NCQA has set completion dates for several audit milestones.

*Note: If milestones such as the Roadmap receipt date, the supplemental data stop date or data submission deadlines are missed, the organization might not have sufficient time to respond to the auditor’s requested corrective actions, and measures could be at risk for not being reportable. Auditors should work carefully with key staff members, including organization executives, if milestone events are not met.*
PO contracts with an NCQA-Licensed Organization. | December 1, 2015
---|---
PO submits the completed current year’s Roadmap to the auditor. | January 15–29, 2016*

*The auditor must receive the Roadmap by January 29 or at least two weeks prior to the site visit, whichever date is earlier.

Auditor selects core set of noncertified measures for code review. | February 12, 2016
---|---
Auditor receives vendor’s final certification report and measure identifiers, or organization submits completed source code for auditor review (for noncertified code). | March 1, 2016

Supplemental Data Collection Deadline. Organization completes and stops all nonstandard and member-reported supplemental data collection and entry. No exceptions! Failure to meet this deadline could result in inability to use supplemental data to report rates. | February 15, 2016 | March 1, 2016

Supplemental Data Validation Deadline. Auditor finalizes approval of all supplemental data for POs. Primary Source Verification (PSV) for nonstandard and member-reported supplemental data must not occur prior to February 15 unless the PO finished all supplemental data processes, collection and entry. No exceptions! | March 15, 2016

Supplemental Data Validation Deadline. Auditor finalizes approval of all supplemental data for health plans. Primary Source Verification (PSV) for nonstandard and member-reported supplemental data must not occur prior to March 1 unless the health plan finished all supplemental data processes, collection and entry. No exceptions! | March 1, 2016

Supplemental Data to Health Plans: P4P health plans receive the audited supplemental data files and audit results from the PO. | March 31, 2016

Onsite visits completed. | April 29, 2016

Preliminary rate review feedback completed. This date is the latest when this review should happen. NCQA encourages preliminary rate review to take place earlier in the audit process. | May 2, 2016

Auditor Locked P4P Results: Self-reporting POs and health plans submit auditor-locked P4P clinical results to TransUnion HealthCare. Health plans must submit results for all clinical measures for each contracted PO with a signed P4P Consent to Disclosure Agreement. | May 9, 2016

Questions and Appeals Period: IHA works with POs and Health Plans to address any data issues or questions related to quality results. Plans and POs may submit an appeal during this time. | May 25–June 15, 2016

Appeals Hearing: The P4P Appeals Panel reviews and decides on all appeals to change quality results, if needed. | June 22, 2016

Resubmission of Auditor-Locked P4P Results: Self-reporting POs and health plans submit auditor-locked P4P clinical results to TransUnion HealthCare, if needed. | June 29, 2016

Licensed Organizations submit Final Audit Reports to NCQA. | July 15, 2016

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Roadmap Assessment

The Record of Administration, Data Management and Processes (Roadmap) is a comprehensive document auditors use to review information about the PO’s systems for collecting and processing data to produce measure reports. The Roadmap also describes the operational and organizational structure of the PO. It includes detailed questions about all audit standards and is used by auditors to plan the onsite visit.

NCQA requires organizations to give the auditor a current year’s PO Roadmap every year (the MY 2015 PO Roadmap must be submitted for MY 2015; a copy of the MY 2014 Roadmap is not acceptable). It the PO does not provide the information, the auditor must obtain it. The PO submits a current signed copy of the attestation every year after the Roadmap is complete. (An electronic version is acceptable).
The Attestation may not be signed and submitted until the entire Roadmap is complete, including attachments and requests for outstanding documentation. This means the Attestation might not be submitted by the Roadmap submission deadline. Work with your auditor to determine when it is appropriate to sign and submit the attestation.

The PO Roadmap is the basis for the Certified Auditor’s assessment of compliance with audit standards. The auditor uses the PO Roadmap and its supporting documentation for initial assessment. The auditor may not delete any items in the Roadmap, but may include additional questions.

**Timing**

The auditor uses the completed PO Roadmap to:

- Plan onsite activities.
- Select the core set of measures, if applicable.
- Identify areas that require further clarification.

### Core Set Measure Selection for Source Code Review

The Certified Auditor examines and approves public reporting for each measure in the organization’s report. Because of the large number of measures and the detailed level of assessment, NCQA designed a source code review method for properly selecting a core set of measures as a way to project the findings from the review to the remaining measures.

If the organization uses P4P Certified Measures, the auditor does not select a core set of measures, but must review all measures not included in the certification program and any measure that failed certification that the organization intends to report. Measures not included in certification that do not have source code, should be reviewed for proper reporting processes. Refer to Appendix 4 for a list of measures included in the certification program.

The auditor evaluates the information in the Roadmap, the organization’s previous measure results and standard programming features to select a set of measures that represent the organization’s unique system for measure reporting.

**Note:** Selecting the core set is the sole responsibility of the auditor; the organization may not help select the core set.

The organization supplies the source code and the auditor reviews it for compliance and its impact on measure results. The measures selected for the core set may contain characteristics or programming features common to a group of measures:

- Complex continuous enrollment criteria.
- Complex code mapping handled in software.
- Identifying exclusions.

Although the source code review focuses on programming issues, the auditor may also select measures based on data issues.
### Rationales for Core Set Selection

**Programming issues**
- The organization had programming problems in the previous year.
- Complex programming is required for the measure.
- Complex routines are required for different measure calculations (e.g., CE, MM).
- This is a new measure that should be reviewed.
- This is an existing measure with significant changes.
- This represents all programmers, internal and external.
- This involves hard-coded changes vs. updating a reference table.
- The rate or the denominator is an outlier.
- Changes were made to the report production.
- Product line variations should be reviewed.

**Data issues**
- The organization receives and incorporates vendor data.
- The Roadmap indicates possible incomplete data.
- Code mapping should be reviewed.
- The organization implemented a system conversion.
- The rate or denominator is an outlier.
- Varied organization demographics should be reviewed.
- Data integration should be reviewed.
- Changes to report production should be reviewed.
- Incentives are offered for measure rate performance.

