



Policy: GG.1605  
Title: **Delegation and Oversight of Credentialing and Recredentialing Activities**  
Department: Office of Compliance  
Section: Delegation Oversight

*CEO Approval: /s/ Michael Hunn 12/07/2023*

Effective Date: 12/01/1995

Revised Date: 11/01/2023

Applicable to: ☒ Medi-Cal  
☒ OneCare  
☐ PACE  
☐ Administrative

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## I. PURPOSE

This policy outlines the processes by which CalOptima Health shall ensure Credentialing and Recredentialing activities are performed by Delegated Entities in accordance with quality, state, and federal standards.

## II. POLICY

- A. CalOptima Health may delegate authority to perform Medi-Cal screening and enrollment activities to a Health Network or other Delegated Entity. If CalOptima Health chooses to delegate this function, the following shall occur:
1. The Delegation shall be in a written subcontract or agreement, where CalOptima Health remains contractually responsible for the completeness and accuracy of the screening and enrollment activities.
  2. CalOptima Health shall evaluate the Health Network or Delegate's ability to perform these activities, including an initial review to ensure that the Health Network or Delegated Entity has the administrative capacity, experience, and budgetary resources to fulfill its responsibilities.
  3. CalOptima Health shall continuously monitor, evaluate, and approve the delegated functions.
  4. CalOptima Health shall notify DHCS sixty (60) calendar days prior to delegating the screening and enrollment to a Health Network or Delegated Entity and shall submit Policy(s) & Procedure(s) that outline the delegation authority, as well as CalOptima Health's monitoring and oversight activities.
- B. CalOptima Health may delegate Credentialing and Recredentialing of a Practitioner and/or Assessment and Re-Assessment of an Organizational Provider to a Delegated Entity, in accordance with this Policy.
- C. CalOptima Health shall comply with California rules of Delegation of Quality Improvement Activities.

- D. CalOptima Health shall remain accountable for Credentialing and Recredentialing of its Practitioners and Assessment and Re-Assessment of its Organizational Providers, even if CalOptima Health delegates all or part of these activities.
  - 1. Delegated activities may include, but are not limited to, processing credentialing applications, credentialing decision-making, development of decision-making criteria, credentialing policies and procedures, credentialing verification, credentialing systems control, credentialing file management, and monitoring of Sanctions and exclusions.
- E. CalOptima Health may delegate their authority to perform credentialing reviews to a professional credentialing verification organization (CVO).
  - 1. The delegation must be in a written subcontract or agreement and comply with the requirements set forth in Department of Health Care Services (DHCS) All Plan Letter (APL) 23-006: Delegation and Subcontractor Network Certification and any subsequent APL.
  - 2. CalOptima Health shall remain contractually responsible for the completeness and accuracy of these activities and must establish a system that:
    - a. Evaluates the CVO's ability to perform delegated activities that includes a readiness review to assure that the CVO has the administrative capacity, experience, and budgetary resources to fulfill its responsibilities.
    - b. Ensures that the CVO meets CalOptima Health, NCQA, CMS and DHCS standards.
    - c. Continuously monitors, evaluates, and approves the delegated functions.
- F. CalOptima Health may delegate Credentialing and Recredentialing of a Practitioner and/or Assessment and Re-Assessment of an Organizational Provider to a health network, medical groups or independent physician organization.
  - 1. CalOptima Health shall be responsible to perform a Readiness Assessment before implementing Delegation. This assessment shall include verification that the Delegated Entity has devoted sufficient resources and appropriately qualified staff to perform the functions. The following shall be mutually agreed upon between CalOptima Health and the Delegated Entity:
    - a. A written Delegation Acknowledgment and Acceptance Agreement Document (hereafter Delegation Agreement) describing all the delegated Credentialing activities; and
    - b. CalOptima Health shall retain the right to approve, suspend, and terminate individual practitioners, providers, and sites in situations where CalOptima Health has delegated decision making, as addressed in the Delegation Agreement.
- G. CalOptima Health shall monitor the performance of a Delegated Entity at least annually which includes an audit of Credentialing written policies and processes as well as Credentialing file review.
- H. CalOptima Health shall evaluate required reports as agreed upon in the Delegation Agreement. Delegated Entity shall submit reports, data, and documentation in accordance with CalOptima Health Policy HH.2003: Health Network and Delegated Entity Reporting.
- I. CalOptima Health shall identify and follow-up on opportunities for improvement, if applicable.

