



TOOLKIT

MAKING THE MOST OF YOUR DELEGATION

Practical Guidance for Health Plans

TOOLKIT HIGHLIGHTS

- What is delegation?
- What should health plans look for in a delegation partner?
- What are the benefits of delegating to an NCQA-Accredited entity?

DELEGATION DEFINED

Overview

Delegation occurs when a health plan gives another entity the authority to perform an NCQA-required activity on the plan's behalf. This authority can be granted through a formal delegation agreement or without a formal agreement—referred to as “de facto delegation.”

The delegating health plan is responsible for delegated NCQA activities and for overseeing that the delegate performs the activities in accordance with NCQA requirements. For this reason, selecting the right delegation partner is critical to the plan's success.

Partnering with an NCQA-Accredited/Certified delegate offers important assurances that the delegate performs designated functions in accordance with NCQA standards, and builds a culture of quality. It also provides automatic credit for many NCQA requirements, and can help significantly reduce the oversight burden compared to working with non-NCQA-Accredited/Certified delegates.



FINDING THE RIGHT
DELEGATION PARTNER
IS A CRITICAL COMPONENT
OF SUCCESS.

THE VALUE OF DELEGATION

Delegation has become more popular as health plans realize the value of leveraging accredited delegates to perform complex functions such as utilization management, credentialing, population health and complex case management. Finding the right delegation partner is a critical component of success. Partnering with NCQA-accredited/certified delegates provides foundational assurances that the potential delegate has the capability to perform the designated function(s) to NCQA specifications and most importantly your health plan will have the assurance that the delegate is held to the same level of rigor and accountability on key functions.

Working with accredited delegates can transform health plan operations by:

- Offloading specialized tasks to expert, accredited partners.
- Lowering costs while maintaining or improving service quality.
- Accelerating processes like credentialing and utilization management.
- Maintaining regulatory compliance through structured oversight.
- Enhancing practitioner and member satisfaction with faster, more reliable service.

This alignment of efficiency, quality, compliance, and trust enables health plans to deliver superior care while keeping control, costs and accountability at scale.

Working with NCQA-accredited or certified delegates can deliver key strategic advantages such as:

SUPPORT AREA	VALUE DELIVERED
Operational efficiency	Accredited/certified delegates bring specialized expertise and established systems, enabling more accurate and efficient execution of functions like credentialing, utilization management, and case/population health management.
Reduced administrative burden	Delegating routine and technical tasks lightens the workload on a health plan’s internal teams, freeing up resources and reducing delays.
Potential cost savings	Outsourcing to accredited third-party entities often costs less than building and maintaining equivalent internal capabilities, especially when accredited delegates scale across multiple plans.
Regulatory and accreditation compliance	Accredited delegates adhere to formal requirements and are subject to regular audits, enabling health plans to meet regulatory standards with greater confidence.
Provider and Member experience	Faster credentialing of providers and UM decisions leading to higher satisfaction.
Risk mitigation and management	Accredited oversight reduces operational, regulatory, and financial risks.
Automatic credit	The health plan seeking NCQA Accreditation receives full or partial credit for select NCQA requirements when using NCQA-accredited or NCQA-certified delegates.

Supporting non-accredited delegates on their accreditation journey

There are many ways that a health plan can strategically partner with a delegate to achieve NCQA Accredited/Certified status. Strategies range from financial support and incentives to partnering to assist with the Accreditation/Certification survey preparation process.

- Assist with survey fees.
- Provide financial resources for an accreditation consultant to support the delegate.
- Adjust fee schedule or provide a bonus payment, after delegate achieves accreditation/certification.
- Provide staffing resources to assist delegate in achieving NCQA status.
- Utilize the oversight audits as “mock surveys” or preparation audits, to assist and educate delegate.

Nationally recognized health plans and NCQA-accredited clients see the value when working with NCQA-accredited delegates.

VALUE IN PARTNERING WITH NCQA-ACCREDITED/CERTIFIED DELEGATES

Nationally recognized health plans and NCQA-Accredited clients consistently report measurable benefits when partnering with NCQA-Accredited delegates. These partnerships deliver efficiency, quality and confidence.

What national plans are saying...

“Accredited delegated partners outperformed non-Accredited partners.”



“Accredited delegated partners require less educational resources of the health plan.”



“Accredited delegated partners require less file review audit resources.”