### Additional Core Set Considerations

**P4P core set composition**
The P4P core set must have a minimum of 9 P4P measures from any domain. If the organization reports fewer than 9 measures, the auditor must review the source code for all P4P measures.

The Certified Auditor works with the organization to determine a schedule for the core set review process.

**Core set expansion**
The auditor bases the selection of core set measures on the organization’s processes and Roadmap responses, but it may be necessary to revise the core set during the onsite visit, when measures that require detailed assessment of organization processes are identified more readily.

The auditor may review additional measures to ensure that findings for related measures are consistent, based on findings during the onsite visit.

*Note: The core set may be revised or expanded at any time during the audit.*
Manual Source Code Review

Manual source code review is the process of examining original programming to verify that it is accurate and complete and that it complies with the specifications. The Certified Auditor does not have to perform the review, but the reviewer should be proficient in programming languages, knowledgeable about the organizations systems and familiar with measure specifications and guidelines. The audit team is responsible for reviewing and confirming the accuracy of source code for all calculations (denominator, numerator and algorithms) for each measure in the core set.

The following processes may be reviewed for each measure, as shown below with examples of information reviewed.

 Processes  
- Determine eligible members based on criteria such as age, gender, dates, clinical indicators and membership.  
- Examine use of date ranges or date of birth (DOB).  
- Identify codes used for gender, usually alpha (M/F) or numeric (0/1).  
- Verify specificity of coding, use of proprietary codes and timing.  
- Determine if sufficient data are available, and their effect on reporting (e.g., under-reporting the denominator).  
- Validate continuous enrollment in the physician organization.  
- Determine how family status, plan membership, product line/product or other changes affect membership identification.  
- Verify that the system tracks multiple termination and effective dates for members in the PO and for multiple health plans.  
- Verify logic used to compare multiple termination and effective dates to determine the length of coverage and length of lapses in coverage.  
- Examine the date on which the continuous enrollment period begins.  
- Verify membership by product lines/products and by plan.  
- Verify members who satisfy the numerator event.  
- Verify dates of service by reviewing computer printouts, paper copies of claims/encounters or microfilm.  
- Ensure that global fee services are documented with actual dates of service.  
- Verify specificity of coding, use of proprietary codes and timing of codes.  
- Examine documentation showing that services are actually rendered and not only authorized or prescribed.  
- Examine documentation that describes how the measure (or part of the measure) is collected, if calculated by the vendor.  
- Identify how members are tracked from vendor classifications to PO classifications.

Source code process  
To ensure that the reviewer can perform a thorough assessment of source code, the organization provides:  
- Flowcharts.  
- Software documents explaining the programming logic and design.  
- Input and output file layouts and field descriptions.  
- Input and output counts.  
- Run logs.
The source code review process can be completed in one of two ways:

1. The Certified Auditor analyzes the code independently, before or after the onsite review, and communicates perceived discrepancies to PO staff.

2. The Certified Auditor examines source code with PO staff during the onsite visit.

The first approach saves time, but may result in more questions if the reviewer does not fully understand the PO's systems. The joint review may be more efficient if it can be completed during the onsite visit.

An advantage to code review is that it allows the reviewer to quickly and easily determine if certain tests have not been performed. Verifying that the code properly checks for continuous enrollment may be difficult, but it is easy to ascertain if it tests the proper age range or performs a required gender test. Similarly, exclusions based on clinical codes can be readily determined.

Viewing a program sequence does not ensure that the code was executed properly. The examined code may have been bypassed either partially or completely. The auditor ensures that the program was run as specified. One way to test the code is to rerun it against the original files, which requires a file freeze of the P4P clinical data repository. Another way is to run the code against a test file prepared by the auditor, in the format of the expected input file. If the subset is small, the auditor can select a subset of the total file (before the denominator extract) and hand-check the results.

An alternative is to prepare a set of data (a test deck) with known results, modify the PO's program to read it and compare program results with expected results.

The auditor completes a Decision Point Grid for each measure to document that measure elements have been checked and verified.

The source code review can have one of three results:

1. Agreement that the code produces the intended and appropriate output.

2. Questions about aspects of the code that require programmer review and possible job reruns.

3. Determination that the code is inadequate and must be rewritten before the results can be accepted.

**Supplemental Data Validation**

Supplemental data validation is an important component of the audit. The auditor confirms that all supplemental data used by the organization for P4P reporting meet audit standards for sound processes and that the data are accurate. The auditor works with the organization to set appropriate interim milestones to ensure supplemental data deadlines are met.

All supplemental data are subject to annual audit review, and the audit differs only in the degree of review required. There are three distinct categories of supplemental data for the purpose of the audit:

- Standard supplemental data.
- Nonstandard supplemental data.
- Member-reported supplemental data.

The auditor conducts separate validations for each source of supplemental data, including reviewing policies, procedures, data file formats and quality control processes. The auditor determines to which category supplemental data belong and communicates this to the organization.
The auditor reviews Section 4 of the Roadmap to ensure that the provider, agency or other organization responsible for the data has reasonable processes in place for data collection and accuracy. In particular, the auditor confirms that the file layout requires all data elements needed for the measures affected (i.e., date of service, provider identification, diagnosis and service codes). The auditor evaluates the policies and procedures for collecting, managing, mapping, importing and reporting the data.

The organization and the auditor analyze the impact each supplemental data file has on reported P4P rates. Analysis is complete by the May data submission deadline and can be done in a variety of ways, including, but not limited to:

- Review measure rates before and after loading each supplemental data file.
- Comparing of numerator counts for each measure to determine the gain from supplemental data.

All standard supplemental data are electronic and require minimal intervention to load. Files are in a standard layout with standard codes. No free-text fields are permitted for P4P calculations. Data mapping or data joins (e.g., converting a provider identifier to a specialty code) are clearly documented.

In addition to the tasks for "all supplemental data," the auditor examines the contents of all supplemental data files. Auditors are not required to conduct primary source verification (PSV) to check accuracy and validity of data obtained from standard files, but may do so.

