Quality Assurance: A Tri-Level Model

(peer review, state association, PSRO)

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Ferol Schricker Menzel

A Tri-Level Quality Assurance Model consisting of state, local, and national levels of organization is described. Quality assurance is defined as a broad concept integrating traditional quality assurance activities with professional education and credentialing. The Iowa Occupational Therapy Association Professional Standards Review System is described as an example of the Tri-Level Model. Components of the Tri-Level Model include professional education, continuing education, external review, and internal review. It is recommended that, with the growth in quality assurance activities, state associations consider the Tri-Level Quality Assurance Model as a valuable tool for professional development.

Since the establishment of the Professional Standards Review Organizations (PSRO) in 1977 (PL 92-603) occupational therapists have been faced with the responsibility of developing quality assurance programs (1-4). The development of these programs has occurred at two organizational levels. On the national level, The American Occupational Therapy Association (AOTA) has been a leader among health professions in promoting the concept of quality assurance. AOTA has been responsible for training therapists in quality review concepts and specific audit procedures. In addition, the Association has reinforced its commitment to quality assurance by establishing a Division of Quality Assurance and by investigating the feasibility and utility of a peer review/chart audit mechanism for recertification (5). At the local level, individual occupational therapy departments have been following the review requirements of the Joint Commission on Accreditation of

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(Authors' names are in alphabetical order and do not reflect relative contribution.)
Communication from the national level to the local level occurs through the Quality Review column in the AOTA Newspaper, The American Journal of Occupational Therapy, and the AOTA Regional Review Consultants (RRCs). While the RRCs are responsible for facilitation of communication between states and AOTA, performance of quality assurance activities is still a state and local responsibility. To oversee the implementation of these activities, the Iowa Occupational Therapy Association developed a formal state system.

This paper presents a Tri-Level Quality Assurance Model consisting of national, state, and local levels. Discussion of the Tri-Level Model will include definitions, description of personnel, and suggested responsibilities for the state and local levels. This model is based on the experience of the Iowa Occupational Therapy Association Professional Standards Review System, which has been occupational since 1975.

Definitions
The terms quality assurance and peer review are not well defined and are often used interchangeably in the literature. These terms bring to mind only the audit process, while excluding important elements required to maintain professional competence. Since the Tri-Level Quality Assurance Model incorporates a broad concept of quality assurance, several definitions are provided below.

In a 1980 letter to State Association Presidents, Patricia Ostrow, AOTA Quality Assurance Division, defined quality assurance as "a systematic way of assessing and improving health care outcomes."

Quality assurance includes peer review and chart audit, but it is also linked to professional education, accreditation, and, ideally, credentialing. Thus quality assurance programs should include mechanisms for the integration of peer review, audit, professional education, and credentialing. Improvement in occupational therapy services can be accomplished most efficiently through this integration.

Peer review is a self-regulatory mechanism used to evaluate and analyze quality of performance and represents an important element of contemporary health care. In occupational therapy, peer review encompasses mechanisms such as audit, evaluation of the physical environment in which treatment takes place, and health accounting methods (10, 11). Peer review is often categorized as either internal or external. An internal review is a review performed by practitioners within a given setting, whereas an external review is performed by peers whose services are not being evaluated.

An audit is a formal examination and verification of records. Within the medical field the term audit refers most frequently but is not limited to a review of the patient's permanent record. In occupational therapy, the audit focuses on patterns of care for diagnosis or problems rather than the care of an individual. Audit criteria, the basis of the audit process, are "predetermined elements of care against which the quality of health care may be compared." (1) Criteria concerning appropriateness and medical necessity of services may also be developed (12). Audit criteria are usually developed by a group of peers within a staff or facility to help identify and solve problems within that facility.

Standards as defined by the PSROs are "professionally developed expressions of the range of acceptable variation from a norm.

Standards of Practice are general statements, agreed upon by the profession, that serve as guidelines for acceptable quality of service. These standards may include references to both the administration of and the practice of occupational therapy.

Quality Assurance at the State Level
The Tri-Level Quality Assurance Model (Table 1) employs a broad definition of quality assurance that links professional education and credentialing to the quality assurance activities of audit and peer review. The Iowa Professional Standards Review System (PSRS) incorporates the following quality assurance components: continuing education, licensing, development of standards of practice, liaison activities, internal review, and external review. In addition, the Iowa PSRS helps focus the attention of state members on the quality assurance activities of AOTA. By design the system is sufficiently flexible to accommodate the needs of therapists working in traditional and nontraditional settings in a rural state.

