

**APPENDIX C - EXHIBIT 4  
PERFORMANCE REQUIREMENTS  
SUMMARY**

**Performance Requirements Summary**

<b>PERFORMANCE REQUIREMENTS</b>	<b>METHOD OF MONITORING</b>	<b>ACTIONS TAKEN IN LIEU OF NONCOMPLIANCE</b>
Only County funded patients will be invoiced to LACDMH.	DMH Accounts Payable will review a sampling of invoices and lab orders for alternate payor eligibility. DMH will track all occurrences of improper billing. The frequency of inappropriate billing is expected to decrease during course of contract.	Non-reimbursement by County for claims billable to alternate payor source. Notification to LSP of unsatisfactory billing practices. LSP shall be given the opportunity to propose a corrective action plan to ensure billing accuracy. DMH may require LSP to provide eligibility inquiry information on a regular basis should frequency of inappropriate billing continue.
Ordered laboratory tests results will be delivered in a timely manner.	DMH clinicians are instructed to contact the Pharmacy Services Bureau when requested lab results are not returned or deemed unsatisfactory. The Pharmacy Services Bureau will review.	Possible non-reimbursement of claim.
Unauthorized laboratory tests will not be processed.	DMH Accounts Payable will review all invoices to ensure that processed laboratory tests are within the Authorized Order List, or verify authorization by the Pharmacy Services Bureau. Invoices will also be reviewed to ensure that only ordered labs are processed (substitutions are prohibited).	Non-reimbursement of claim or reimbursement only for "deemed ordered" test. DMH may review order acceptance practices with management and propose additional solutions to prevent occurrence of improper processing.
STAT labs are returned to ordering provider within proposed timeframes.	DMH clinicians are instructed to contact the Pharmacy Services Bureau when requested lab results are not returned or deemed unsatisfactory. The Pharmacy Services Bureau will review.	Non-reimbursement for STAT order charges. Possible non-reimbursement of claim.
Laboratory samples obtained and handled appropriately by LSP's courier or delivery personnel.	LSP shall provide a quarterly report of lost, mishandled, or otherwise unusable samples. DMH will review frequency of cases and nature of specimens lost.	LACDMH may conduct root cause analysis with LSP and develop a corrective action plan to reduce frequency of such events. LSP may be penalized or may be required to provide replacement sample acquisition services free of charge.