In addition to the tasks performed for "all supplemental data," the auditor:

1. Evaluates the credentials, training and quality control oversight of the organization's staff who build or maintain nonstandard supplemental data. The auditor ensures that:
   - Training sessions are complete and consistent with specifications.
   - Forms or tools and instruction materials collect data elements according to the specifications.
   - Rater-to-standard or interrater reliability quality control testing protocols, standards and reports support reporting.
   - Data abstraction tools and instructions meet audit standards.
   - Guidance for translating free text to standard codes complies with clinical coding standards and P4P specifications.
   - Data entry or uploading processes for adding nonstandard supplemental data to the repository are correct.

   Additional steps to complete the evaluation are at the auditor’s discretion.

2. Ensures that data come from acceptable sources.

3. Conducts PSV every year, without exception, on all nonstandard and member-reported files. Validation of supplemental data, including PSV, may not be performed before all of the following conditions are met, and they must be documented:
   - It is after December 1 of the measurement year.
   - The Roadmap has been submitted (each Section 4 is complete).
   - Supplemental data collection has stopped on or by the deadline*.

*Refer to the P4P Audit timeline for the current year’s date. For some tasks, the requirements differ for POs and health plans.
PSV requires the following steps:
- The organization finishes collecting the data and closes the files for input.
- The auditor creates a random, systematic or stratified sample using acceptable statistical methods.
  - Random samples may be generated in Excel.
  - Systematic samples may be selected with a skip interval.
  - Stratified samples may be used to ensure that all types of events are included in the sample, when a more random method would likely omit low-volume events.
  - All samples are auditor selected. Although the organization's sample may not be used, any PSV record that overlaps with records in the auditor's sample may be used.
- The auditor gives the list of sampled events to the organization, and the organization submits the proof-of-service (POS) documentation for each event.

The auditor performs PSV using the POS supplied for each event in the sample and determines:
- That the source of POS is acceptable as described in the P4P Manual.
- That the POS document was created before January 1 of the reporting year.
- That the POS document contains all the elements required for the measure.
- That the POS document contains appropriate and correct data elements (e.g., dates, procedure, diagnosis, provider information, member information).
- That there were no errors (e.g., mapping strategies were based on standard codes, there were no exclusions for conditions that may change).

### POS examples

<table>
<thead>
<tr>
<th>Proof-of-Service Documents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laboratory and radiology reports.</td>
</tr>
<tr>
<td>Sections of the member’s legal health record showing service or assessment.</td>
</tr>
<tr>
<td>Must be recorded, signed and dated by the rendering provider.</td>
</tr>
</tbody>
</table>

### Sample sizes for nonstandard supplemental data

The sample size for nonstandard supplemental data validation must be sufficient to assess the accuracy of the information. The sample sizes in the table below are minimums for nonstandard supplemental data files.

<table>
<thead>
<tr>
<th>Number of Events in File</th>
<th>Minimum Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–400</td>
<td>16 events</td>
</tr>
<tr>
<td>401–999</td>
<td>5%</td>
</tr>
<tr>
<td>≥1,000</td>
<td>50 event</td>
</tr>
</tbody>
</table>
Sample sizes for member-reported supplemental data

The sample size for member-reported data must be sufficient for the auditor to assess the accuracy of the information. The sample sizes in the table below are minimums for member-reported supplemental data files.

<table>
<thead>
<tr>
<th>Number of Events in File</th>
<th>Minimum Sample Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–30</td>
<td>100%</td>
</tr>
<tr>
<td>31–199</td>
<td>30 + 10% of remaining events</td>
</tr>
<tr>
<td>≥200</td>
<td>50 events</td>
</tr>
</tbody>
</table>

For example, if the member-reported supplemental data contains 104 events, the auditor selects a sample of at least 37 events for PSV.

For nonstandard and member-reported supplemental data

The database may not be used if the organization does not give the auditor access to POS documentation for the selected events in a timely manner or if there is no evidence that POS documents were collected for all member-reported supplemental data. Missing POS is counted as an error and no substitutions are permitted.

If a PSV critical error is found in two events, the auditor may take one of two actions:

- If the errors are considered isolated, request another sample to ensure there are no other instances. If no more errors are found, the samples pass.
- If the errors are considered pervasive, permit the organization to demonstrate that the errors can be removed or remedied and request another sample to ensure the corrections were made. If no more errors are found, the samples pass.

If additional review finds one or more errors, the auditor fails the supplemental data source.

If the auditor determines that the supplemental data source is materially biased, the validation fails. Supplemental data that do not pass all audit steps by the deadline may not be used to calculate P4P rates. Organizations may wait to load nonstandard and member-reported data until PSV is complete and the source is approved. Work paper documentation lists all validation steps.

Timeline requirements

...for member-reported and nonstandard supplemental data

Data collection stops on or before the required PO or health plan deadline*. The organization works with the auditor to select the sample and approve charts by the deadline*.

...for standard supplemental data

The auditor works with the organization to review and approve these data files by the deadline*.

...for PO supplemental data used by P4P health plans

P4P health plans that use audited PO supplemental data receive the audited data files, PSV results and audit results from the PO by the deadline*. The health plan receives all supporting documents for each supplemental data source (e.g., Roadmap section, file layouts, training materials) when the Roadmap is submitted to the auditor (by the deadline*). The PO sends the health plan all necessary documentation to support the use of supplemental data.

*Refer to the P4P Audit timeline for the current year’s date. For some tasks, the requirements differ for POs and health plans.
Portability of audit findings

Only health plans that participate in the P4P program may use audited PO supplemental data for their P4P and HEDIS data submissions. The PO must provide the health plan with a completed Roadmap section for each supplemental data source, all applicable attachments, the auditor’s review findings and PSV results.

P4P health plans are not required to collect POS documents for audited and approved PO supplemental data. Refer to the P4P Audit Review Guidelines released in November 2015.