In Iowa the governing body of the PSRS is the State Board consisting of one elected representative from each state district and three individuals appointed by the Iowa Occupational Therapy Association President, the PSRO liaison, the third-party payer liaison, and the member-at-large. The board is required to meet at least twice a year according to the plan adopted in 1975. For the purpose of providing continuity, State Board members
Table 1
The Tri-Level Quality Assurance Model—Iowa Occupational Therapy Association Professional Standards Review System

<table>
<thead>
<tr>
<th>Level</th>
<th>Personnel</th>
<th>Tasks</th>
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<tbody>
<tr>
<td>National</td>
<td>Education Division</td>
<td>• Professional Education Support &amp; Enrichment</td>
</tr>
<tr>
<td></td>
<td>Credentiaing Division</td>
<td>• Professional Credentialing</td>
</tr>
<tr>
<td></td>
<td>Quality Assurance Division</td>
<td>• Liaison with PSRO &amp; JCAH Regarding Quality Assurance</td>
</tr>
<tr>
<td></td>
<td>Division of Professional Development</td>
<td>• Provision of Education Programs in Latest QA Procedures</td>
</tr>
<tr>
<td>State</td>
<td>District Representatives &amp; Member at Large</td>
<td>• Liaison Activities with JCAH Regarding Practice</td>
</tr>
<tr>
<td></td>
<td>PSRO Liaison</td>
<td>• Development of Standards of Practice</td>
</tr>
<tr>
<td></td>
<td>Third Party Payer Liaison</td>
<td>• Continuing Education</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• State Licensure Activities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development of Standards of Practice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Liaison Activities with PSRO &amp; Third Party Payers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• External Review</td>
</tr>
<tr>
<td>Local/District</td>
<td>IOTA Membership</td>
<td>• Continuing Education</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Development &amp; Ratification of Standards of Practice</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• External Review</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Internal Review</td>
</tr>
</tbody>
</table>

Figure 1
Diagram of the potential relationship between professional education and quality assurance

Professional Training Programs (Theory, Research, Practice)  
Credentiaing (Certification or Licensure)  
Peer Review/Chart Audit (Identification of Deficiencies)  
Continuing Education (Remediation of Deficiencies & Feedback to Training Programs)  

serve 3-year staggered terms. The responsibilities of the State Board include the following: provision for continuing education, development of standards of practice, liaison activities, external review, and communication to the RRC.

The responsibilities for continuing education within the Iowa PSRS are twofold. First, the plan calls for continuous training in audit, advanced audit, and new patient care evaluation procedures. Each district representative is responsible for evaluating membership needs and providing audit training as indicated. Second, the State Board may identify continuing education needs with regard to practice through statewide audits and the analysis of external and internal audits (Figure 1). If, for example, several internal audit reports reveal a common training deficiency in a group of therapists, the State PSRS Board may suggest that a continuing education program be developed around
Table 2
Outline of the Process Criteria Included in the Iowa Occupational Therapy Association Quality Review Manual

<table>
<thead>
<tr>
<th>Format</th>
<th>Definition</th>
<th>Item Example*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Topic</td>
<td>Medical diagnosis to be studied</td>
<td>Right Cerebral Cardiovascular Accident</td>
</tr>
<tr>
<td>Parameters</td>
<td>A description of those characteristics that narrow the scope of the patient population that will be audited</td>
<td>Cerebral Embolism</td>
</tr>
<tr>
<td>Referral Criteria</td>
<td>Conditions or problems that justify the provision of occupational therapy evaluation</td>
<td>Presence of abnormal muscle tone</td>
</tr>
<tr>
<td>Process Criteria</td>
<td>Pertinent Listing of the types of assessment that peers have judged to be acceptable</td>
<td>Assessment of Activities of Daily Living</td>
</tr>
<tr>
<td>Active Treatment Program: Problems and Modalities</td>
<td>A listing of treatment techniques that peers have judged to be acceptable given a specific problem</td>
<td>Impaired self-care: Provide instruction in use of adaptive equipment as needed Train self-care in techniques instruct in safety precautions</td>
</tr>
</tbody>
</table>

*One example has been chosen from the format for illustration purposes. This does not represent all the information on Right Cerebral Cardiovascular Accident.

that topic. In this way problems identified through the audit process may be remediated through continuing education. Potentially, state systems such as the Iowa PSRS may provide feedback to educational institutions by identifying consistent problem areas where the curriculum needs to be revised and improved.

