No. UM-018	**UM Systems Controls**	
Effective Date: 1/1/2021		
Committee Approval: 01/11/2023	**POLICY AND PROCEDURE**	
NCQA Standard: UM 12A and B		

UM System Controls

Canopy Health requires its delegates to have system controls, including policies and procedures, specific to Utilization Management (UM) denial and appeals. These controls must cover the denial receipt and notification dates/times recorded and maintained within the delegates' UM system(s). Canopy Health is not delegated for and has no system for capturing appeals receipt and notification dates/times.

These requirements include any external entities that store, create, modify, or use UM data for any function covered by the UM standards on behalf of the organization except those external organizations solely providing cloud-based data storage functions and not services that create, modify or use UM data.

UM Denial Receipt and Notification

The system controls specific to UM Denial Notification require the delegates have policies and procedures that specify:

1. The date/time of receipt of an authorization request is defined as the date/time that the request is received, in accordance with federal and state regulatory requirements and NCQA standards.
2. The date/time of written notification is defined as the date/time that the notification was sent, in accordance with federal and state regulatory requirements and NCQA standards.
3. The process for recording the dates/times captured in the systems, whether manual or automated.
4. The staff levels of those who are authorized to modify dates/times within the UM systems once initially recorded and the allowable circumstances for modification by staff level, if applicable.

5. The automated tracking system for modifications to dates/times, including at minimum, what date/time was changed, when, by whom and the reason for the change.
6. System security controls which protect all of the UM System data from unauthorized modification. This includes:
   a. Limiting physical access to the system.
   b. Preventing unauthorized access and changes to system data.
   c. Password-protecting electronic systems, including requirements to:
      i. Use strong passwords.
      ii. Avoid writing down passwords.
      iii. User IDs and passwords unique to each user.
      iv. Change passwords periodically.
   d. Disabling or removing passwords of employees who leave the organization and alerting appropriate staff who oversee computer security about employees' departure.
7. The audit process for the policies and procedures outlined in elements 1-6 above. These policies describe the delegate's audit process for identifying, assessing and ensuring that specified policies and procedures are followed. At a minimum, the policies and procedures for audit shall include:
   a. The audit methodology used, including sampling, the individuals involved in the audit and the audit frequency.
   b. Oversight of the department or staff responsible for the audit.

Oversight of Delegate's UM Denial System Controls Oversight

Canopy Health's Delegation Oversight Committee reviews and provides oversight of the delegated Medical Group's/IPA's UM denial system controls oversight. This is done by reviewing evidence from each delegated medical group/IPA that the organization conducted the audit processes specified in the medical group's/IPA's policies and procedures during Canopy Health's annual UM policy and evidence delegation oversight audit.

UM Appeal Receipt and Notification

Canopy Health is not delegated for grievances and appeals and so neither are its delegates. Therefore, there is no system and no need for system controls for appeals. The handling of grievances and appeals is covered in policy UM GA-001.

Revision History:

Version Date	Edited By	Reason for Change
1/1/21	R. Scott	Creation date based on NCQA requirements
01/01/23	L. Sasaki	Updated to describe Canopy Health's oversight of the delegated medical groups/IPAs performance of UM denial system controls auditing/monitoring.