Auditor approval summary

To share the audited and approved PO supplemental data results with the health plan auditor, auditors must create an approval form to provide the PO to share with health plans using their data. Forms must be signed by the PO auditor and saved as a PDF file before they are sent to the PO. At a minimum, the following items must be addressed in the forms before the P4P health plan auditor can accept the PO auditor’s supplemental data approval:

1. Data source.
2. Classification of data source (Standard, Nonstandard, Member-reported).
3. Measures/indicators that the data source was approved for reporting.
4. PSV performed and results.
5. Data source approval status (pass, fail).
6. Number of records in or size of the data source.

Note

- Medical records collected as a part of supplemental data validation may be destroyed after the NCQA monitoring visit.

Planning the Onsite Visit

The onsite audit team

After an initial PO Roadmap review and core-set selection, the auditor forms the onsite audit team. Two team members are recommended for the onsite visit; one must be a Certified HEDIS Compliance Auditor (CHCA). Team member selection is based on the unique characteristics of the entity being audited. Auditors on the team have a mix of skills:

- P4P knowledge.
- Data modeling skills.
- Claims experience.
- Information systems experience.
- Programming experience.
- Interviewing skills.
- Merger or acquisitions knowledge.
- Data warehousing experience.

The lead auditor may base team structure on the number and type of locations that require onsite visits. Depending on the size and type of system to be reviewed, NCQA requires enough individuals for complete interviews and thorough system review and documentation, with the CHCA serving as the team leader. At least one CHCA is required per PO site visited.

Audit kick-off discussions

After the audit team is organized (early in the year or HEDIS season), the lead auditor meets with the organization (in person, by phone or through Web presentation) to introduce the audit team, discuss each team member’s qualifications and disclose any work experience that could conflict with the audit.
The auditor selects the onsite visit locations, identifies offsite issues and makes offsite requests (e.g., source code and supporting documentation for the core set measures or noncertified measures) and discusses changes from previous years. The audit team discusses the onsite agenda, resolves issues and ensures availability of the requested documentation and staff.

NCQA recommends that a single-location onsite visit last from one to two days. Additional days may be necessary for multiple-location visits. The audit team must develop an agenda that satisfies these requirements, addresses audit risk areas and accommodates the PO.
Sample Onsite Agenda

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>9:00–9:15 a.m.</td>
<td><strong>Introductions and Overview of Audit Process</strong></td>
</tr>
<tr>
<td></td>
<td>• Review objectives and agenda.</td>
</tr>
<tr>
<td></td>
<td>• Review audit process.</td>
</tr>
<tr>
<td>9:15–9:30 a.m.</td>
<td><strong>Overview of Physician Organization</strong></td>
</tr>
<tr>
<td></td>
<td>• Management structure.</td>
</tr>
<tr>
<td></td>
<td>• Contracting arrangements.</td>
</tr>
<tr>
<td>9:30–10:00 a.m.</td>
<td><strong>Overview of P4P Reporting Process</strong></td>
</tr>
<tr>
<td></td>
<td>• Timeline, staff responsibilities.</td>
</tr>
<tr>
<td></td>
<td>• Measures and methods of calculation.</td>
</tr>
<tr>
<td></td>
<td>• Data sources.</td>
</tr>
<tr>
<td>10:00–11:00 a.m.</td>
<td><strong>Claims/Encounter Data System and Processes</strong></td>
</tr>
<tr>
<td></td>
<td>• Policies and procedures.</td>
</tr>
<tr>
<td></td>
<td>• Forms and coding.</td>
</tr>
<tr>
<td></td>
<td>• Data entry and flow.</td>
</tr>
<tr>
<td></td>
<td>• Claims/encounter processing system walkthrough.</td>
</tr>
<tr>
<td>11:00–11:30 a.m.</td>
<td><strong>Data Completeness</strong></td>
</tr>
<tr>
<td></td>
<td>• Factors that impact data completeness.</td>
</tr>
<tr>
<td></td>
<td>• Methods for estimating data completeness.</td>
</tr>
<tr>
<td>11:30 a.m.–12:00 p.m.</td>
<td><strong>Lunch</strong></td>
</tr>
<tr>
<td>12:00–12:30 p.m.</td>
<td><strong>Eligibility/Membership Data System and Process</strong></td>
</tr>
<tr>
<td></td>
<td>• Overview of eligibility/membership processing and procedures.</td>
</tr>
<tr>
<td></td>
<td>• Membership system walkthrough.</td>
</tr>
<tr>
<td>12:30–1:30 p.m.</td>
<td><strong>Supplemental Data</strong></td>
</tr>
<tr>
<td></td>
<td>• Overview of Supplemental Data sources used.</td>
</tr>
<tr>
<td></td>
<td>• Policies and procedures.</td>
</tr>
<tr>
<td></td>
<td>• Data accuracy and completeness.</td>
</tr>
<tr>
<td></td>
<td>• Primary source verification.</td>
</tr>
<tr>
<td></td>
<td>• Impact on rate.</td>
</tr>
<tr>
<td>1:30–2:30 p.m.</td>
<td><strong>Information Systems/Decision Support Systems</strong></td>
</tr>
<tr>
<td></td>
<td>• Data warehousing/creation of P4P data repository.</td>
</tr>
<tr>
<td></td>
<td>• Development of source code.</td>
</tr>
<tr>
<td></td>
<td>• Incorporating ancillary and vendor data.</td>
</tr>
<tr>
<td></td>
<td>• Data control/security procedures.</td>
</tr>
<tr>
<td>2:30–4:15 p.m.</td>
<td><strong>Detailed Measure Review</strong></td>
</tr>
<tr>
<td></td>
<td>• Preliminary rate review.</td>
</tr>
<tr>
<td>4:15–5:00 p.m.</td>
<td><strong>Conclusion</strong></td>
</tr>
<tr>
<td></td>
<td>• Present findings from site visit.</td>
</tr>
</tbody>
</table>
The Onsite Process

Site Visit

The onsite visit, a required part of the audit process, allows the auditor to investigate issues identified in the PO Roadmap and observe systems used to collect and produce measure data. An onsite visit can take up to four days and is conducted by an audit team. At least one CHCA must be present to lead the onsite visit; other team members do not need to be CHCAs. The auditor is required to keep a dated attendance sign-in sheet from the onsite visit.