In 1980 the Iowa Occupational Therapy Association published a Quality Assurance Manual (13) designed to set minimum standards of practice for the state. The manual contains documentation, process, and outcome criteria. The first category includes criteria for referral information, initial evaluation, treatment planning, patient progress, discharge information, and record requirements. Process criteria include the information listed in Table 2, whereas outcome criteria are addressed through a goal-staging directory (14) (Table 3). Development of the manual began with the identification of commonly treated problems and diagnoses. Each state district representative was then assigned responsibility for

Table 3
Sample from Iowa Occupational Therapy Association Quality Assurance—Goal Staging

<table>
<thead>
<tr>
<th>Problem: Dependence in Self-Feeding</th>
<th>Associated Diagnosis:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cerebral Palsy</td>
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<td></td>
<td>Mental Retardation</td>
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<tr>
<td></td>
<td>Traumatic Head Injury</td>
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<td></td>
<td>CVA</td>
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</tbody>
</table>

Stage 1
Demonstrates ability to feed self finger-foods.

Stage 2
Demonstrates ability to use spoon to feed self, using necessary equipment

Stage 3
Demonstrates ability to drink from a cup, using necessary adaptive equipment

Stage 4
Demonstrates ability to use fork to feed self, using necessary adaptive equipment

Stage 5
Demonstrates ability to cut food, using necessary adaptive equipment.
Table 4
Guidelines for External Review

1. Identify Reviewers
   a. number of people on review team
   b. qualifications for the review team members
   c. procedures for choosing the team

2. Determine Reviewer Compensation
   a. consulting fee
   b. travel and per diem expenses

3. Determine Review Request Procedure
   a. request may be made by a peer
   b. fiscal intermediary
   c. PSRO
   d. supervisor or professional
   e. detail review request procedure

4. Determine Review Procedure
   a. outcome or process review
   b. claims or reimbursement review
   c. on-site inspection
   d. review of existing audits
   e. review using previously developed criteria or newly developed criteria

5. Identify Standards To Be Used

6. Describe the Outcome of the Audit
   a. kinds of sanctions to be used
   b. appeals procedures
   c. determine policy of confidentiality

drafting process and outcome criteria for a particular diagnostic category. These drafts were then reviewed and revised by the State Board and submitted to vote by the entire state membership before being incorporated in the state manual. Procedures have been established for the continuous development of new criteria and the revision of existing ones.

As a result of PL 92-603, state PSROs are charged with the responsibility of criteria and standards development for health care professionals including peer professionals (12). PSROs are also assuming review responsibilities for fiscal intermediaries to promote cost-effective health care. It is vital, therefore, that the activities of the state PSRO be monitored. The Tri-Level Quality Assurance Model provides a mechanism by which occupational therapists not only monitor PSRO activities, but also can affect the PSRO through the PSRO liaison. In Iowa, the PSRO liaison serves on the PSRS State Board and is the Iowa Occupational Therapy Association's representative to the PSRO Advisory Group. To function effectively the PSRO liaison must know and understand the operation of the occupational therapy quality assurance system and the organization and operation of the state PSRO.

Although state PSROs and fiscal intermediaries are gradually moving toward acceptance of common review procedures, existing differences can pose potential problems for payment of occupational therapy claims. The Tri-Level Quality Assurance Model allows for a therapist representative to these agencies to facilitate the development of common criteria for claims review and to provide standardized procedures for obtaining external review of claims. The third-party payer liaison on the State Board coordinates external review requests for fiscal intermediaries. Review criteria are those adopted by the state membership. The liaison is in a position to identify therapist deficiencies through analysis of quality assurance reports and to provide training for remediating the deficits. In Iowa the Quality Assurance Manual provides review criteria for the State Board in conducting an external review.

External review is available at the request of occupational therapists as well as fiscal intermediaries. External review can be useful in developing criteria, defining administrative procedures, identifying problems, and developing continuing education programs. It is important, however, to establish guidelines for external review. The purpose of the review, along with a statement assuring confidentiality and a description of the proposed use of the review results, should be stated in writing. Suggested guidelines for external review are outlined in Table 4.

Other activities of the state-level organization are providing technical assistance to state licensing boards and assisting occupational therapists in meeting peer review requirements specified in state rules and regulations. It is the intent of the Iowa PSRS State Board to lobby for peer review credits as an alterna-
tive to continuing education credits for the recently enacted Iowa Occupational Therapy Practice Act. The proposal suggests that a written audit report serve as partial fulfillment of continuing education requirements.

A final function of the PSRS State Board is communication with AOTA via the regional review consultants. It is important, for example, that AOTA receive information on the activities of the PSRO and fiscal intermediaries in each state. Regular communication can help AOTA anticipate trends, assist states in solving specific problems, or provide information that may be helpful in working with the National PSRO and fiscal intermediaries. State information regarding audit topics and remedial action plans may help AOTA plan for continuing education, conference presentations, and curriculum revisions.

