

POLICY & PROCEDURE

UTILIZATION MANAGEMENT

Policy Title: Affirmative Statement Regarding Incentives	
Policy No: 617	Revision Date: 01/03,01/04,01/05, 01/06, 01/07, 01/08,09/12, 08/14, 12/14

POLICY:

It is the policy of the IPA that UM decision making is based only on appropriateness of care, service and existence of coverage and does not specifically reward practitioners or other individuals conducting utilization review for issuing denials of coverage or service. Financial incentives for UM decision-makers do not encourage decisions that result in under utilization. Physicians and other individuals conducting utilization review are ensured independence and impartiality in making referral decisions that will not influence Hiring, Compensation, Termination and Promotion. IPA will distribute a statement to all practitioners, providers and employees and require physicians and employees who make utilization-related decisions and those who supervise them to sign an affirmation statement. An affirmation statement will be distributed to members through their Primary Care Physicians. This policy is in accordance with **NCQA UM Standard**.

PROCEDURE:

1. IPA will distribute an affirmative statement to all practitioners, UM decision makers and employees that affirm that incentives, including compensation for any person are not based on the quantity of type of denial decision rendered, decisions are based on appropriateness of care or service, and will alert them to the need for special concern about the risks of under utilization. Written affirmation statement will be found in the provider manual.
2. IPA will distribute affirmative statement to primary care providers for distribution and posting in PCP offices.
3. IPA staff who receive this statement include, but are not limited to Medical Directors, physician reviewers, UM Director or Manager, supervisors, other medical services management personnel and licensed UM staff.
4. IPA employees will sign the affirmative statement indicating they have received the statement.
5. Copies of signed employee affirmative statements will be maintained in the UM Manual.
6. All PCPs will receive a copy of the affirmative statement to distribute to members.

This policy and procedure will be reviewed annually and revised as necessary by the Utilization Management Committee and Board of Directors