- J. CalOptima Health shall require a Delegated Entity to respond to a Corrective Action Plan (CAP), based on any deficiency or area of non-compliance determined during the Readiness Assessment, annual audit, or other monitoring activity in accordance with CalOptima Health Policy HH.2005: Corrective Action Plan.
- K. CalOptima Health shall perform the Readiness Assessment and Annual Audit of Delegated Entity for Health Networks, medical groups and independent physician organizations in accordance with CalOptima Health Policy GG.1619: Delegation Oversight.

### **III. PROCEDURE**

- A. Subject to CalOptima Health's approval of the delegated Credentialing and Recredentialing of Practitioner and/or Assessment and Re-Assessment of an Organizational Provider activities for health networks, medical groups and independent physician organizations, the written Delegation Agreement shall include the following:
  - 1. Mutual agreement demonstrated by signatures from both CalOptima Health and the Delegated Entity, and a description of:
    - a. Delegated activities;
    - b. CalOptima Health and the Delegated Entity responsibilities, which at a minimum include:
      - i. Acceptance of applications, reapplications, and attestations;
      - ii. Collection of all data elements from the National Committee for Quality Assurance (NCQA) or other appropriate sources, in accordance with CalOptima Health Policies;
      - iii. Collection and evaluation of ongoing monitoring information; and
      - iv. Decision-making in respect to oversight of Credentialing activities.
    - c. Reporting responsibilities and reporting frequency, which shall indicate reporting requirements, unless specified otherwise. The reporting responsibilities shall be noted on the Timely and Appropriate Submissions Grid, and include:
      - i. A list of Credentialed, Recredentialed, and Terminated Practitioners submitted to CalOptima Health by the Delegated Entity.
      - ii. Reporting of Providers denied credentialing in accordance with CalOptima Health Policies GG.1657: Medical Board of California and the National Practitioner Data Bank (NPDB) Reporting, and GG.1658: Summary Suspension or Restriction of Practitioner Participation in CalOptima Health's Network.
    - d. The process by which CalOptima Health evaluates the Delegated Entity's performance, which includes:
      - i. Readiness Assessment;
      - ii. Monitoring via File review;
      - iii. Annual audit; and
      - iv. Reporting requirements

- e. Remedies available to CalOptima Health if the Delegated Entity does not fulfill its obligations, including revocation of the Delegation Agreement, and Sanctions as referenced in CalOptima Health Policy HH.2002: Sanctions;
- f. CalOptima Health's right to approve, suspend and terminate individual Practitioners, providers, and sites in situations where CalOptima Health has Delegated decision-making; and
- g. CalOptima Health's right to reject a Practitioner upon reason that the Practitioner has failed to meet the Credentialing or Recredentialing and/or Assessment and Re-assessment requirements, as outlined in the Delegation Agreement and CalOptima Health Policies.

#### B. Readiness Assessment of Delegated Entities

1. CalOptima Health shall conduct a Readiness Assessment of a Delegated Entity to determine the Delegated Entity's ability to implement delegated Credentialing and Recredentialing and/or Assessment and Re-assessment activities before entering into and implementing a Delegation Agreement.
2. The Readiness Assessment shall consist of a comprehensive desk review via electronic document submission and/or on-site evaluation as required, utilizing the delegation oversight audit tool, which shall evaluate a Delegated Entity's capacity to provide all Delegated functions. Additional documentation may need to be provided to complete the audit. The evaluation shall include:
  - a. Written review of the Delegated Entity's understanding of applicable standards;
  - b. Delegated tasks;
  - c. Review of policies and procedures;
  - d. Staffing capabilities;
  - e. Performance records;
  - f. Review of Credentialing system; and
  - g. Credentialing and Recredentialing file review.
3. Upon completion of the Readiness Assessment, Delegation Oversight and/or Quality Improvement Department shall report the Readiness Assessment results to the Delegation Oversight Committee (DOC).
4. The DOC shall determine if the Delegated Entity meets CalOptima Health's criteria for delegation of Credentialing and Recredentialing activities based on the results of the Readiness Assessment.
  - a. If the DOC determines that a Delegated Entity does not meet CalOptima Health's criteria for delegation of Credentialing and Recredentialing activities, CalOptima Health may reassess such Delegated Entity no earlier than three (3) months after the initial Readiness Assessment.

