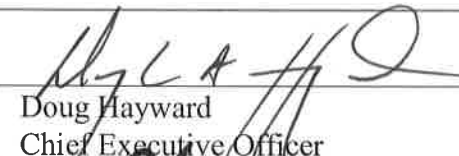
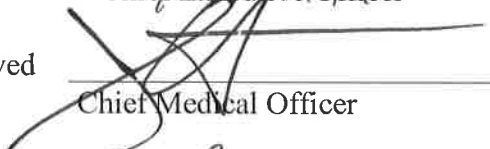

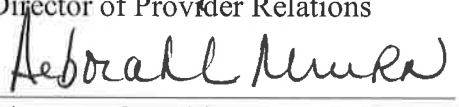
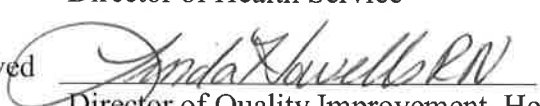


**KERN HEALTH SYSTEMS
POLICIES AND PROCEDURES**

SUBJECT: Provider Disciplinary Action		INDEX NUMBER 2.04-P		Page 1 of 5			
RESPONSIBLE DEPARTMENT HEAD: Director of Claims and Provider Relations							
Review Date	08/29/97	06/00	02/02	09/2010			
Effective Date				08/27/12			
Revision No.	1997-08	2000-06	2002-02	2012-08			

Approved		Date	8/27/12
	Doug Hayward Chief Executive Officer		
Approved		Date	8/24/12
	Chief Medical Officer		
Approved		Date	8/17/12
	Director of Provider Relations		
Approved		Date	7/23/12
	Director of Health Service		
Approved		Date	7/12/12
	Director of Quality Improvement, Health Education & Disease Management		

POLICY¹:

Kern Health Systems (KHS) providers identified through the quality improvement and utilization review processes as possessing performance deficiencies will be subject to disciplinary action as approved by the KHS Board of Directors. Prior to the initiation of disciplinary action, the Chief Medical Officer or his/her designee will notify the provider in question in writing that a deficiency has been identified and will work with the provider to improve performance. Should these efforts not achieve satisfactory results, the disciplinary action process will be initiated by the Chief Medical Officer or his/her designee.

PURPOSE:

To define the KHS process of disciplinary action and corrective action plans for contract providers with noted deficiencies.

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PROCEDURE:

1.0 COURSES OF ACTION

Questions about the performance of any credentialed provider are submitted to the Chief Medical Officer or his/her designee, who determines whether:

- A. To Conduct an investigation
- B. To attempt to resolve the matter through a Corrective Action Plan
- C. To take or recommend routine disciplinary action
- D. To take summary disciplinary action

The Chief Medical Officer or his/her designee may take some or all of these actions concurrently.

2.0 INVESTIGATIONS

Investigations are conducted as expeditiously as is reasonable under the circumstances. The investigator talks to the practitioner/provider and gives him/her a reasonable opportunity to be heard regarding the matters alleged in the complaint. The investigator shall have full access to the provider's office records and may interview office staff and patients. In cases of suspected substance abuse, the investigator may require samples of body fluids and/or may seek the assistance of the Medical Board of California Diversion Program.

After reviewing the results of the investigation, the Chief Medical Officer or his/her designee determines whether to recommend a Corrective Action Plan, routine disciplinary action, or summary disciplinary action.

The Chief Medical Officer or his/her designee notifies the provider of any disciplinary action or recommendation.

3.0 CORRECTIVE ACTION PLAN

A Corrective Action Plan (CAP) is an agreement between the provider and KHS that describes the problem and appropriate measures to achieve resolution. If the CAP includes the reassignment of patients, the Chief Medical Officer or his/her designee notifies the Chief Executive Officer to coordinate patient panel changes. Election to formulate a plan of provider's participation is voluntary, no additional procedural rights attach. A CAP may be combined with any disciplinary action.

4.0 ROUTINE DISCIPLINARY ACTIONS

Disciplinary action may consist of one or more of the following:

- A. Level 1 - Letter of reprimand; education
- B. Level 2 - For Primary Care Practitioners (PCPs), closure of practice to new patients for up to 120 days in any 12 month period and, for other practitioners, suspension of new patients

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or referrals for up to 120 days in any 12 month period which means no new members will be assigned to you for up to 120 days. You may continue to see those Kern Family Health Care (KFHC) Members currently assigned to you, however, any services rendered to a KFHC Member not already assigned to you, will not be reimbursable.

