



Medica Health Plans

QUALITY ASSURANCE EXAMINATION

Final Report

For the Period: January 1, 2015 – August 31, 2017

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**MINNESOTA DEPARTMENT OF HEALTH
EXECUTIVE SUMMARY**

The Minnesota Department of Health (MDH) conducted a Quality Assurance Examination of Medica Health Plans (Medica) to determine whether it is operating in accordance with Minnesota Law. Our mission is to protect, maintain and improve the health of all Minnesotans. MDH has found that Medica is compliant with Minnesota and Federal law, except in the areas outlined in the “Deficiencies” and Mandatory Improvements” sections of this report. Deficiencies are violations of law. “Mandatory Improvements” are required corrections that must be made to non-compliant policies, documents or procedures where evidence of actual compliance is found or where the file sample did not include any instances of the specific issue of concern. The “Recommendations” listed are areas where, although complaint with law, MDH identified improvement opportunities.

To address recommendations, Medica should:

None

To address mandatory improvements, Medica and its delegates must:

Work with CVS to more clearly state in its acknowledgement letters the requirement that in an oral appeal, the MCO must assist the enrollee in completing a signed appeal, and if no signed appeal in 30 days, the MCO may resolve the appeal as if a signed appeal were received; and

Revise its appeal policies to clearly specify the required elements in a notice of appeal resolution when the denial is upheld upon appeal.

To address deficiencies, Medica and its delegates must:

None

This report including these deficiencies, mandatory improvements and recommendations is approved and adopted by the Minnesota Commissioner of Health pursuant to authority in Minnesota Statutes, chapter 62D.



12/10/18

Diane Rydrych, Director
Health Policy Division

Date

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I. Introduction

1. History: In 1975 physician members of the Hennepin County Medical Society founded Physicians Health Plan, an open access nonprofit Health Maintenance Organization (HMO). In 1991 Physicians Health Plan merged with another nonprofit Twin Cities HMO, Share Health Plan, to form Medica. In 1994, Medica merged with HealthSpan to form Allina Health System, which provided both health insurance and health care. Medica became an independent company in 2001.

Medica terminated its Families and Children and MinnesotaCare plans on May 1, 2017, resulting in a significant reduction in the number of Minnesota residents insured through Medica.

Medica provides health insurance products to 1.2 million members. Coverage is available to individuals in Iowa, Kansas, Minnesota, Nebraska, and North Dakota; and to employers, third-party administrators and government programs in Minnesota and certain counties in North Dakota, South Dakota, and Wisconsin. More than 96 percent of Minnesota providers and all hospitals in Medica’s service area participate in Medica’s networks.

2. Membership: Medica self-reported Minnesota enrollment as of April 1, 2017 consisted of the following:

Self-Reported Enrollment

Product	Enrollment
<i>Fully Insured Commercial</i>	
Large Group	0
Small Employer Group	0
Individual (Members terminated on 12/31/2016)	11
<i>Minnesota Health Care Programs – Managed Care (MHCP-MC)</i>	
Families & Children (terminated 5/1/2017)	271,787
MinnesotaCare (terminated 5/1/2017)	39,009
Minnesota Senior Care (MSC+)	3,905
Minnesota Senior Health Options (MSHO)	11,133
Special Needs Basic Care	14,248
<i>Total</i>	340,093

3. Onsite Examination Dates: October 2, 2017 – October 6, 2017
4. Examination Period: January 1, 2015 – August 31, 2017
File Review Period: July 1, 2016 to August 31, 2017
Opening Date: July 24, 2017

5. National Committee for Quality Assurance (NCQA): Medica is accredited for its Commercial HMO/POS Combined products by NCQA based on 2016 standards. The Minnesota Department of Health (MDH) evaluated and used results of the NCQA review in one of three ways:
 - a. If NCQA standards do not exist or are not as stringent as Minnesota law, the accreditation results were not used in the MDH examination process [No NCQA checkbox].
 - b. If the NCQA standard was the same or more stringent than Minnesota law and the health plan was accredited with 100% of the possible points, the NCQA results were accepted as meeting Minnesota requirements [NCQA , unless evidence existed indicating further investigation was warranted [NCQA].
 - c. If the NCQA standard was the same or more stringent than Minnesota law, but the review resulted in less than 100% of the possible points on NCQA's score sheet or as an identified opportunity for improvement, MDH conducted its own examination.

6. Sampling Methodology: Due to the small sample sizes and the methodology used for sample selection for the quality assurance examination, the results cannot be extrapolated as an overall deficiency rate for the health plan.

7. Performance Standard: For each instance of non-compliance with applicable law or rule identified during the quality assurance examination, that covers a three-year audit period, the health plan is cited with a deficiency. A deficiency will not be based solely on one outlier file if MDH has sufficient evidence that a plan's overall operation is compliant with an applicable law. Sufficient evidence may be obtained through: 1) file review; 2) policies and procedures; and 3) interviews.

II. Quality Program Administration

Program

Minnesota Rules, Part 4685.1110

Subparts	Subject	Met	Not Met	NCQA
Subp. 1.	Written Quality Assurance Plan	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 2.	Documentation of Responsibility	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subp. 3.	Appointed Entity	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subp. 4.	Physician Participation	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subp. 5.	Staff Resources	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subp. 6.	Delegated Activities	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 7.	Information System	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subp. 8.	Program Evaluation	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 9.	Complaints	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 10.	Utilization Review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 11.	Provider Selection and Credentialing	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subp. 12.	Qualifications	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subp. 13.	Medical Records	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	

Finding: Delegated Activities

Subp. 6. Minnesota Rules, part 4685.1110, subpart 6, states the HMO must develop and implement review and reporting requirements to assure that the delegated entity performs all delegated activities. The standards and processes established by the National Committee for Quality Assurance (NCQA) for delegation are considered the community standard and, as such, were used for the purposes of this examination. The following delegated entities and functions were reviewed.