Partnering reduces oversight burden and strengthens outcomes in NCQA Health Plan Accreditation. Here’s how:

Over 72% of elements (153/211 elements) in the 2026 NCQA Health Plan Accreditation standards and guidelines are eligible for automatic credit or delegation oversight relief for using NCQA-Accredited or Certified delegates when criteria are met.

Automatic credit means NCQA scores designated requirements (elements or factors) as met during the health NCQA survey if the delegated activities were covered in the scope of the delegate’s NCQA review and not scored.

- For non-file review elements in the nondelegation oversight standards, delegates must cumulatively perform the delegated function for at least 70% of the applicable population—members, practitioners or providers—based on the requirement’s unit of measure. For example:
 - » If the requirement applies to members, the unit of measure is the membership population.
 - » If the requirement applies to practitioners, the unit of measure is the network practitioners.
 - » If the requirement applies to providers, the unit of measure is the organizational providers.
- For file-review elements, the 70% threshold does not apply. The organization receives automatic credit for file-review activities performed by NCQA-Accredited or Certified delegates selected for review.

Note: NCQA does not offer automatic credit for de facto delegation, even if the de facto delegate is NCQA Accredited.

Delegation oversight relief means the health plan is not required to perform certain oversight activities (monitoring the delegate performance) in the delegation oversight standards, and receives credit for those activities during its NCQA Survey. NCQA waives the oversight of NCQA-Accredited/Certified delegates on the following requirements:

- Predelegation evaluation.
- Semiannual reporting.
- Annual file audit (if applicable).
- Annual evaluation against NCQA standards.
- Annual Evaluation of the delegates’ Information Integrity.
- Acting on opportunities for improvement.

Automatic credit is available for these oversight requirements if all delegates are NCQA-Accredited or Certified for applicable requirements. If some delegates are not, NCQA gives automatic credit for the accredited/certified delegates and scores the other delegates normally.

The above burden reductions (automatic credit and delegation oversight relief) are not available if the health plan’s delegates are not NCQA Accredited/Certified. The health plan must demonstrate that it audited all non-NCQA-Accredited/Certified delegates and implemented corrective actions to address identified performance issues.

THE DELEGATION JOURNEY BASICS

Common Delegate Types by Accreditation/Certification Programs

There are many types of delegates. The table below lists the most common delegates that health plans work with, the NCQA Accreditation/Certification programs associated with the functions they may perform and the areas where automatic credit may apply. This is not an exhaustive list. The Delegation and Automatic Credit Guidelines Appendix in the Health Plan Accreditation standards and guidelines details automatic credit criteria and where automatic credit is available for each type of Accreditation/Certification.

NCQA PROGRAM/DELEGATE TYPE	AREAS OF AVAILABLE AUTOMATIC CREDIT
<p>Utilization Management (UM) Accreditation Pharmaceutical benefit managers Specialty benefit administrators Independent review organizations Third-party administrators Health systems and hospital-based UM departments</p>	<p>Medical necessity review and decisions Appropriate professionals Clinical information Decision notification Notification of appeal rights UM appeals Timeliness of decision notification</p>
<p>Credentialing (CR) Accreditation Medical group Independent practice associations Provider organization Management services organizations</p>	<p>Credentialing committee/decisions Application, attestation and primary source verification activities Ongoing monitoring Assessment of organizational providers Recredentialing cycle Delegate’s information integrity</p>
<p>Credentialing (CR) Certification Credentials verification organizations</p>	<p>Application, attestation and primary source verification activities Aspects of ongoing monitoring Delegate’s information integrity</p>
<p>Provider Network Accreditation Independent practice associations Provider organizations</p>	<p>Practitioner availability Practitioner accessibility Network adequacy Continued access Physician and hospital directories</p>
<p>Case Management Accreditation</p>	<p>Population assessment activities Complex case management</p>

