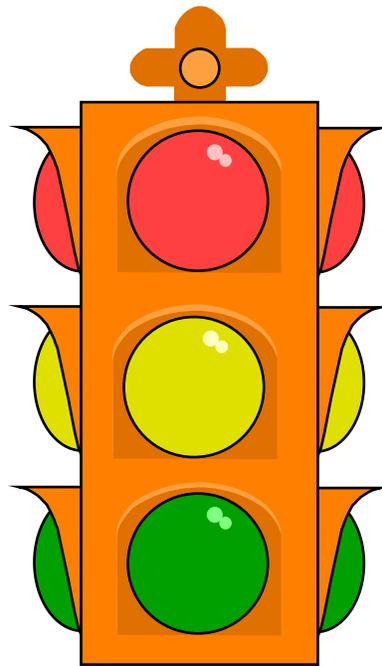


# Appendix E

## PROVIDER CORRECTIVE ACTION PLAN PROCESS GUIDE



# THE FIVE STEPS OF CORRECTIVE ACTION



## Step 1. Identify the Required Performance Level

*Identify* the specific service components the Contractor is expected to deliver and the requirements with which the Contractor must comply. These components are the performance criteria against which the actual performance of the Contractor is to be measured. (The service components with which the Contractor is expected to comply should be included in the monitoring tool used to review Contractor performance.)



## Step 2. Determine Whether or Not Performance Deficiencies Exist

*Determine* whether or not the Contractor's performance complies with contract requirements and if not, where its performance is deficient. A performance deficiency exists any time there is a gap between the level of performance required by the contract and the Contractor's actual performance. Performance deficiencies are the bases for initiating corrective action with the Contractor. The purpose of corrective action is to ensure the Contractor's future performance in the area of the deficiency meets contract requirements. Performance deficiencies do not include one-time deficiencies that are not likely to be repeated, such as a worker quitting and walking off the job, leaving a client temporarily unattended, or deficiencies where the Contractor has already successfully implemented measures to correct the same

Whenever a performance deficiency is discovered, both the *deficiency* and the *contract provision or policy standard* the Contractor failed to meet or comply with must be recorded. (See Attached Part I.) In recording performance deficiencies, be specific about the actual condition found, for example:

Performance Deficiency - Staffing ratio was 1:8 at time of monitoring visit. (**Not:** Contractor was not in compliance with staffing ratios.)

Also be specific about the contract provision or policy standard violated, for example:

Contract/Policy Standard – Part II, Paragraph 3(c) requires a staffing ratio of 1:4. (**Not:** Contract requires a staffing ratio of 1:4.)



### **Step 3. Classify Performance Deficiencies**

*Classify each* performance deficiency discovered according to one of the following classifications (repetitive problems of the same type may be grouped together for classification purposes):

#### **Major Deficiency**

Major deficiencies are deficiencies in contract requirements that affect the imminent health, safety, or well being of individual clients. Major deficiencies require immediate corrective action and/or response to the deficiency.

BCM recommends that in cases of deficiencies of this level, a response be completed in 24 hours or less. A response to major deficiencies may include the Division's removal of clients from the current setting into other placements.

#### **Significant Deficiency**

Significant deficiencies are: 1) deficiencies in contract requirements that do not pose an imminent danger to clients but that result in inadequate treatment and / or care that jeopardizes the long-term well being of individual clients; **OR** 2) deficiencies in required paperwork/documentation that are so severe or pervasive as to jeopardize continued funding to the Department.

BCM recommends that in cases of deficiencies of this level, a Corrective Action Plan be initiated within 10 days and completed within 30 days.

#### **Minor Deficiency**

Minor deficiencies are deficiencies in contract requirements that are relatively insignificant in nature and that do not impact client well being or jeopardize Department funding.

BCM recommends that in cases of deficiencies of this level, a Corrective Action Plan be initiated within 30 days and completed within 60 – 90 days.

**Note:** Part I of the corrective action forms should be completed and sent to BCM immediately upon initiation of Corrective Action.



#### **Step 4. Develop a Corrective Action Plan**

*Develop* a Corrective Action Plan (CAP) sufficient to resolve each of the deficiencies in the Contractor's performance. The Contractor is the party primarily responsible for developing the CAP. However, the Division may assist or direct the Contractor in developing a plan if it so desires. Whether or not the Division assists the Contractor in the development of its CAP, the Division should always formally approve the CAP prior to its implementation. (See Attached Sample Corrective Action Plan)

(Note: Corrective action is not always required in the case of "Major Deficiencies". Some situations may pose such an imminent danger to the life, health, safety, and/or well being of individual clients that immediate client removal and/or contract termination is deemed necessary. The appropriateness of initiating corrective action when immediate client removal is required is determined on a case-by-case basis. If corrective action is not initiated because immediate client removal is deemed necessary, the monitor should still complete Part I of the corrective action forms.)



