

**ALABAMA MEDICAID AGENCY  
ADMINISTRATIVE CODE**

**CHAPTER 560-X-2  
ASSURING HIGH QUALITY CARE**

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The following methods shall be used in administering the Medical Assistance Program to ensure that medical remedial care, and service provided are of high quality, properly utilized and based on acceptable professional medical standards, state and federal laws and regulations.

(1) Peer Review Committees, as appropriate, will be established in Alabama for the purpose of settling disputes related to charges made for professional and other medical assistance services. Problems submitted to Peer Review Committees may originate with Alabama Medicaid Agency, its fiscal agent, providers, and recipients. Additional Peer Review Committees may be established as needed.

(a) Problem referral procedure.

1. The fiscal agent shall gather information about a problem discovered through claims processing and attempt to resolve it with a provider or recipient.

2. Where a solution cannot be reached, the facts will be submitted to the Alabama Medicaid Agency for resolution.

3. Problems not resolved by the Alabama Medicaid Agency may be referred to the appropriate Peer Review Committee. Medicaid will assemble the facts and arrange for the Peer Review Committee to consider the problems at a mutually agreeable time and place. When a professional specialty consultation is needed, Medicaid may arrange for the service.

(b) Facts about Peer Review Committees.

1. Peer Review Committees act independently of fiscal agent and representatives of the Alabama Medicaid Agency.

2. No member of a Peer Review Committee who has an ownership interest in a facility under review will participate in committee action for the facility.

3. A member of a Peer Review Committee shall not review a case on which he or a partner or associate is the attending physician or dentist or in which he has had a professional responsibility.

4. Peer Review Committees may be provided with advice and consultation from other medical and paramedical specialty agencies organized to deal with problems within their specialty.

5. A majority of the members of the committee will constitute a quorum.

6. Peer Review Committees will send their reports to the Deputy Commissioner Program Administration, Alabama Medicaid Agency. Information and reports are releasable on a need-to-know basis.

7. A decision made by a Peer Review Committee is final and binding on all parties if approved by the Director, Programs, Alabama Medicaid Agency.

(c) Pharmacy Peer Review Committees. See Chapter 16: Pharmacy Services: Rule 560-X-16-.23, Rule 560-X-16-.24, and Rule 560-X-16-.25.

(d) Optometric Peer Review Committee.

1. An Optometric Peer Review Committee will be maintained in the state by Medicaid.

2. The committee shall meet at least twice each calendar year to discuss problems and complaints relative to optometric services within the Alabama Medicaid Program.

3. The committee shall function as an appeal body on the request of Medicaid, optometric providers, and Medicaid recipients.

4. Prior authorization requests from optometrists denied by Medicaid shall be submitted for consultation to the peer review committee before a final determination is made.

(2) Utilization Review. Each agency, organization, or institution providing care or services in the Medicaid program, must have a utilization review plan approved by Medicaid or its designated agent.

(a) Medicaid or its designee will monitor facility utilization review activities on inpatient hospital and extended care services.

(b) Utilization review for dental services is a part of the dental professional review program.

(c) Medicaid monitors utilization review activities concerned with evaluation and supervision of nursing and other services provided by home health agencies.

(d) Utilization review for Pharmaceutical services is a part of the pharmacy professional review program and monitored by the Drug Utilization Review Program in cooperation with the fiscal agent. Other monitoring activities are carried out by Medicaid in cooperation with the fiscal agent.

(e) Medical review for hospitals will be the responsibility of Medicaid or its designee.

(f) Medical review for skilled and intermediate care nursing facilities, to include ICF/MR and ICF/MD, is the responsibility of the Alabama Medicaid Agency.

(3) Medical Care Advisory Committee.

(a) The State Plan established the requirement for a State Medical Care Advisory Committee to participate with the Commissioner in policy development and program administration, including the seeking of recipient participation in the Alabama Medicaid Program.

(b) The Commissioner shall arrange for committee representation from licensed physicians and others from the health and medical care professions familiar with the medical needs of low income population groups. Representatives of consumer groups and an Indian Tribal Member designee shall be included on the committee.

(c) The State Health Officer and the Commissioner, Department of Pensions and Security shall be permanent ex officio members of the committee.

(d) The Medical Care Advisory Committee shall meet semiannually and at other times as required to advise the Commissioner on medical assistance matters brought before it.

(4) Quality Assurance Committee:

(a) Medicaid may convene standing Quality Assurance Committees to provide guidance, insight and technical

assistance as appropriate. The Committees will be convened and members will be selected as appropriate for the initiative or program the Agency is requesting guidance for.

(b) The Commissioner shall arrange for committee representation from licensed physicians and other appropriate providers who are familiar with the medical needs of low income population groups that will be incorporated in the initiative or program.

**Author:** Drew Nelson, Director, Quality Assurance

**Statutory Authority:** State Plan; 42 C.F.R. §§401, et seq.

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