- C. Level 3 - For PCPs, closure of practice for more than 120 days in any 12 month period, or reduction of assigned members; and for other practitioners, closure of practice to new patients or referrals which means no new members will be assigned to you for up to 120 days. You may continue to see those Kern Family Health Care (KFHC) Members currently assigned to you, however, any services rendered to a KFHC Member not already assigned to you, will not be reimbursable.
- D. Level 4 - Suspension of privileges
- E. Level 5 - Termination of privileges.
- F. Level 6 - Termination of practitioner/provider contract.

Other disciplinary actions may be recommended, as appropriate to the circumstances.

The Chief Medical Officer or his/her designee, in consultation with the Chief Executive Officer, is authorized to implement a Level 1 or, Level 2 disciplinary action upon his/her determination that such action is appropriate; provided, however, that if no investigation was conducted, the Chief Medical Officer or his/her designee must first talk to the provider and give him/her a reasonable opportunity to be heard regarding the matters alleged in the complaint. The Chief Medical Officer or his/her designee reports any such actions to the Physician Advisory Committee or Quality Improvement/Utilization Management (QI/UM) Committee.

In cases involving quality of care rendered by physicians, podiatrists, dentists, and clinical psychologists (and such other individual practitioners as the QI/UM Committee may designate for Physician Advisory Committee oversight) where discipline at Level 3 or above is proposed, the Chief Medical Officer or his/her designee reports the results of any investigation and submits a recommendation to the Physician Advisory Committee, which shall determine the appropriate disciplinary action and direct its implementation. (The Physician Advisory Committee keeps the QI/UM Committee apprised of its activities through regular reports of its general activities.)

In all other cases where discipline at Level 3 or above is proposed, the Chief Medical Officer or his/her designee reports the results of the investigation and submits a recommendation to the Chief Executive Officer who, in consultation with the Chief Medical Officer or his/her designee, determines the appropriate disciplinary action and directs its implementation.

The Chief Medical Officer or his/her designee and Chief Executive Officer inform the Physician Advisory Committee and the QI/UM Committee of all disciplinary actions taken pursuant to this section. They may also inform the Board of Directors provided, however, that the Board shall not act on or receive information about any disciplinary matter (other than the identity of the provider

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and the fact that a disciplinary matter is pending) that may come before the Board in its capacity as hearing committee pursuant to *KHS Policy and Procedure #4.35-P – Provider Hearings* until such time as the matter comes before the Board as the hearing committee.

Discipline at Level 3 or above is subject to the right and procedures set forth in *KHS Policy and Procedure #4.35-P – Provider Hearings*

KHS reports serious quality deficiencies which result in suspension or termination of a practitioner to the appropriate authorities.² See *KHS Policy and Procedure #4.35-P – Provider Hearings* for details.

5.0 SUMMARY DISCIPLINARY ACTION

If, after receipt of a complaint about a provider or after investigation of a complaint, the Chief Medical Officer or his/her designee or the Chief Executive Officer determines that there is imminent danger to the health of any patient or other individual, the Chief Medical Officer or his/her designee or the Chief Executive Officer may (i) suspend the providers status and require the provider to immediately discontinue all practice on behalf of Kern Health Systems; or (ii) impose restrictions and require the provider to discontinue those aspects of practice that endanger KHS Plan members.

In cases involving quality of care rendered by physicians, podiatrists, dentists, and clinical psychologists (and such other individual providers as the QI/UM Committee may designate for Physician Advisory Committee oversight) where discipline at Level 3 or above is proposed, any such action by the Chief Medical Officer or his/her designee or the Chief Executive Officer must be reviewed within 14 days by the responsible committee which may affirm, reverse, or modify the Chief Medical Officer or his/her designee's determination.

Summary disciplinary action is subject to the rights and procedures set forth in *KHS Policy and Procedure #4.35-P – Provider Hearings*.

6.0 MONITORING COMPLIANCE WITH CORRECTIVE ACTION PLAN

The Chief Medical Officer or his/her designee monitors each CAP and regularly reports to the Board of Directors the status thereof. After completion of a CAP, the Quality Improvement Director conducts follow-up reviews at 6 and 12 months, to help assure continuing resolution of the problem(s). If no deficiencies are noted, the matter is resolved at the end of the 12 month review period. If deficiencies are noted, the Chief Medical Officer or his/her designee reassesses the situation and determines whether an additional plan of correction or disciplinary action is needed.

7.0 REINSTATEMENT

A provider who resigned with discipline pending or whose privileges were revoked following

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initiation of disciplinary action may not reapply for provider status for two years from the date of the resignation or final decision of the Board of Directors, whichever is earlier.

¹ **Revision 2012-08:** Policy updated. Level two disciplinary action for non new members will be assigned for up to 120 days.
Revision 2009-XX: Revised by Provider Relations Department to clarify disciplinary actions. Revision 2002-02: Annual review and DHS Comment Letter (05/31/01). Additional revisions per 09/19/01 DHS comment.

² DHS Contract Section 6.5.4.5