

MEDICAL ASSOCIATES HEALTH PLANS  
OPERATIONS POLICY AND PROCEDURES MANUAL

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**POLICY NUMBER:** 13

**POLICY TITLE:** Notification to Providers/Practitioners/Members/Employees on Appropriateness of Utilization

**POLICY STATEMENT:** Medical Associates Health Plans (MAHP) is committed to providing quality of care and service to its members. MAHP's belief is that quality is achieved through an intricate balance of cost-effectiveness and appropriate utilization of health care services. MAHP neither supports nor encourages its practitioners, providers, staff, or members to jeopardize quality of care and health status in exchange for financial gains for MAHP. Utilization Management (UM) decision making is based only on appropriateness of care and service and existence of coverage. MAHP does not specifically reward practitioner or other individuals conducting utilization review for issuing denials of coverage or service care. Financial incentives, for UM decisions makers, do not encourage decisions that result in underutilization.

**PROCEDURE:**

1. Notification to practitioners/providers is provided through the following mechanism.
  - a. Provider Contract – practitioners/providers are notified via provider contracts. Notification includes:
    - i. *“Nothing in this agreement shall be deemed or construed as prohibiting or otherwise restricting physician, when acting within the lawful scope of physician’s practice, from advising or advocating on behalf of a covered persons about: (I) the covered person’s health status, medical care or treatment options; (ii) the risks, benefits and consequences of treatment or non-treatment; or (iii) the opportunity for the covered person to refuse treatment and to express preferences about future treatment decisions.”*
  - b. Data – MAHP utilizes and communicates comparative practitioner/provider utilization data. This data is used for the purposes of:
    - i. Provider Newsletter - Information regarding appropriate utilization based upon medical necessity versus financial incentives is communicated annually via provider newsletter.
    - ii. Provider Reference Guide - A copy of this policy is also included in the MAHP provider reference guide which is available on the intranet.
    - iii. Providing education to practitioners/providers on appropriate referral procedures, available resources, etc.
      - (1) Identifying needs to add additional practitioners to the MAHP network.
      - (2) Identifying needs to add additional benefits to subscriber agreements.
      - (3) Comparative practitioner/provider utilization data is **not used** for the purposes of: implementing financial incentives to practitioners/providers to underutilize.

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2. Notification to members/employees is provided through the following mechanisms.
  - a. Member newsletter – Information regarding appropriate utilization based upon medical necessity versus financial incentives is communicated annually via member newsletter.
  - b. Members’ Rights and Responsibility Statement – The Members’ Rights and Responsibility statement for MAHP is posted in all practitioner offices. It is also contained in the member handbook and the provider directory. This statement identifies the member’s right to expect, within its capacity, that the participating providers will make reasonable response to the request of the patient for services. The caregiver will provide evaluation, service, and/or referral as indicated by the urgency of the member’s case. When medically permissible, the member may be transferred to another facility only after having received complete information and explanation concerning the need for alternatives to such a transfer. The institution to which the member will be transferred must first have accepted the member for transfer.
3. MAHP informs employees making utilization related decisions and those supervising these employees of the policy statement.

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Barb Koerperich, MSN  
Director of Quality and Health Care Services

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Date

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Karen Hoffmann  
Director of Operations

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Date

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Revised Date(s): 02/00, 01/01, 02/02, 01/03, 07/03, 01/08, 06/09 (Moved to Ops Manual), 11/12, 11/13, 11/14, 11/15, 12/19, 9/22  
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