### C. Delegated Entity Responsibilities

#### 1. A Delegated Entity shall:

- a. Develop and implement processes, in accordance with this Policy, for the Credentialing and Recredentialing of Practitioners and the Assessment and Re-Assessment of Organizational Providers with whom it contracts or employs, as applicable per delegate;
- b. Develop policies and procedures that are consistent with the CalOptima Health Policies GG.1650: Credentialing and Recredentialing of Practitioners and GG.1651: Assessment and Re- Assessment of Organizational Providers, where applicable, and include:
  - i. The process to delegate Credentialing or Recredentialing and/or Assessment and Re-assessment activities;
  - ii. The medical director or other designated physician's direct responsibility and participation in the Credentialing program;
  - iii. The process used to ensure the confidentiality of all information obtained in the Credentialing process, except as otherwise provided by law;
  - iv. The process for including Practitioner Rights; and
  - v. Address ongoing monitoring following CalOptima Health Policy GG.1607: Monitoring Adverse Actions.
- c. Develop policies and procedures to verify the participation status of the Delegated Entity's providers to ensure that they shall:
  - i. Disclose to CalOptima Health's Quality Improvement Department any pending investigation involving, or any determination of, suspension, exclusion, preclusion or debarment by the Delegated Entity or its agents, occurring or discovered during the term of the Contract for Health Care Services; and
  - ii. Take action to remove any Delegated Entity agent who does not meet participation status requirements from furnishing items or services related to the Health Network Service Agreement (whether medical or administrative) to Members.
- d. Designate dedicated staff responsible for the timely Credentialing and Recredentialing of all Practitioners and Assessment and Re-Assessment of all Organizational Providers.
- e. Credential and recredential Practitioners and assess and re-assess Organizational Providers, in accordance with DHCS, CMS and NCQA Credentialing Standards and CalOptima Health Policies.

### D. Sub-Delegation

1. A Delegated Entity shall not delegate any Credentialing or Recredentialing activity without prior written approval from CalOptima Health.
2. If a Delegated Entity delegates to a CVO, CalOptima Health requires that the CVO be certified by the National Committee for Quality Assurance (NCQA). The Delegated Entity shall retain ultimate responsibility for any Delegated activities.

3. Prior to delegating Credentialing activities, a Delegated Entity shall evaluate the potential Sub-Delegate's capacity to perform such activities, according to CalOptima Health Credentialing and Recredentialing standards.
4. The Delegated activities shall be described in a written Delegation Agreement with the Sub-Delegate. The agreement between the Delegated Entity and a Sub-Delegate shall include all of the following:
  - a. The responsibilities of each party;
  - b. The Delegated activities;
  - c. The process by which a Delegated Entity shall evaluate the Sub-Delegate's performance;
  - d. The remedies, including revocation of Delegation, available to the Delegated Entity if the Sub-Delegate does not fulfill its obligations;
  - e. A process for submission of regular reports by the Sub-Delegate to the Delegated Entity;
  - f. The Delegated Entity shall provide ongoing monitoring of the Sub-Delegate's activities under the agreement;
  - g. Both CalOptima Health and the Delegated Entity's Peer Review Body shall retain the right to approve, terminate or suspend individual practitioners, providers or sites based upon quality issues;
  - h. Agreement as to the exchange of information between the Delegated Entity and the Sub-Delegate, including a definition of peer review or confidential information, and a process for sharing information with each other and with third parties;
  - i. A process for handling Protected Health Information (PHI), in accordance with the Health Insurance Portability and Accountability Act (HIPAA) as amended; and
  - j. A monitoring and auditing schedule.
5. A Delegated Entity shall be responsible for providing oversight for all delegated Credentialing activities.
6. At least annually, Delegated Entity shall evaluate the Sub-Delegate's Credentialing process. The evaluation shall ensure that the Delegated activities are conducted in accordance with CalOptima Health's Credentialing standards.
7. The Delegated Entity shall submit to CalOptima Health an annual report documenting the Delegated Entity's evaluation process of the delegated function.
8. CalOptima Health shall monitor the Delegated Entity's oversight process of the Sub-Delegate through CalOptima Health's annual oversight of the Delegated Entity's Credentialing and Recredentialing and Assessment and Re-assessment process.