The audit team interviews PO staff members; reviews the PO’s information system structure, protocols and processes; and reviews the organization’s measure-specific data collection processes with the staff responsible for measures selected. The team concludes the onsite visit with a closing session that shares initial findings and additional documents or corrective actions needed.

Opening Meeting

The opening meeting introduces the audit team to the PO staff in charge of P4P development and reporting and gives the PO an opportunity to present an overview of the entire P4P data collection process.

The members of the audit team explain how they conduct a P4P Audit Review. They reiterate the audit’s purpose, the scope of the work, the required documentation, the interviews and tests they will conduct. Before the end of the meeting, interviews may be scheduled and the CHCAs receive or request additional information.

Onsite Audit Methodologies

The CHCA assesses the ability of the PO systems and processes to produce reliable P4P results, and the extent to which the PO staff has accurately interpreted the P4P clinical specifications. The auditor uses several tools and techniques, discussed below.

Discussions

Throughout the onsite visit, the audit team interviews PO staff to gain insight into the accuracy and reliability of the P4P results. Members of the audit team may also accompany a staff member to another site where information is processed, or communicate via conference call with the staff located off site.

On site, the auditor verifies responses in the PO Roadmap and interviews staff members who are familiar with the PO’s information systems and involved in the P4P data collection process. All interviewees must sign and date a sign-in sheet to indicate their participation in the audit.

<table>
<thead>
<tr>
<th>Discussion Topics and Recommended PO Personnel to Be Interviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>P4P team leader</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Quality improvement director</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Information systems (services)</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Operations management director</strong></td>
</tr>
</tbody>
</table>
Interview questions

Interviews are tailored to the PO’s P4P data production environment and issues raised by the PO Roadmap; they are not a review of the entire Roadmap.

- What coding methods are used and what degree of specificity is maintained?
- Is proprietary coding used? If so, how is it mapped to standard codes?
- On what forms are clinical data captured and what formats are used for the delivery vehicle?
- How are data delivered to the PO and what are the proportions by delivery type (electronic, mail, courier, fax)?
- How are data manipulated to produce the P4P repository from the entry or transaction files?
- What are the procedures for file and system back-up, access security, power protection, system upgrade and system modification?

Primary source verification

This task confirms the validity of the source data described in the PO Roadmap. The auditor examines all paper forms and other input media (e.g., claims/encounters, practitioner credentialing documents, EDI protocols) used to collect P4P data.

The review verifies that the information from the primary source matches the output information used for P4P reporting. The review addresses content and format and traces the movement of data from the originating source to the P4P clinical repository to assess accuracy and completeness. This process is especially appropriate for electronic transmission of primary source data.

The auditor reviews the processes used to input, transmit and track the data, confirm entry and detect errors. For example, an answer in the PO Roadmap may state that all claims contain certain data (e.g., codes and dates) and the procedure manual may state that the data is required. The data entry process may provide for it and the data entry system may require it, but a review of actual claim forms may disclose that the data are often not submitted and replacement codes are used when the data are not present.

Forms and data to review

Forms data (including electronic submissions or EDI) that typically contain P4P-relevant data and which should be reviewed include:

- Practitioner claims and practitioner encounters.
- Prescription data.
- Registry or other supplemental data.
- Claims log (receipt and mailed payment tracking).
- Lab result forms or files.
- Supplemental data forms.

Process review

The PO documents the processes for collecting, storing and reporting data. The auditor reviews the process and explores the POs methods for ensuring that policies and procedures are followed, focusing on the integrity and completeness of the data required for P4P. It is critical to document incentives for perform procedures properly.

Documentation processes and forms might not change from year to year. For initial audits, or in years where there are system or process changes, NCQA requires the auditor to review all applicable documentation. For subsequent audits, the auditor may exercise discretion when systems and processes have not changed. The auditor may observe certain procedures during the onsite visit; for example:

- Instructions and forms for submitting member-level information regarding enrollment additions, deletions and changes.
  - Documents specify data required to open and update records, and problems resulting from noncompliance.
• Instructions and procedures for collecting and entering credentialing and other practitioner-level data.
  – Instructions and procedures specify data required to open and update records, and problems resulting from noncompliance.

• Training and procedure manuals for claims and encounter, membership and practitioner data entry staff.
  – Documents describe objectives, methods and processes; how performance is monitored and measured and how proper execution is rewarded.

• Manuals for application system development methods, database development and design and decision support system use.

• Procedures for monitoring hardware function, capacity, physical state and access.
  – Log forms for all hardware activities, including back-up, failure response and recovery and system optimization techniques that clearly describe the data required and do not allow routine execution.

System or program review

To ascertain the accuracy of data in a file, the auditor must understand the systems and programs that govern the entry, transfer, editing and manipulation of the data. The PO supplies documents describing how particular computer systems or computerized files operate. Computer processes can be described in different ways, including text, code and flowcharts. Electronic files can be described by text, file layouts and data dictionaries.

Because NCQA requires auditors to review relevant systems and processes during an onsite visit, the auditor must review and understand data and systems-oriented documents, for example:

• Record file formats and descriptions for entry, intermediate and repository files that contain the information necessary for the auditor to perform a file scan and understand the results of the scan.

• Documentation for data receipt, entry, transfer and manipulation, showing how programs interact with the operations, if documentation is explicit about user options and program paths.

• Flow charts describing data flow and the systems involved.

• Descriptive documents of third-party code; date of receipt, including procedure, diagnosis and revenue codes, and other codes.

• Control system documentation, including logs, flow charts and codes for back-up, recovery, archiving and other control functions.

• Documentation of system upgrades and changes, including:
  – Project plans.
  – Project milestones.
  – Impact studies.
  – Test plans.
  – Test activity.
  – Results.
  – Sign-off.