NCQA PROGRAM/DELEGATE TYPE	AREAS OF AVAILABLE AUTOMATIC CREDIT
<p>Patient-Centered Medical Home Recognition</p>	<p>Aspects of complex case management Population assessment/activities/resources</p>
<p>Wellness and Health Promotion Accreditation or Certification</p>	<p>Manage health appraisal frequency Self-management tool topics</p>
<p>Behavioral Healthcare Accreditation Behavioral healthcare organizations</p>	<p>Practitioner involvement in quality program Complex case management files Practitioner availability, accessibility and network adequacy Utilization management Appeals Network credentialing Member experience</p>
<p>Population Health Program Accreditation Health systems and hospitals Community-based organizations Provider groups Pharmacy benefit managers</p>	<p>Informing members Population identification</p>
<p>Health Outcomes Accreditation Care delivery and care management organizations Specialty plans or specialty benefit administrators Managed behavioral healthcare organizations, other behavioral health benefit administrators</p>	<p>Aspects of population assessment Review of activities and resources Aspects of assessment of network adequacy Language spoken in the physician and hospital directories</p>

WHAT TO LOOK FOR IN A DELEGATION PARTNER

Once you decide to delegate an activity, finding the right delegation partner is a critical component of success. As with any partnership, you want to consider communication, integrity, vision, dedication and shared cultural values. When considering an NCQA delegate, the following criteria can help you evaluate:

Is the entity NCQA-Accredited/Certified for the function you are delegating?

If so, the organization has assurance that the potential delegate has the capability to perform the function to NCQA specifications. Organizations can track changes in their NCQA-Accredited delegate status through NCQA's report card, updated monthly at [Report Card—NCQA](#).

If the entity is not NCQA-Accredited/Certified, will it work with you to achieve Accreditation/Certification?

If so, can the potential delegate achieve Accreditation within a timeline that meets your needs? Do you have the resources to help the delegate meet NCQA requirements?

Is the non-NCQA-Accredited/Certified entity capable of performing the delegated function?

Does it have established systems and processes? Does it have enough staff to handle the scope of delegation? If there are gaps in the entity's capability, will it work to achieve the level of capability needed?

Do your incentives align?

Can you work with the delegated entity to achieve common goals?

Can a partnership relationship evolve?

Will you and the delegated entity be able to work together as strong partners?



DELEGATION OVERSIGHT

Simply because the the health plan delegates a function to another entity does not mean it abdicates ongoing responsibility for that function. The health plan must make sure its delegate performs the delegated activity properly, and in alignment with NCQA standards. Without conducting strong delegation oversight, how can the organization know if its delegate is performing as expected?

—
You will be assessed under NCQA's standards

—
You need to know that the delegate adheres to your and NCQA's standards.

—
You, not the delegate, are ultimately responsible for the activity and execution.

THE DELEGATION AGREEMENT

The delegation agreement is a critical component of the delegation process. It clarifies responsibilities and processes of both, health plan and delegate. This is the place to be detail oriented! Think about it... if neither side is clear who is responsible for an activity, the delegation relationship is destined for failure. The delegation agreement must:

Be mutually agreed on...

In a dated, binding document or communication before delegation begins. Be clear about the effective date. If the agreement has no effective date, NCQA considers the last signature date as the effective date.

Describe the responsibilities of the health plan and the delegate...

If there is a subdelegate, specify which entity is responsible for oversight.

Require at least semiannual reporting to the health plan by the delegate...

Be specific about what is reported, how it is reported, and how often, and to whom. Determine reporting relevant to each delegated function. Best practices include adding report templates and or sample reports in the agreement appendix.

Describe the process for how the health plan evaluates the delegate's performance...

Will there be regular delegation meetings? Will the annual audit be conducted on site? (Don't overthink this part: Just describe the oversight process.)

Specify the types of inappropriate documentation and inappropriate updates for utilization management and credentialing.

Describe the health plan's process for providing clinical performance and member experience data to the delegate, upon request...

The agreement should state "what the delegate must do" to request and obtain this information, or how it will be provided on an ongoing basis.

Describe the remedies available to the health plan if the delegate does not fulfill its obligations, including revocation of the agreement...

Including corrective actions and the health plan's right to revoke delegation.

Many plans find that a matrix approach in the delegation agreement is an efficient way to describe delegated activities. The following example demonstrates how responsibilities of both the delegate and the health plan can be documented in a simple matrix format, along with associated reporting requirements and processes for evaluating performance.

Delegated Activity	Health Plan	Delegate	Frequency of Reporting	Process for Evaluating Delegate	Corrective Actions
Measuring Effectiveness: Experience with Population Health Management (PHM)	Maintains accountability, clinical and cost/ utilization PHM program measures.	Annually analyze participant feedback with the PHM program, using participant surveys. Surveys must include all NCQA-required topics	Semiannual report provided to director of QI electronically. Report will include volume of surveys completed by month. Annual analysis report due March 1 of each calendar year.	Annual audit of delegate policies, procedures and survey instrument. Review of reports.	Corrective Action Plan(s) required within 30 calendar days for non-compliance. Termination of delegation for repeated noncompliance.