E. Annual Audit of Delegated Entities

1. At least annually, CalOptima Health shall perform an audit of written policies and procedures as well as a review of Credentialing files to ensure compliance with all applicable NCQA, regulatory and contractual standards for each year that the Delegation is in effect. The annual

audit shall be based on the responsibilities stated in the Delegation Agreement and performance of delegated activities, as well as the appropriate NCQA, regulatory and contractual standards. This audit may be performed on-site and/or via desktop review. Additional documentation may need to be provided to complete the audit.

2. The annual audit shall include the review of policies and procedures utilizing the delegation oversight annual audit tool. This audit will include, but not be limited to:
  - a. A review of Delegated Entity's Peer Review Body meeting minutes, which shall be conducted for Credentialing and Recredentialing activities;
  - b. A review to confirm the Delegated Entity's reporting procedure to CalOptima Health when there is action taken against a practitioner that relates to professional behavior or clinical competence, and suspensions, terminations, restrictions, or limitations placed upon a Practitioner due to quality of care issues or any other decisions made by the Delegated Entity's Peer Review Body that are reportable to a regulatory agency (e.g., Medical Board of California (MBOC), Office of the Inspector General (OIG), or the National Practitioner Data Bank (NPDB).)
3. An annual file review is also conducted utilizing the Credentialing and Recredentialing file review tool:
  - a. CalOptima Health shall apply a targeted approach or select files with potential issue(s) of non-compliance when conducting the annual file review and will provide the organization with the file selection.
    - i. The number of files selected for each file type will vary depending on the audit area, its associated risk level, and/or the number of files available. Credentialing requirements applicable to both file types are scored for all files.
    - ii. CalOptima Health will select files based upon the NCQA 8/30 methodology of both credentialing and recredentialing files. If fewer than eight (8) Practitioners were credentialed or recredentialed since the last annual audit, CalOptima Health will audit the universe of files rather than a sample.
  - b. If the requirement applies only to initial Credentialing files (e.g., work history) or to Recredentialing files (e.g., Recredentialing cycle length), the requirement is scored 'Not Applicable' for the file type that does not apply.
  - c. CalOptima Health shall review documentation of substantive evaluation and action plans, if needed.
  - d. If the Delegated Entity does not have any files for Credentialing or Recredentialing between audit cycles, CalOptima Health will not perform an annual audit, but instead shall require the Delegated Entity to meet all other delegation oversight requirements and provide documentation that the Delegated Entity did not Credential or Recredential Practitioners between audit cycles.
4. An annual audit shall include the review of the delegate's policies and procedures and the delegates internal audit of their credentialing system security controls to protect data from unauthorized modifications. The audit shall include, but is not limited to:

- a. CalOptima Health shall monitor the delegates credentialing system security controls to ensure that the Delegated Entity monitors its compliance with the delegation agreement or with the delegate's policies and procedures.
  - b. CalOptima Health shall ensure that the Delegated Entity acted on all findings if applicable during their annual audit and that it implemented a quarterly monitoring process until the Delegated Entity demonstrates improvement for at least one finding over three consecutive quarters.
    - i. Delegated Entity must provide documentation (i.e., a report or other type of evidence that it completed the monitoring process at least annually), which include a review of all modifications made in all delegates' credentialing systems. Documentation must include the staff roles or departments involved in the audit.
  - c. Auditing may be used if the Delegated Entity does not use a credentialing system that can identify all noncompliant modifications.
5. Based on the results of the annual audit, CalOptima Health may take the following actions:
- a. Require a Delegated Entity to respond to and submit a CAP addressing all areas of deficiency as determined by CalOptima Health in accordance with CalOptima Health Policy HH.2005: Corrective Action Plan;
  - b. Audit the Delegated Entity's implementation and completion of an approved CAP, and any performance area(s) addressed in the CAP;
  - c. Impose Sanctions against a Delegated Entity, in accordance with CalOptima Health Policy HH.2002: Sanctions;
  - d. Initiate the de-delegation process in accordance with Section III.F. of this Policy.
6. Annual audit findings and CAPs will be reported by the Delegation Oversight Department to the DOC with recommendations for follow-up activities and subsequently to the Compliance Committee for approval.