The auditor carefully records all PO documentation received and examined, and includes the record with the Final Audit Report. It may be necessary in the reporting
process to refer to documents examined by the auditors and to pinpoint evidence sources by document and section or subsection.

Observation

The auditor observes a process to ascertain the reliability and accuracy of reported information and whether procedures are followed through assessment of data entry or other data manipulation:

- Data entry of membership updates, claims or encounters and practitioner data.
  - The auditor confirms that all mandatory fields are entered with complete coding.
- Claims operations that may have overrides and exceptions and require explanations if they occur.
- Computer operations and system security plans.
  - The auditor confirms that prescribed procedures are followed.

During the observation process, the auditor follows a systems operator through receipt and entry or processing of several types of source data and documents whether the operator adheres to procedural guidelines.

The auditor has a prepared observation guide for each process and interviews the operator about the routine. The auditor may also use the observation guide to verify that all procedures ensure data integrity and may ask a claims processor to perform the following tasks:

- Enter the required fields.
- Enter as many diagnosis codes as the system will accept.
- Enter procedure codes to the maximum number of digits.

The auditor should also observe situations where data are processed inaccurately or incompletely. While observing the claims process, the auditor may ask the claims processor to:

- Enter an incomplete member number.
- Process the claim without a provider ID.
- Enter an inconsistent member diagnosis combination (e.g., male and cervical cancer).

NCQA requires the onsite audit team to observe onsite the systems and processes necessary to ensure compliance with IS and HD standards. At a minimum, the audit team ensures that all systems and processes used to produce P4P measures are verified and understood.

Data file content review

The auditor also examines data files, and may review and validate a number of file types to verify that the data are stored and processed properly and can be manipulated to produce accurate results; for example:

- Transaction files created to contain clinical events, membership and practitioner changes.
- Intermediate files created by extracts, queries and analysis applications.
- P4P repository files (i.e., input to P4P-measure computation programs).
- Denominator files for P4P measures.*
- Sample files randomly selected from denominator files.*
- Numerator files based on administrative data.*

*This step is optional for NCQA-Certified Measures.
The first three file types listed above are related to the IS standards because they are associated with preserving the integrity of the data in the P4P repository. The auditor confirms the integrity of files for all categories. Review methods depend on file type; potential for corruption; complexity of the programs that build and update the files; and file access capability. By examining the file layouts, the auditor determines if certain fields are missing, for example:

- Multiple practitioner locations.
- Multiple practitioner specialties.
- Number of prior membership segments.
- Prior membership ID.

**File content examination**

- Request transaction file output and compare to a sample set (e.g., 20 or 30 records) of source documents. Compare the data entry result to the entry documents’ content for completeness, accuracy and format.
- Request a query to scan a file and produce a record whose contents match a given source document. Repeat this process for 20 or 30 records to compare a source document to a transaction file.
- Study the process that manipulates transaction files to produce an integrated repository record. Access a sample of repository records and look in the transaction files for data sources that support the final integration result.
- Simulate the actions that create numerator and denominator files by running queries against their predecessors. Because the programs producing the files may be complex, the auditor may run a query with some of the criteria and confirm that the output contains all records that resulted from a more rigorous filter. For example, the auditor might use age and sex criteria only to build a query and to confirm that the output has a related denominator file as a subset.
- Test for reasonableness (e.g., membership data by age and gender).
- Review third-party data. Examine documentation that describes how the measure (or part of the measure) is collected, if calculated by the vendor. Identify how members are tracked from vendor classifications to PO classifications.
- Verify codes used to identify members who meet the P4P criteria (denominator or numerator).
- Verify adherence to small eligible population guidelines.

**Data queries**

- Run data queries to track specific cases from point of origin to final measure result. Refer to Appendix 5 for query requirements and examples.

**Data Completeness Findings and Impact Determination**

Before the onsite visit, the CHCA reviews the PO Roadmap and identifies possible areas of concern. During the onsite component of the audit, the auditor assesses the PO’s claims lag and encounter data submission rates, along with studies on data completeness that the PO may have performed. Data completeness issues must be quantified, and any Biased Rate (BR) designation must be supported by a determination of material bias.

NCQA and IHA provide the auditor with commercial and Medicare P4P audit means and percentiles, to conduct reasonability assessments of the initial and final measure results calculated by the PO. An audit designation of BR should not be assigned to a measure whose rate is either well below or well above the mean rate, without further investigation of data completeness concerns.
For assessment of data completeness, NCQA and IHA provide the auditor with enrollment ratios of eligible members to product line. As with the means and percentiles, the auditor does not assign $BR$ to a measure whose enrollment ratio is significantly above or below the mean enrollment ratio whether data completeness issues affect the measure rate.

**Closing Conference and Follow-Up Documentation**

At the conclusion of the onsite visit, the audit team prepares a written summary of the visit and conducts a closing conference to discuss preliminary findings and follow-up items.

Within 10 business days of the onsite visit, the auditor sends written confirmation of the initial findings conveyed in the closing conference, giving the organization reasonable time to review and respond. Initial findings documents contain:

- A list of unresolved questions and deficiencies found in the Roadmap during the visit, with corrective actions and their completion dates.
- A list of additional documents needed to complete the Roadmap or the onsite visit, with submission dates.
- The auditor's conclusions and preliminary assessments, with supporting evidence.
- The affect that these items have on data collection and reporting, specifying measures at risk.
- A timeline for finalizing the audit.
The Post-Onsite and Reporting Process

The nature of post-onsite work depends on the outcome of the onsite visit. While onsite, the CHCA usually finds issues that the PO can resolve before the Final Audit Report is issued. The auditor reviews and re-audits the corrective actions and determines if they justify a change in the initial findings or audit results. The audit team sends the audit results to the PO and NCQA in the reporting phase of an NCQA P4P Audit Review.