PREDELEGATION EVALUATION

One of the most important components of delegation oversight occurs before delegation begins: evaluation of the potential delegate’s capability to perform the delegated functions. Before an activity is delegated, the health plan must determine the delegate’s capability and readiness to successfully perform it.

The predelegation evaluation must be completed no earlier than 12 months before delegation begins (based on the effective date in the delegation agreement).

Predelegation evaluations can be conducted in many ways—an onsite visit, a review of documentation submitted by the potential delegate, telephone meetings, virtual review. The process is flexible.

REVIEW OF DELEGATED ACTIVITIES

For delegation arrangements in effect for 12 months or longer, health plans must conduct the following activities to monitor each delegate’s performance.

Requirement	Standard Category					
	QI	PHM	NET	UM	CR	ME
Review programs/policies	⊗	⊗	⊗	⊗	⊗	⊗
Annual file audit		⊗		⊗	⊗	
Annual evaluation against NCQA						
Semiannual evaluation reports	⊗	⊗	⊗	⊗	⊗	⊗
Annual information integrity audit, corrective actions, measure of effectiveness				⊗	⊗	

Review of program/policies: For all delegates, this component of oversight requires the health plan to review program documentation and/or policies and procedures relevant to the delegated function. This can be conducted by health plan staff or by a committee. The review must be documented and include the date of the review and findings.

Annual file audit: If certain activities (credentialing, complex case management, UM denials/appeals) are delegated, files must be managed in accordance with NCQA requirements. The health plan must conduct an annual file review using an appropriate sampling process of either:

- 5% of the total files or 50 files, whichever is less, or
- The NCQA **“8/30” methodology (An Explanation of the “8 and 30” File Sampling Procedure Used by NCQA During Accreditation Survey Visits)** can be obtained by your NCQA surveyor.

Annual evaluation against NCQA standards: Each year, the health plan must review the delegate’s performance against NCQA standards for the delegated function. Health plans often develop an audit tool to evaluate the delegate based on NCQA-required data sources (policies, materials, reports). The process is similar to the predelegation evaluation, and can be an onsite visit or virtual.

Semiannual evaluation of reports: The health plan must evaluate the delegate’s reports at least semiannually, but at least as often as they are received. For example, if the delegate is required to send monthly reports, the plan should review each report when it is received.

Evaluation is more than just noting that the report was received. The process includes review and analysis to determine performance and identify opportunities for improvement. It’s important to document the review. This process can also benefit from a matrix approach, as in the example below.

Report	Date Received	Complete?	Analysis	Actions	Reviewer
Coverage Decision Report Total requests Total denials and % denials Total approvals and % approvals Number and % of cases meeting turnaround times List of denials with name, member ID, start date, close date	DD/MM/YYYY	Y/N	Total number of denials and approvals align with expectations 95% turnaround times met for all decisions	Actions/ No actions required	Name

Information integrity: Health plans (or delegates) must conduct an annual audit of delegates’ utilization management and credentialing information for inappropriate documentation or updates.

- If the health plan delegates UM functions, the plan must also audit the delegate’s UM denial and appeal files for inappropriate documentation and inappropriate updates to request receipt dates and decision notification dates.
- If the health plan delegates CR functions, the plan must also audit the delegate’s credentialing files for inappropriate documentation and inappropriate updates to credentialing information.

If issues are found, corrective actions must be implemented for each delegate. Actions’ effectiveness should be evaluated within 3–6 months following the audit. The health plan must review the delegate’s audit results and approve corrective action plans developed and implemented by the delegate.

OPPORTUNITIES FOR IMPROVEMENT

The health plan must address all opportunities identified through ongoing delegate oversight. Opportunities may come from:

Predelegation evaluation. Opportunities for improvement identified during the predelegation evaluation require action.

Review of Delegated Activities. When conducting a review and analysis of delegated activities, the health plan should consider the following key questions to identify opportunities for improvement:

- Is the report late?
- Is it missing agreed-on content?
- Do data highlight performance concerns (e.g., high volume of denials, larger than anticipated volume of overturned appeals)?
- Does the annual evaluation of the delegate’s policies and procedures show gaps?
- Is the evaluation dated and or time stamped appropriately?