#### F. De-Delegation of Delegated Entities

- 1. The Delegation Oversight and/or Quality Improvement Department shall review CAPs that do not meet the compliance threshold or are classified as 'deficient' and shall make appropriate recommendations to the DOC.
- 2. The DOC shall review a Delegated Entity's delegation status based on the CAP timeline and level of achievement.
- 3. If a Delegated Entity fails to achieve compliance within the timeframes set forth in the CAP, the DOC may recommend de-delegation of Credentialing and Recredentialing.
- 4. If the DOC recommends de-delegation of Credentialing and Recredentialing activities from the Delegated Entity, and Compliance Committee approves the recommendation, shall:
  - a. Provide the Delegated Entity with thirty (30) calendar days written notice of CalOptima Health's intent to de-delegate;



- b. Inform Practitioners of the de-delegation and instructions for continued services;
  - c. Adjust the Delegated Entity's payments, as appropriate, to the de-delegated status of Credentialing and Recredentialing activities;
  - d. Prepare appropriate CalOptima Health departments to perform the de-delegated Credentialing and Recredentialing activities; and
  - e. CalOptima Health shall inform the Delegated Entity and Practitioners of their right to file an Appeal.
5. A Delegated Entity shall cooperate with CalOptima Health to ensure a smooth transition and continuous care for Members during the de-delegation transition period.
  6. CalOptima Health may re-evaluate a Delegated Entity's ability to perform delegated Credentialing and Recredentialing activities no sooner than twelve (12) months after de-delegation.
    - a. CalOptima Health shall utilize the Readiness Assessment process, as described in Section III.B of this Policy.
    - b. CalOptima Health shall delegate Credentialing and Recredentialing activities to Delegated Entity based on the Readiness Assessment results.
    - c. Delegation Oversight and/or Quality Improvement Department shall present the re-audit Readiness Assessment to the DOC.
    - d. If the DOC recommends approval of delegation of Credentialing and Recredentialing activities to the Delegated Entity, and the Compliance Committee approves the recommendation, CalOptima Health shall re-delegate such activities and adjust the Delegated Entity's payment accordingly.
    - e. If the DOC recommends denial of re-delegation of Credentialing and Recredentialing activities to the Delegated Entity, it may also recommend additional Sanctions on the Delegated Entity, up to and including termination of the Contract for Health Care Services, to the Compliance Committee for final action. If the Compliance Committee concurs, CalOptima Health will not re-establish the delegation of Credentialing and Recredentialing activities to the Delegated Entity. CalOptima Health shall inform the Delegated Entity and Practitioners of their right to file an Appeal.

#### G. Exchange of Information

1. CalOptima Health may, at its discretion, share copies of a report received from a Delegated Entity regarding an adverse action, if CalOptima Health deems that such report may protect the medical care of a Member.
  - a. Such reports may include, but are not limited to, action taken against a Practitioner that relates to professional behavior or clinical competence, suspensions, terminations, legal actions, restrictions, or limitations placed upon a Practitioner due to quality of care issues or any other decisions made by the Delegated Entity's Peer Review Body that are reportable to a regulatory agency (e.g., Medical Board of California (MBOC), Office of the Inspector General (OIG) or the National Practitioner Data Bank (NPDB)).

- b. The provision of any such report to another Delegated Entity shall not relieve the Delegated Entity of an independent duty to comply with Credentialing procedures or to query or file a report with state or federal regulatory agencies.
- 2. CalOptima Health retains the right to review all components of a Delegated Entity's file.

