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| <p><b>SUBJECT: EXTERNAL/NON-PLAN DELEGATION PROCESS</b></p> <p><b>SECTION: CREDENTIALING</b></p> <p><b>POLICY NUMBER: CR-24</b></p> | <p><b>EFFECTIVE DATE: 1/01</b></p> |
| <p><i>Applies to all products administered by the Plan except when changed by contract</i></p>                                      |                                    |

**Policy Statement:** The Plan recognizes there may be the need for delegation of certain aspects of the credentialing process to non-Plan entities or divisions. The Plan may consider delegation of credentialing activities if the arrangement is mutually beneficial to both the Plan and the delegate (“Delegated Entity”). Additionally, the Plan will not consider a delegated credentialing arrangement unless the Delegated Entity is accredited or certified in Credentialing, by NCQA.

The Plan is under no obligation to enter into a delegated credentialing arrangement with any entity.

The intent of any delegation arrangement is to simplify the credentialing/ recredentialing process for practitioners within the Plan service area. As a result of delegation, the Delegated Entity will perform specified activities on behalf of the Plan as set forth in an agreement (“Delegation Agreement”). The Plan will monitor the effectiveness of any delegated portion(s) of the credentialing process to ensure compliance with the Plan credentialing requirements. Accountability for those activities shall remain with the Plan. The Plan may reclaim the right to carry out its delegated function at any time.

Prior to delegation, the Plan will ensure that the Delegated Entity has the capacity to carry out the specified activities by conducting a pre-delegation site visit or desk audit. Once that capacity has been determined, the responsibilities of the Plan and the Delegated Entity will be described in a Delegation Agreement signed by duly authorized representatives of both parties, to ensure that the work is carried out effectively.

In some instances, the Delegated Entity may choose to sub-delegate certain of the delegated responsibilities to another entity. Sub-delegation occurs when a Delegated Entity of the Plan gives a third entity the authority to carry out part of the credentialing process. Either the Delegated Entity or the Plan must oversee the sub-delegate to ensure compliance with the terms of the Delegation Agreement between the Plan and the Delegated Entity. Sub-delegation must be clearly defined in the Delegation Agreement between the Plan and the Delegated Entity. The Plan remains ultimately accountable for all activities performed by both the Delegated Entity and subdelegate.

## Process:

Both the Plan and the Delegated Entity will sign a Delegation Agreement that includes:

- ◆ Appropriate provisions to safeguard Protected Health Information (“PHI”)
- ◆ Responsibilities of the Delegated Entity and the Plan, including oversight of a sub-delegate as appropriate, to include at a minimum which entity is responsible for the following tasks:
  - Accepting applications, reapplications and attestations;
  - Collecting all data elements from NCQA approved sources;
  - Conducting site visits, as appropriate;
  - Collecting and evaluating ongoing monitoring information;
  - Making credentialing decisions.
- ◆ Full description of delegated activities – including the Plan’s right to make decisions regarding subdelegated entities
- ◆ Require at least semi-annual reporting by the Delegated Entity; including reports regarding any sub-delegate’s performance. Additionally, the Plan will receive the reports, review the delegate’s approved practitioner application list for acceptance, re-credentialing list and additional reports as defined by the Plan and the Delegated Entity.
- ◆ Description of the process the Plan will use to oversee the Delegated Entity; including NCQA certification/accreditation requirements, file review, etc.
- ◆ Description of the remedies available to the Plan if the Delegated Entity does not fulfill its obligations, and an exact statement of the consequences, including a Corrective Action Plan, additional audits of compliance by the organization, and/or revocation of the Delegation Agreement.
- ◆ Statement that the Delegated Entity will follow the Health Plan Credentialing and Re-credentialing policies.
- ◆ Statement that Agreement will be reviewed annually to ensure compliance with the Plan’s current requirements.
- ◆ Statement that the Plan retains the right to approve, suspend and terminate individual practitioners, providers and sites in situations where it has delegated decision-making authority.

If the Plan delegates certain aspects of the credentialing process to agencies or institutions that are NCQA accredited or certified, the following apply:

1. Pre-delegation visit/audits are not required.
2. The Plan retains full responsibility for all aspects of the credentialing process, including the right to approve, suspend and terminate individual practitioners, providers and sites.
3. The Delegated Entity’s credentialing policies and procedures must follow the Plan guidelines and meet compliance with NCQA Standards, including hearing and appeal requirements.
4. Regular reports on credentialed, re-credentialed and terminated providers will be provided to the Plan. Any problems identified from these reports will be reported to the Credentialing Committee and a corrective action plan may be required, but the organization

is expected to address any opportunities that are identified by the Plan to meet the Plan's requirement and report progress back to the Plan.

5. The Delegated Entity's recredentialing process incorporates quality improvement information and practitioner performance information derived from member complaints, results of quality reviews, medical record reviews and member satisfaction surveys (as applicable).
6. The Plan will conduct an annual visit/audit of the organization to evaluate the Delegated Entity's performance in accordance with the contract and/or regulatory requirements. A minimum of 40 or up to 5% of the delegate's credentials files, whichever is less, will be reviewed to ensure compliance with current the Plan credential requirements. In addition, the organizations policies, procedures, staffing, organizational charts will be reviewed. At the conclusion of the audit, a detailed report will be prepared by the reviewers and submitted to the Credentialing Committee for approval.
7. If the annual visit/audit or ongoing monitoring reveals deficiencies in the Delegated Entity's performance, a corrective action will be agreed to between the Plan and the Delegated Entity. If serious problems have been identified and/or cannot be corrected, the Plan will follow the process outlined in each Delegation Agreement regarding termination of the relationship.

**Cross Reference:**

NCQA 2011 Health Plan CR Accreditation Requirements, NYSDOH and CMS regulations  
For Internal/Excellus Delegation Process refer to #CR-25 Archived 10/02  
Adopted from BlueCross BlueShield of Utica-Watertown Credentialing/Recredentialing Policy  
and Procedures #CR-IX Dated 4/99

**Committee Approvals:**

Corporate Credentialing Committee: 9/20/04, 4/19/06, 4/16/08, 5/19/10, revised 10/20/10,  
10/17/2012, revised 4/15/2013, revised NCQA 5/21/2014, 4/15/15, 4/19/17, revised 4/19/19;  
renewed 4/21/21; revised 4/19/2023

Excellus Credentialing Committee 9/23/02  
MCOCC 11/13/00  
HCBMC 12/7/00