Corrective Actions and Reassessment

| Improving accuracy and reliability | The post-onsite phase may be an iterative process in which the PO responds to requests and the auditor incorporates the PO’s documented comments and corrective actions, as appropriate. After the last review of materials forwarded by the PO, the auditor approves the final rates and results and produced the Final Audit Report. For some measures initially assessed BR, the PO can follow the auditor’s recommendations to improve the accuracy and reliability of the reported rate. The auditor reviews the documents showing that the PO made the improvements and that the P4P measure rate accurately reflects performance. Corrective actions may include:
| - Change software programs.
| - Recalculate rates.
| - Repeat file extracts with logic or parameter changes.
| - Modify documents to match onsite findings.
| - Initiate a new procedure and review its impact on reporting-year results.

The PO and the auditor agree on a completion date for corrective actions, usually at least two weeks before data submission. On or before the completion date, the PO gives the results, supporting documentation and comments to the auditor, who determines whether modification is necessary. If the PO declines to revise a noncompliant methodology, the auditor determines whether noncompliance affects reporting and designates the measure as BR. This information and the recommendations are included in the Final Audit Report. If the PO does not take corrective action and noncompliance does not significantly bias accuracy or comparability, this is noted and included in the Final Audit Report.

| Review for sufficient corrective action | To determine if a corrective action is sufficient, the auditor reviews:
| - Written or electronic documentation of revised numerator and denominator data and other data used in P4P determinations.
| - Undocumented verbal communication or statements made by the PO.
| - Revised programming logic used in measurement computation.
| - The primary data source (e.g., claims or encounter form, or summarized claim detail forms).
| - Other primary data sources that affect the PO’s data and algorithmic integrity.

**Note:** To meet the P4P data submission deadline, all follow-up activities and corrective actions must be completed two weeks before the data file submission to TransUnion HealthCare.
Audit Results

PO results For self-reporting POs, audit results indicate the suitability of each measure for public reporting. The auditor approves the rate or result of each measure included in the audit, as shown in the table below. Additional instructions for data submission are:

<table>
<thead>
<tr>
<th>Rate/Result</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>0–XXX</td>
<td>Reportable. The rate of 0 includes instances when the PO calculated the rate but found that no members met the criteria specified in the denominator.</td>
</tr>
<tr>
<td>BR</td>
<td>Biased Rate. The calculated rate was materially biased. The auditor determines a result is not reportable due to material bias.</td>
</tr>
<tr>
<td>SD</td>
<td>Small Denominator. The PO calculated the result but the denominator was too small to report a valid rate (denominator between 1 and 29 members).</td>
</tr>
<tr>
<td>NB</td>
<td>No Benefit. The health plan did not offer the health benefit required by the measure (e.g., pharmacy).</td>
</tr>
<tr>
<td>NR</td>
<td>Not Reported. The PO did not report the measure.</td>
</tr>
</tbody>
</table>

Note

- If the denominator for any measure is 0, the result should be 0, BR, NB or NR. A rate of 0 indicates that the PO calculated the measure, but found that no members met the criteria specified for the denominator.
- For measures reported as a rate, materially biased is any error that causes a (+/-) 5 percentage point difference in the reported rate.
- Testing measures do not require an audit result. These measures are collected but not audited.

P4P Data Submission

Final Audit Opinion At the close of the audit, the auditor renders the Final Audit Opinion, which contains an Audit Review Statement, and submits it to NCQA 30 days after the P4P reporting deadline.

Data submission file (rates and results) IHA registers all P4P POs in November to determine their intent to self-report clinical measures, and provides information on data submission responsibilities to all self-reporting groups.

In January, IHA provides POs with a standard file format for submitting data. The file includes numerators, denominators, rates and audit results.

In May, the auditor signs off on the PO’s data submission file to TransUnion HealthCare, which includes all data elements defined in the data submission file.

Final date for submission The final date for audited P4P data submission to TransUnion HealthCare is the P4P reporting deadline listed in “Data Collection and Reporting Timeline” in the General Guidelines section of Integrated Healthcare Association California Pay for Performance Program: P4P 2015 Measurement Year Manual.

P4P PO Audit Review Statement The template for the P4P PO Audit Review Statement follows. The auditor submits this document electronically to the audit coordinator at NCQA.
P4P PO Audit Review Statement

We have examined the 2015 submitted measures of [insert PO name] for conformity with the MY 2015 P4P Manual. Our audit planning and testing was constructed to measure conformance to the MY 2015 P4P Manual for all measures presented at the time of our audit.

This report is the [insert PO name] management’s responsibility. Our responsibility is to express an opinion on the report based on our examination. Our examination included procedures to obtain reasonable assurance that the submitted 2015 Performance Report presents fairly, in all material respects, the PO’s performance with respect to the P4P MY 2015 Physician Organization Manual. Our examination was made according to P4P Manual and, accordingly, included procedures we considered necessary to obtain a reasonable basis for rendering our opinion. Our opinion does not constitute a warranty or any other form of assurance as to the nature or quality of the health services provided by or arranged by the PO.

In our opinion, the 2015 submitted measures of [insert PO name] was prepared according to the MY 2015 Physician Organization Manual and presents fairly, in all material respects, the PO’s performance with respect to these specifications.

We understand that if the signatures we submit below are electronic, they have the same legal effect, validity and enforceability as original signatures submitted on paper.

(NCQA-Certified Audit Reviewer)  (Date)

(Responsible Officer)  (Date)

Organization ID: ________________________________

Submission ID(s): _______________________________
P4P REPORT CONTENTS

| Licensed Organization | • Licensed Organization name.  
|                       | • Licensed Organization address.  
| Audit Team Information | • Name of auditor responsible for audit.  
|                       | • Role in audit.  
|                       | • Dates of involvement.  
|                       | • Years of audit experience.  
| PO Information        | • PO name.  
|                       | • Organization address.  
|                       | • Organization and submission IDs.  
|                       | • Name and title of contact responsible for reporting.  
|                       | • Name and e-mail address of contact who receives the P4P Seal.  
| Audit Information     | • Scope of the audit indicating the measures reported.  
|                       | • Audit timeline with actual dates.  
|                       | • Auditor strategy and considerations (optional).  
| Supplemental Data     | • List of all supplemental data files and types.  
|                       | • Intended measure use.  
|                       | • Audit activities and approval status for each data source.  
|                       | • Indication that the organization did not use any supplemental data.  
| Source Code Review    | • Vendor used, if applicable.  
|                       | • Core set selected and results, if applicable.  
|                       | • Source code review results.  
|                       | • Results and rationales for the P4P measures.  
|                       | • A summary of the auditor’s findings from the “Describe Impact on P4P Reporting Capability” column in Appendix 2: PO IS Standards Compliance Tool. The auditor assesses PO performance on each IS standard.  
| Final Audit Opinion   | • Final Audit Statement.  
|                       | • A copy of audit results and associated rates.  