#### H. Monitoring of Delegated Entities

- 1. CalOptima Health's Delegation Oversight and/or Quality Improvement Department shall monitor a Delegated Entity's Credentialing and Recredentialing activities through reports and other monitoring activities.
  - a. Delegation Oversight and/or Quality Improvement Department shall review the monthly Credentialing universe for each Delegated Entity. These universes will be validated and scores populated onto a dashboard, as applicable.
  - b. If concerns are identified upon review of the universes and dashboard scores, Delegation Oversight and/or Quality Improvement may elect to perform intensive monitoring of the Delegated Entity's Credentialing files.
  - c. Delegation Oversight and/or Quality Improvement Auditor shall apply a targeted approach to select files with potential or identified issues of non-compliance.
    - i. The number of files selected for each file type will vary depending on the monitoring activity, its associated risk level, and/or the number of files available.
    - ii. File selection may include up to ten (10) Credentialing Files and up to ten (10) Recredentialing files.
    - iii. The frequency of monitoring activities may vary based upon Delegated Entity's performance or identified areas of concern or associated risk level.
  - d. CalOptima Health's Delegation Oversight and/or Quality Improvement Department's Auditor will notify the Delegated Entity via email if file selection is required.
  - e. The Delegated Entity shall submit the selected Credentialing and Recredentialing files within ten (10) business days of e-mail receipt.
  - f. CalOptima Health's Delegation Oversight and/or Quality Improvement Department may require a Delegated Entity to submit a CAP addressing all areas of deficiency as determined by CalOptima Health, in accordance with CalOptima Health Policy HH.2005: Corrective Action Plan.
  - g. CalOptima Health may impose remedies such as, but not limited to, de-delegation or may impose Sanctions against a Delegated Entity pursuant to CalOptima Health Policy HH.2002: Sanctions.
  - h. Findings and CAP(s) from a Delegated Entity's audit shall be reported to the Delegation Oversight Committee with recommendations for follow up activities and shared as needed with the Compliance Committee.

#### **IV. ATTACHMENT(S)**

A. Monthly Credentialing Universe

#### **V. REFERENCE(S)**

- A. CalOptima Health Contract with the Centers for Medicare & Medicaid Services (CMS) for Medicare Advantage
- B. CalOptima Health Contract with the Department of Health Care Services (DHCS) for Medi-Cal
- C. CalOptima Health Compliance Plan
- D. NCQA Standards for the Accreditation
- E. California Business and Professions Code, Section 805
- F. CalOptima Health Policy GG.1607: Monitoring Adverse Actions
- G. CalOptima Health Policy GG.1619: Delegation Oversight
- H. CalOptima Health Policy GG.1650: Credentialing and Recredentialing of Practitioners
- I. CalOptima Health Policy GG.1651: Assessment and Re-Assessment of Organizational Providers
- J. CalOptima Health Policy HH.2002: Sanctions
- K. CalOptima Health Policy HH.2005: Corrective Action Plan
- L. Department of Health Care Services (DHCS) All Plan Letter (APL) 22-013: Provider Credentialing/ Recredentialing and Screening/Enrollment
- M. Department of Health Care Services (DHCS) All Plan Letter (APL) 23-006: Delegation and Subcontractor Network Certification (Supersedes APL 17-004)
- N. Health Network Service Agreement
- O. Medicare Managed Care Manual, Chapter 11, Section 110.2
- P. Medicare Managed Care Manual, Chapter 21, and Prescription Drug Benefit Plan, Chapter 9, Section 50.6.4
- Q. Title 28, California Code of Regulations, §§1300.70(b)(1)(D) and (E)
- R. Title 42, Code of Federal Regulations, §438.230

#### **VI. REGULATORY AGENCY APPROVAL(S)**

<b>Date</b>	<b>Regulatory Agency</b>	<b>Response</b>
06/29/2015	Department of Health Care Services (DHCS)	Approved as Submitted
01/19/2022	Department of Health Care Services (DHCS)	File and Use
10/26/2022	Department of Health Care Services (DHCS)	Approved as Submitted