#### **Step 5. Evaluate the Success of Correction Action**

*Evaluate* whether or not corrective action was successful in bringing the Contractor into compliance with contract/policy requirements. The success of corrective action should never be determined based solely on a review of the Contractor's proposed Corrective Action Plan. Follow-up with the Contractor after completion of the corrective action period is mandatory. In the majority of cases, a site visit will likely be required to verify compliance has actually been achieved. Typically, verification of compliance following corrective action can be accomplished using the same procedures used to discover the original deficiency. (See Attached Part II)

The agency is required to inform BCM of the results of the action. The agency must either submit a completed form "Part II: Corrective Action Plan Results" or the agencies own form that clearly includes all information contained in Part II.

PART I: (REQUIRED)

**IDENTIFIED PERFORMANCE DEFICIENCIES**

(To be completed by Monitor and submitted to BCM immediately upon initiation of Corrective Action)

Contract Number: \_\_\_\_\_ Review Date: \_\_\_\_\_

Contractor Name: \_\_\_\_\_

Monitor Name: \_\_\_\_\_

Division Name: \_\_\_\_\_

Other Divisions Using the Contractor: \_\_\_\_\_

**PERFORMANCE DEFICIENCIES:**

A. **MAJOR DEFICIENCIES** (Imminent harm; recommend immediate initiation of a Corrective Action Plan (CAP) to achieve compliance within 24 hours.)

Performance Deficiency

Contract Provision/Policy Standard

*(Completion of this information is not necessary **UNLESS** form is used as a working document.)*

1.

1.

2.

2.

3.

3.

CAP Due Date: \_\_\_\_\_

Compliance Due Date: \_\_\_\_\_

B. **SIGNIFICANT DEFICIENCIES** (Recommend Corrective Action Plan be completed within 10 Days and compliance be achieved within 30 days.)

1.

1.

2.

2.

3.

3.

CAP Due Date: \_\_\_\_\_

Compliance Due Date: \_\_\_\_\_

C. **MINOR DEFICIENCIES** (Recommend Corrective Action Plan be completed within 30 Days and compliance be achieved within 60-90 days.)

1.

1.

2.

2.

3.

3.

CAP Due Date: \_\_\_\_\_

Compliance Due Date: \_\_\_\_\_

\_\_\_\_ **IMMEDIATE SANCTION APPLIED.** (Please Attach Documentation Identifying Sanction.)

SAMPLE

**CORRECTIVE ACTION PLAN**

Contractor Name: \_\_\_\_\_

Contract #: \_\_\_\_\_ Original Review Date: \_\_\_\_\_

Monitor Name: \_\_\_\_\_

Division Name: \_\_\_\_\_

For each identified performance deficiency, state the steps that will be taken to ensure compliance with the required contract provision or policy standard by the designated due date. (Use additional sheets as necessary.)

Performance Deficiency #: \_\_\_\_\_ Compliance Due Date: \_\_\_\_\_

Corrective Action to be implemented:

Performance Deficiency #: \_\_\_\_\_ Compliance Due Date: \_\_\_\_\_

Corrective Action to be implemented:

APPROVAL OF PLAN:

Provider/Contractor: \_\_\_\_\_ Date: \_\_\_\_\_

Agency Approval by: \_\_\_\_\_ Date: \_\_\_\_\_

Distribution: Original – Division  
Copies – BCM, Other Divisions using the Contractor

Revision Date: September 1, 2001

PART II:

**CORRECTIVE ACTION PLAN RESULTS**

(This form, or a substitute form containing all included information, must be submitted to BCM upon the compliance due date identified in Part I)

Original Review Date: \_\_\_\_\_ Compliance Review Date: \_\_\_\_\_

Type of Compliance Review (e.g., On-site, document, etc.): \_\_\_\_\_

Agency Reviewer(s): \_\_\_\_\_

Contractor: \_\_\_\_\_

Contract #: \_\_\_\_\_

Corrective action \_\_\_\_ **was** \_\_\_\_ **was not** successful in bringing Contractor into compliance with all contract requirements.

If corrective action **was not** successful in bringing the Contractor into compliance with all contract requirements, identify those requirements with which the Contractor is still out of compliance:

<u>Performance Deficiency</u>	<u>Contract Provision/Policy Standard</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

State what additional steps will be taken with regard to each of the above findings?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Compliance Due Date for Additional Steps: \_\_\_\_\_