Other Reporting Requirements

CHCAs must retain all work papers, including the Final Audit Report submitted to NCQA.

NCQA recommends that POs and Licensed Organizations retain audit documentation for three years. At a minimum, work papers must include the documents listed below.

The Licensed Organization maintains protected health information (PHI) through the monitoring visit and the timeframe allowed to appeal results. After that period, the Licensed Organization may destroy PHI but must maintain all other work papers for at least three years. If PHI documents are needed during the three-year period, the Licensed Organization must retrieve them from the client.

Note

- All Licensed Organizations are required to provide either:
  - Access to their full e-mail system, or
  - All clients’ e-mails, collected in a client folder and loaded into an Adobe PDF file, with links and attachments enabled.
Licensed Organization Information and PO-Specific Information

- Current PO and Licensed Organization information:
  - Organization name, address, primary contact, additional audit participants’ names and titles.
  - Audit team members, titles, skills and audit responsibilities, auditing and consulting history or relationship between the Licensed Organization and the PO or any PO affiliates for the past three years.
  - Copies of all current audit contracts or letters of intent, including contracts with independent auditors.

- An audit timeline that includes negotiated and actual dates for at least:
  - Opening meetings or conference calls.
  - Receipt of PO Roadmap.
  - Offsite data requests and subsequent deliveries.
  - Onsite visits for each location.
  - Offsite activities such as source code review, document review, conference calls.
  - Follow-up documentation to the PO.
  - PO responses.
  - TransUnion HealthCare submissions by the PO to the Licensed Organization.
  - Final TransUnion HealthCare submissions.

- Audit correspondence (e-mail):
  - All correspondence among team members.
  - All correspondence between auditors and the PO.

Offsite Activities

- The PO Roadmap papers:
  - The PO Roadmap executed by the organization and vendor, if applicable.
  - A paper or electronic copy of the Roadmap Attestation, with the appropriate signature and date.
  - Auditor notes from reviewing the PO Roadmap, including all preliminary issues and items to discuss before or during the onsite visit.
  - All requested documents.
  - All documents received from the PO (before the onsite visit) and auditor’s notes and analysis for each, including if the issue is resolved or under discussion.

- Source code review:
  - If the PO does not use a vendor with certified measures, or for measures not covered under certification, the auditor’s review notes (including reviewers, location, work dates and level of effort) and source code review reports for:
    - Repository creation and extraction programs.
    - Denominator identification, including separate review of systems for determining continuous enrollment and member-month calculations sampling algorithms.
    - Numerator algorithms.
  - Core set selection documents, including rationales and results.
  - A completed auditor’s Decision Point Grid for each measure, referencing applicable HD standards and comments on the compliance with each standard.
  - For plans with certified measures, an auditor’s Decision Point Grid for each measure not covered in the Measure Certification Report.
  - Certified Measure vendor’s Final Measure Certification Report, if applicable.
Documents that validate activities for the certified measures where the Certified Measure vendor status was Fail.

- Supplemental database findings:
  - A complete list of all databases, including type, process, measures affected, applicable incentives, issues and findings.
  - Source code (if appropriate).
  - Source code review results.
  - Policies and procedures documents.
  - Data mapping and integration assessment.
  - Sample files with format and content information (samples only).
  - Primary source verification notes, results and records or documentation that PSV was performed onsite (e.g., case number, result) so it can be re-created, if necessary.

- Query results.

**Note:** Documentation and data collected for PSV, including PHI, should be kept as part of the Certified Auditor’s work papers through the monitoring visit and audit appeal deadlines. After the monitoring visit, PHI may be destroyed, but all other documentation must be kept for at least three years.

- Interim versions of the IS standards compliance tool.

- Audit correspondence (e-mail):
  - Key correspondence among team members.
  - Key correspondence between auditors and the PO.
  - All announcements from vendors to clients pertaining to measure certification.

**Onsite Activities**

- A participant sign-in sheet, including the participant name, the date and the location. Onsite participants must sign and date the sheet; participants who phone in may be listed and indicated as such.

- A complete record of onsite activities, including agenda, participants, and supplements to the PO Roadmap.

- Comprehensive interview and demonstration notes or tools with participants, dates and times of sessions, other participants present during sessions and any issues discovered during the session.

- A summary of the visit, including follow-up documentation and follow-up requirements with target dates.

- Interim versions of the IS standards compliance tool with preliminary audit findings (indicate measures at risk).

- Copies of documents collected onsite; photos or scanned versions are acceptable. Alternatively, onsite papers may be uploaded to the PO’s FTP site, and clearly marked as pertaining to the onsite visit.

**Audit Result Files**

- Standard compliance tools:
  - A final, organization-specific IS Standards Compliance Tool, with auditor’s notes on the adequacy of data collection, storage and manipulation of key files to produce accurate measures. The Compliance Tool also contains documentation of issues, resolutions, possible problem areas, comments on compliance with each standard as it affects P4P reporting; recommendations for improvement, and sufficient evidence to support audit results for all measures.
  - Preliminary rate submission tool with review notes, including this year/last year comparison, benchmark comparison, auditor’s notes, questions and requests for additional information.
  - The PO’s response to preliminary submission tool issues and rates (i.e., three year rate comparison, benchmark comparison).
– Final, locked TransUnion HealthCare submission.
– Final Audit Report.

- Audit correspondence (e-mail):
  – All correspondence among team members.
  – All correspondence between auditors and the PO.