REVIEW OF NON-ACCREDITED DELEGATES

If a health plan uses non-NCQA Accredited delegates to perform UM activities, it must complete delegation information module in the Interactive Review Tool (IRT). For each non-Accredited delegate, the health plan must provide:

- The date of completed annual UM file audits.
- Whether a corrective action plan was required.
- The date of the plan’s implementation and its completion.

STRATEGIC PARTNERSHIPS: HELPING NON-ACCREDITED/ CERTIFIED DELEGATES ACHIEVE NCQA STATUS

There are many ways a health plan can strategically partner with a delegate to earn NCQA Accredited/Certified status. Strategies range from financial support and incentives to partnering to assist with the Accreditation/Certification survey preparation process.

Financial support

- Help with survey fees.
 - » For a smaller delegate, survey fees can be a barrier to achieving NCQA status. Health plans can provide financial support to assist delegates with the fees to pursue Accreditation/Certification.
- Help the delegate find and pay for a qualified Accreditation consultant.
- Promise future financial support or fee schedule adjustments after the delegate earns Accreditation/Certification.
 - » This is generally documented in the agreement, and can be a stimulus for the delegate to pursue NCQA Accreditation/Certification status and meet health plan deadlines. Incentives could include a bonus payment or a fee schedule adjustment by a specified date.

Consulting support

- Provide staffing to assist the delegate in achieving NCQA status.
 - » NCQA oversight audits can be repurposed as “mock surveys” or Accreditation preparation audits, putting a different spin on the process.
 - » Regular meetings can serve as status updates toward Accreditation/Certification.
 - » Health plan staff with strong Accreditation knowledge can assist the delegate with ongoing review of policies, procedures, files and so on, to confirm compliance.
 - » Health plan staff can provide training on interpreting the standards, using the Interactive Review Tool and types of documentation that meet the requirements.
 - » Health plan staff can serve as project managers for the Accreditation/Certification process.

DELEGATION KEYS TO SUCCESS

For any delegate, these simple keys to success can help lead to a positive delegation experience.

- Evaluate the delegate’s capacity to perform before signing the delegation agreement.
- Confirm that the delegation agreement clearly identifies the responsibilities of both delegate and health plan.
- Identify subdelegate(s), if applicable, and agree on who is responsible for oversight.
- Designate internal staff and/or committee responsible for delegation oversight.
- Determine reporting requirements and meet with the delegate regularly.
- Make certain that reports from the delegate are scheduled and analyzed regularly.
- Schedule a date to perform a formal annual assessment and give the delegate timely feedback.
- Implement timely corrective actions and reassess as necessary.

WHAT IS NOT CONSIDERED DELEGATION?

Not every entity that performs an NCQA function is considered a delegate under NCQA standards. Some special situations are not considered delegation.

Vendors

NCQA does not consider the vendor relationship to be delegation because the health plan does not give another entity the authority to carry out a function that it would otherwise perform. A vendor relationship is similar to a purchaser relationship, where the health plan obtains a product, solution or system from the vendor and maintains control over its implementation and use. Examples of vendor activities include:

- Health appraisals.
- Wellness tools.
- Usability testing of the web-based hospital and physician directory.
- Web-based claims functionality.
- Mail service organizations that distribute rights/responsibility statements and subscriber information.

Corporate families

NCQA does not consider the relationship to be delegation if the health plan and the delegate share common ownership or control. The concepts of common ownership and control are based on two models:

- For-profit model: The parent organization controls its wholly owned subsidiaries.
- Not-for-profit model: The not-for-profit organization controls related organizations through a membership agreement or other governance structure. The concept of “control” in the not-for-profit model is akin to the “wholly owned” concept in the for-profit model.

Delegation oversight standards do not apply in these models, but the health plan must have a written acknowledgment or official document identifying where another corporate family member performs NCQA-evaluated functions.

Similar to using an NCQA-accredited or NCQA-certified delegate, automatic credit and oversight relief also apply when an NCQA-accredited or NCQA-certified wholly owned family member or vendor performs NCQA-required activities for the health plan.



ASK A QUESTION

Have a question about delegation? Submit it through My NCQA at my.ncqa.org and a NCQA representative will be in touch.