#### **VII. BOARD ACTION(S)**

<b>Date</b>	<b>Meeting</b>
12/07/2017	Regular Meeting of the CalOptima Board of Directors
12/06/2018	Regular Meeting of the CalOptima Board of Directors
12/05/2019	Regular Meeting of the CalOptima Board of Directors
12/03/2020	Regular Meeting of the CalOptima Board of Directors
12/20/2021	Special Meeting of the CalOptima Board of Directors
12/01/2022	Regular Meeting of the CalOptima Health Board of Directors

## VIII. REVISION HISTORY

Action	Date	Policy	Policy Title	Program(s)
Effective	12/01/1995	GG.1605	Credentialing, Monitoring Health Network Compliance	Medi-Cal
Revised	08/01/1998	GG.1605	Credentialing, Monitoring Health Network Compliance	Medi-Cal
Revised	02/01/2001	GG.1605	Delegation and Oversight of Credentialing and Recredentialing Activities	Medi-Cal
Effective	08/01/2005	MA.7008	Delegation and Oversight of Credentialing and Recredentialing Activities	OneCare
Revised	03/01/2007	MA.7008	Delegation and Oversight of Credentialing and Recredentialing Activities	OneCare
Revised	07/01/2007	GG.1605	Delegation and Oversight of Credentialing and Recredentialing Activities	Medi-Cal
Revised	09/01/2011	MA.7008	Delegation and Oversight of Credentialing and Recredentialing Activities	OneCare
Revised	06/01/2014	GG.1605	Delegation Oversight of Credentialing and Recredentialing	Medi-Cal
Revised	09/01/2015	GG.1605	Delegation Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Revised	09/01/2015	MA.7008	Delegation and Oversight of Credentialing and Recredentialing Activities	OneCare OneCare Connect
Revised	12/07/2017	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Retired	12/07/2017	MA.7008	Delegation and Oversight of Credentialing and Recredentialing Activities	OneCare OneCare Connect
Revised	12/06/2018	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Revised	12/05/2019	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Revised	12/03/2020	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Revised	12/20/2021	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare OneCare Connect
Revised	12/31/2022	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare
Revised	11/01/2023	GG.1605	Delegation and Oversight of Credentialing and Recredentialing	Medi-Cal OneCare

## IX. GLOSSARY

Term	Definition
CalOptima Health Community Network (CHCN)	A managed care network operated by CalOptima Health that contracts directly with physicians and hospitals and requires a Primary Care Provider (PCP) to manage the care of the members.
Centers for Medicare & Medicaid Services (CMS)	The federal agency within the United States Department of Health and Human Services (DHHS) that administers the Federal Medicare program and works in partnership with state governments to administer Medicaid programs.
Compliance Committee	The committee designated by the Chief Executive Officer (CEO) to implement and oversee the Compliance Program and to participate in carrying out the provisions of this Compliance Plan. The composition of the Compliance Committee shall consist of senior management staff who may include, but is not limited to, the: Chief Executive Officer; Chief Medical Officer; Chief Operating Officer; Chief Financial Officer; Executive Director of Compliance Officer; and Executive Director of Human Resources.
Corrective Action Plan (CAP)	A plan delineating specific identifiable activities or undertakings that address and are designed to correct program deficiencies or problems identified by formal audits or monitoring activities by CalOptima Health, the Centers of Medicare & Medicaid Services (CMS), Department of Health Care Services (DHCS), or designated representatives. First Tier, Downstream and Related Entities and/or CalOptima Health departments may be required to complete CAPs to ensure they are in compliance with statutory, regulatory, contractual, CalOptima Health policy, and other requirements identified by CalOptima Health and its regulators.
Credentialing	The process of obtaining, verifying, assessing, and monitoring the qualifications of a Practitioner to provide quality and safe patient care services.
Delegated Entity	For purposes of this Policy, an entity, such as a Health Network, Pharmacy Benefits Manager (PBM), Managed Behavioral Health Organization (MBHO) or other entity to whom CalOptima Health delegates Member care or administrative responsibilities. Additionally, any party that enters into an acceptable written arrangement below the level of the arrangement between CalOptima Health and a First Tier Entity. Also, medical groups delegated for credentialing their own participating providers. These written arrangements continue down to the level of the ultimate provider of health and/or administrative services. Functions may be delegated by written contract only and only as permitted by CMS and/or State governmental agencies, as applicable to the specific program.
Delegation	A legal assignment to another party of the responsibility for particular functions, tasks, and decisions on behalf of the original party. The original party remains liable for compliance and fulfillment of any and all rules, requirements and obligations pertaining to the delegated functions.
Delegation Oversight Committee (DOC)	A subcommittee of the Compliance Committee chaired by the Director(s) of Delegation Oversight to oversee CalOptima Health's delegated functions. The composition of the DDOC includes representatives from CalOptima Health's departments as provided for in CalOptima Health Policy HH.4001: Delegation Oversight Committee.
Downstream Entity	Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with persons or entities involved with a CalOptima Health program benefit, below the level of the arrangement between CalOptima Health and a First Tier Entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.
First Tier Entity	Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with CalOptima Health to provide administrative services or health care services to a Member under a CalOptima Health program.