### Quality Assurance at the Local Level

The success or failure of a state quality assurance organization depends upon the participation of individual occupational therapists. In the Iowa PSRS individual participation takes place at the district and local level and includes the following tasks: development and ratification of standards of practice, participation in internal and external reviews, development of and attendance at continuing education programs, and participation in the audit reporting system. The district representatives within the Iowa PSRS coordinate district external review and continuing education and are responsible for the audit reporting system and dissemination of information to local membership.

The members of the Iowa Occupational Therapy Association are responsible for the internal review component of the quality assurance program. Before proceeding with internal review each local unit develops a Departmental Quality Assurance Program (Table 5). The Departmental Quality Assurance Program defines department philosophy, organization, and operating procedures. In addition, therapists need to identify the peer group with whom they will work. This may be a group consisting solely of occupational therapists (monodisciplinary), or a group consisting of related health care practitioners (interdisciplinary). The peer group must also agree upon review methods and procedures.

Once this preliminary information is established by the participants, internal review can be initiated. If the review is to become a part of a larger peer review system, a formalized reporting system must be developed. The Kansas Occupational Therapy Association, for example, is collecting the following information twice a year: audit topic, date, patient sample, number of charts reviewed, subject of the audit, criteria and evidence of remedial action plan including results of audit, and description of remedial action activity.

### (Problems)

While the statewide quality assurance program has received the general approval of occupational therapists in Iowa, several problems prevent its functioning as planned. As a result of the JCAH and PSRO requirements, therapists in hospitals throughout the state are regularly performing internal reviews. However, because the PSRS program is voluntary, relatively few therapists have submitted information to the IOTA about their review activities. At present, no incentives have been provided to encourage participation in the reporting system.

Second, over the past 3 years the Iowa Occupational Therapy Association has devoted most of its resources to the attainment of licensure. Because of the licensure effort little money had been allotted for...
the administration of the PSRS program and only a handful of therapists sustained an interest in the concept of peer review. Consequently, there has been a high turnover of district representatives leaving the administration of the program to the state PSRS chairperson.

Third, the PSRS goals of external review for fiscal intermediaries and continuing education based on the analysis of state review activities have not been met. Without regular feedback from therapists throughout the state regarding their quality assurance activities these goals are unattainable.

The following ideas are being considered to improve the functioning of the PSRS program:

\(1(a)\) Educate therapists about the benefits and methods of quality assurance.

\(1(b)\) Provide feedback to all therapists turning in information about their quality assurance activities.

\(1(c)\) Provide health accounting workshops to interested districts.

\(2\) Simplify and formalize the reporting system. This year participants will be asked to complete a form requesting specific information about their quality assurance activities, including audit.

\(3\) Give recognition to members participating in the reporting system by publishing their names and sending letters of recognition to their employers.

\(4(a)\) Include peer review as part of the licensure regulations allowing continuing education credit for completed quality assurance reports.

\(4(b)\) Register the PSRS Board with the Occupational Therapy and Physical Therapy Board of Examiners to participate in the review of individual therapists whose practice has been challenged.

\(5\) Provide the IOTA Quality Assurance Manual as a guideline.

\(6\) Enhance the role and status of the district representatives by delegating more responsibility to them, having them meet more regularly, and providing them with more training and information.

\(7\) Make contact with the fiscal intermediaries to discuss the PSRS plan and future cooperative efforts.

Conclusions
The Tri-Level Quality Assurance Model represents an expanded concept of quality assurance by integrating traditional quality assurance activities with professional education and credentialing. In addition, the development of three organizational levels—local, state, and national—provides for continuity of activities and communication throughout the profession. Finally, the liaison efforts with JCAH and PSRO, both nationally and locally, allow occupational therapists to be influential in the development of review regulations.

The Iowa PSRS is an example of the Tri-Level Model at work. With the PSRS, Iowa therapists in hospitals have been trained in audit and prepared to meet the mandatory requirements of JCAH and the PSRO. In addition, the audit training program has made these review techniques available to therapists in nontraditional settings such as nursing homes and public schools. This has been particularly important in Iowa with the recent initiation of long-term care review by the PSRO and quality review by the Department of Public Instruction, Division of Special Education. The Quality Assurance Manual, developed by the State Board, establishes basic standards of practice for Iowa therapists and stands as an example of the importance of local participation in the development of quality review.

It seems clear that quality assurance will continue to develop and grow in importance as a means of providing effective and cost-efficient health care. It is recommended that state associations consider the Tri-Level Quality Assurance Model as a valuable tool for professional development.

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