

# Contra Costa Health Plan

## Utilization Management

**Title: Under/Over-Utilization**

**Policy #: UM15.008**

Origin Date: 11/20/97

Revised: 6/1/99  
Director

Author: Pauline Jones, Nursing

Revised: 11/20/02, 10/05, 03/06, 5/6/09, 12/2/13, 05/2019  
10/2019

Author: Florence Chan, UM

Revised: 5/2015, 3/2016, 04/2017, 01/2018, 01/2019,  
05/2019

Reviewed: Lynn Soloway RN, Auth & UM Director  
Reviewed: Jose Yasul, MD  
Revised: Joyce Al-Islam, RN, UM Nurse Manager  
Revised: Sharron Mackey, CEO  
Reviewed: Dennis Hsieh, MD, JD, CMO  
Revised: Nicolas Barcelo, MD Medical Director

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4/27/17, 12/14/17, 2/28/19, 6/8/2021, 7/2023**

**Reviewed and approved by UM Committee: 2/2022, 6/2023**

### Applies to:

Medi-Cal

Medicare

All

BHC

Commercial

N/A

Regulatory/Accreditation:

DMHC:

CMS:

DHCS:

Other Reg. References:

NCQA: UM 15

N/A

Units:

Administration

Advice Nurses

All Staff

Business Services

Case Management

Health Ed/Cultural Ling.

Marketing

Member Services

Planning, Reg Affairs

Provider Affairs

Quality Management

Auth/Utilization Mgmt

## POLICY

Contra Costa Health Plan (CCHP) monitors healthcare services that are requested and/or rendered to members for under and over utilization activities in order to ensure appropriate utilization of healthcare services in the inpatient, outpatient, and emergency department settings.

## PURPOSE

To ensure providers provide medically necessary care for members in a timely manner and in the appropriate setting without over or under-utilizing health care services and resources; and members receive access to medically necessary services in the appropriate setting.

## PROCEDURE

Each year, CCHP shall conduct over/under utilization analysis. This analysis will be based on NCQA Quality Compass priorities, input from UM Physicians and UM Committee, as well as input from other relevant stakeholders.

Areas of focus for the over/under analysis may include but are not limited to:

1. Outpatient, inpatient, and/or emergency department utilization
  - a. including both physical and mental health – both Non-Specialty Mental Health

Services (NSMHS) and in Specialty Mental Health Services (SMHS) Carve Out.

2. Monitoring frequency of procedures, imaging studies, laboratory tests, or ancillary services
3. Approvals, Modifications, and/or Denials
4. Reviewing level of care activities
5. Out of Network Requests or Referrals
6. Other areas as identified by CCHP staff, consultants, or stakeholders

### **Pharmacy:**

Pharmacy under/over utilization is reviewed in the quarterly Pharmacy and Therapeutic Committee. Action plans shall be determined, and outcome data analyzed by the Pharmacy Director and Medical Director. *Please refer to policies and procedures in the Pharmacy Services Department for further information.*

### **Analysis and Action:**

Reports generated in each area for over/under will be reviewed by the UM Committee to identify trends. Trends will be discussed and investigated. The data will be compared with regional, state, and national standards, as appropriate. After review, discussion and investigation, if there are concerns about over or under utilization, the UM Committee will reach out to the relevant provider(s) to discuss, address, and/or develop action plans. The Chief Medical Officer or designee will direct follow-up activities, which may include, but are not limited to:

- a) Discussing any process modifications deemed necessary for the improvement of services with the Contra Costa Health Plan providers;
- b) Discussing with individual providers areas of concern and need for improvement;
- c) Obtaining an external peer review or establishing a panel review
- d) Reporting findings to the Quality Council and the problematic activities identified, including data analysis, discussions with providers, strategies for improvement, and any implemented or needed follow up.

Additionally, for the areas of focus each year, the Plan will look at its data at the Network and Provider level to look for statistically significant high and low performing entities. High performing entities will be surveyed for best practices. Low performing entities will be asked to explain the current data and their action items going forward.