

How to Become a QIO-like Entity

Background and Legal Authorities

Organizations that are designed as Quality Improvement Organization (QIO)-like entities can perform two different, but similar, activities addressed in two separate sections of Federal Medicaid law.

First, section 1902 (a)(30)(A) of the Social Security Act (the Act) requires that state Medicaid Agencies provide methods and procedures to safeguard against unnecessary utilization of care and services and to assure “efficiency, economy and quality of care.” Under Section 1902 (d), a State can contract with a QIO or QIO-like entity to perform medical and utilization review functions required by law. The contracts must be consistent with the QIO legislation. Section 1903(a)(3)(C) of the Act specifies that 75% Federal Financial Participation is available for State expenditures for the performance of medical and utilization reviews or external quality reviews by a QIO, or by an entity, which meets the requirements of section 1152 of the Act (i.e., “QIO-like entity”).

Review of Proposals

The Centers for Medicare & Medicaid Services (CMS) Center for Clinical Standards and Quality (CCSQ) reviews functions specified under Section 1154 of the Act related to the performance of medical necessity and quality of care review. QIO-like entities must be able to review cases and analyze patterns of care related to medical necessity and quality review. (We do not determine if the organization meets the states’ requirements for external quality review specified in Sections 1902 (A)(30)(A), and 1932 (c)(2) of the Act, nor have we evaluated the organization to perform the same functions as a QIO under contract with CMS). Organizations must meet the following criteria to be eligible to participate as a QIO-Like entity:

- Must have a governing body that includes at least one individual who is a representative of health care providers and at least one individual who is representative of consumers.
- Must not be a health care facility, health care facility affiliate and must not subcontract with a health care facility to perform any case review activities except the quality of care.
- Must not be a payor organization except as provided in §475.105(a)(3).
- Must demonstrate the ability to perform the functions of a QIO including

Ability to perform case reviews as described in §475.102.

Ability to actively engage beneficiaries, families, and consumers, as applicable, in case reviews as described in §475.102, and quality improvement initiatives as described in §475.103.

Ability to perform the functions of a QIO with objectivity and impartiality in a fair and neutral manner.

It should be noted that the States have additional requirements for organizations with which they contract, particularly relating to external quality review as specified in sections 1902 (A)(30)(A), and 1932 (c)(2) of the Act.

QIO-like entity status creates eligibility for organizations seeking such contracts. States evaluate whether eligible organizations meet their additional requirements.

In order for CCSQ to make a determination as to whether your organization qualifies as a QIO-like entity, you must demonstrate to us that you meet the above requirements and provide information that describes your ability to review cases and analyze patterns of care related to medical necessity and quality of care.

Five Year Certification

If your organization is approved as a QIO-like entity, QIO-like certification will be limited for a period of five years. You will be required to provide an annual assurance statement of your continued adherence to certification requirements 30 days prior to the first, second, third, fourth, and fifth anniversary dates of your certification. In addition, you must notify this Office if there are changes in the name and address of the organization, etc., for a reevaluation of your certification.

Recertification packages must be submitted 60 days prior to the end of your five-year certification to allow sufficient review time without a lapse in certification.

Submit your application to the following address:

Centers for Medicare and Medicaid Services

Attn: Director, Quality Improvement Group

Center for Clinical Standards and Quality

7500 Security Boulevard

Mail Stop S3-02-01

Baltimore, Maryland 21244-1850

Ability To Perform Review Functions

In order to demonstrate that your organization has the ability to perform review activities set forth in Section 1154 of the Act, you must document and submit for CMS review and approval a brief explanation of your capability to perform the work by demonstrating past/current

experience in this area, or absent this, offer a detailed plan as to how you would perform these activities. You must provide sufficient information for CMS to consider all the factors listed below in determining if you have the ability to perform the functions of a QIO. Provide a copy of your organizational chart, policy and procedures, with appropriate sections highlighted.

Performing Case Reviews

- Organization's proposed processes, capabilities, quantitative, and/or qualitative performance objectives and methodology, to perform case reviews.
- Organization's proposed involvement of and access to physicians and practitioners in the QIO area with appropriate expertise and specialization in the areas of health care related to case reviews.
- Organization's ability to take into consideration urban versus rural, local, and regional characteristics in the health care setting where the care under review was provided.
- Organization's ability to take into consideration evidence-based national clinical guidelines and professionally recognized standards of care.
- Organization's access to qualified information technology (IT) expertise.
- Organization's prior case review experience.
- Organization's geographic location and size.

Performing Quality Improvement Initiatives

- Organization's proposed processes, capabilities, quantitative, and/or qualitative performance objectives and methodology, to perform quality improvement initiatives.
- Organization's proposed involvement of and access to physicians and practitioners in the QIO area with appropriate expertise and specialization in the areas of health care related to quality improvement initiatives.
- Organization's access to professionals with appropriate knowledge of quality improvement methodologies and practices.
- Organization's access to qualified information technology (IT) expertise.
- Organization's prior quality improvement experience.
- Organization's geographic location and size.