<b>Term</b>	<b>Definition</b>
Health Network	The contracted health networks of CalOptima Health, including Physician Hospital Consortia (“PHCs”), Shared Risk Medical Groups (“SRGs”), and Health Maintenance Organizations (“HMOs”).
Member	A beneficiary enrolled in a CalOptima Health program.
National Committee for Quality Assurance (NCQA)	An independent, not-for-profit organization dedicated to assessing and reporting on the quality of managed care plans, managed behavioral healthcare organizations, preferred provider organizations, new health plans, physician organizations, credentials verification organizations, disease management programs and other health-related programs.
Organizational Provider	Organizations or institutions that are contracted to provide medical services such as hospitals, home health agencies, nursing facilities (includes skilled nursing, long term care, and sub-acute), free standing ambulatory surgical centers, hospice services, community clinics including Federally Qualified Health Centers, urgent care centers, End-Stage renal disease services (dialysis centers), Residential Care Facility for the Elderly (RCFE), Community Based Adult Services (CBAS), durable medical equipment suppliers, radiology centers, clinical laboratories, outpatient rehabilitation facilities, outpatient physical therapy and speech pathology providers, diabetes centers, and portable x-ray suppliers.
Recredentialing	The process by which the qualifications of Practitioners are verified in order to make determinations relating to their continued eligibility for participation in the CalOptima Health program.
Practitioner	An individual who provides covered services pursuant to a state license, including, but not limited to, a Doctor of Medicine (MD), Doctor of Osteopathy (DO), Doctor of Podiatric Medicine (DPM), Doctor of Chiropractic Medicine (DC), Doctor of Dental Surgery (DDS), Doctor of Psychology (PhD or PsyD), Licensed Clinical Social Worker (LCSW), Marriage and Family Therapist (MFT or MFCC), Nurse Practitioner (NP), Nurse Midwife, Physician Assistant (PA), Optometrist (OD), Registered Physical Therapist (RPT), Occupational Therapist (OT), or Speech and Language Therapist.
Readiness Assessment	An assessment conducted by a Review Team prior to the effective date of a Health Network's or other contracted entity's Contract with CalOptima Health of a Health Network or contracted entity's compliance with all or a specified number of operational functional areas as determined by CalOptima Health.
Related Entity	Any entity that is related to CalOptima Health by common ownership or control and that: performs some of CalOptima Health's management functions under contract or delegation; furnishes services to Members under an oral or written agreement; or leases real property or sells materials to CalOptima Health at a cost of more than \$2,500 during a contract period.
Sanction	An action taken by CalOptima Health, including, but not limited to, restrictions, limitations, monetary fines, termination, or a combination thereof, based on a First Tier, Downstream or Related Entity's (FDR) or its agent's failure to comply with statutory, regulatory, contractual, and/or other requirements related to CalOptima Health Programs.
Sub-Delegate	An entity that has entered into a written agreement with a Health Network or other delegated Provider to perform certain operational functions that would otherwise be required to be performed by CalOptima Health, the Health Network or other delegated Provider, in order to meet contractual and/or regulatory obligations. Examples of a Sub-Delegate may include, but are not limited to, a management services organization (MSO) or a credentials verification organization (CVO).