Delegated Entities and Functions

Entity	UM	QOC	Complaints/ Grievances	Appeals	Cred	Claims	Disease Mgmt	Network	Care Coord
Active Health (Disease Management)							X		
CVS (Pharmacy)	X			X		X		X	
Medica Behavioral Health	X	X	X	X					
Optum Physical Health (Chiropractic)	X		X	X					
Pinnacle Services									X
Fillmore County									X
Red Lake County									X

Review of documents and discussion indicated a thorough delegation oversight process.

Activities

Minnesota Rules, Part 4685.1115

Subparts	Subject	Met	Not Met
Subp. 1.	Ongoing Quality Evaluation	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 2.	Scope	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Quality Evaluation Steps

Minnesota Rules, Part 4685.1120

Subparts	Subject	Met	Not Met
Subp. 1.	Problem Identification	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 2.	Problem Selection	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 3.	Corrective Action	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 4.	Evaluation of Corrective Action	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Focused Study Steps

Minnesota Rules, Part 4685.1125

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Subparts	Subject	Met	Not Met
Subp. 1.	Focused Studies	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 2.	Topic Identification and Selections	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 3.	Study	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 4.	Corrective Action	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 5.	Other Studies	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Filed Written Plan and Work Plan

Minnesota Rules, Part 4685.1130

Subparts	Subject	Met	Not Met
Subp. 1.	Written Plan	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 2.	Work Plan	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 3.	Amendments to Plan	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Written Plan

Medica’s written quality plan (*Quality Improvement Program Description 2017*) was a concise, comprehensive document that describes the organization’s QI program containing all the mandatory elements outlined.

Credentialing File Review

File Source	# Reviewed
Initial	Per NCQA
Re-credential	Per NCQA
Organizational	31
Total	31

Finding: Provider Selection and Credentialing

Subp. 11. Minnesota Rules, part 4685.1110, subpart 11, states the plan must have policies and procedures for provider selection, credentialing and recredentialing that, at a minimum, are consistent with community standards. MDH recognizes the community standard to be NCQA. Medica scored 100% in its credentialing and recredentialing of providers. Organizational credentialing did not score at 100%, thus 31 organizational files, both initial and recredentialed, were reviewed as well as the organizational credentialing policy. The policy contained the required standards. In one file the organization was not recredentialed within 36 months. The credentialing process was completed within the timeline, however it did not get to Credentialing Committee within the timeline. File was well documented as to the organizations tardiness in responding to the plans multiple requests for information.

III. Quality of Care

MDH reviewed a total of 11 quality of care grievance system files.

Quality of Care File Review

File Source	# Reviewed
<i>Quality of Care Grievances – MHCP – MC Products</i>	8
<i>Medica Behavioral Health</i>	3
Total	11

Quality of Care Complaints

Minnesota Statutes, Section 62D.115

Subparts	Subject	Met	Not Met
Subp. 1.	Definition	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 2.	Quality of Care Investigations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding:

MDH reviewed Medica’s policy and procedures for Quality of Care complaints. MDH commends Medica on its thorough and comprehensive the policy/procedures related to quality of care investigations.

IV. Complaint and Grievance Systems

Complaint Systems

MDH examined Medica’s fully-insured commercial complaint system for compliance with complaint resolution requirements of Minnesota Statutes, Chapter 62Q.

MDH reviewed a total of 3 Complaint System files.

Complaint System File Review

File Source	# Reviewed
Complaint Files	
<i>Medica Written</i>	0
<i>Medica Oral</i>	3
<i>Optum</i>	0
Non-Clinical Appeals	0
Total	3

Complaint Resolution

Minnesota Statutes, Section 62Q.69.

Section	Subject	Met	Not Met
Subd. 1	Establishment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2	Procedures for Filing a Complaint	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Notification of Complaint Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Notification of Complaint Decisions

Subd. 3 Minnesota Statutes 62Q.69, subdivision 3, states, “If the health plan company cannot make a decision within 30 days due to circumstances outside the control of the health plan company, the health plan company may take up to 14 additional days to notify the complainant of its decision.”

Medica’s complaint policy for Minnesota fully insured products (*COM001P Complaint HMO-MIC*) does not mention a 14 day extension. However, the Minnesota Policy of Coverage for Medica Choice (*Cmml IFB Medica Choice High Option Individual Certificate of Coverage*) states that Medica may extend complaint resolutions up to an additional 14 days. None of the three commercial complaint files reviewed utilized an extension. During onsite discussions, Medica

explained that they do not utilize extensions and this was why it was not in policy and procedure. No further action is required since the policy for the product reviewed was discontinued in 2016.

Appeal of the Complaint Decision

Minnesota Statutes, Section 62Q.70.

Section	Subject	Met	Not Met
Subd. 1	Establishment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2	Procedures for Filing an Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Notification of Appeal Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Notice to Enrollees

Minnesota Statutes, Section 62Q.71.

Section	Subject	Met	Not Met
62Q.71	Notice to Enrollees	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

External Review of Adverse Determinations

Minnesota Statutes, Section 62Q.73.

Section	Subject	Met	Not Met
Subd. 3	Right to External Review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Grievance System

MDH examined Medica’s Minnesota Health Care Programs Managed Care Programs – Managed Care (MHCP-MC) grievance system for compliance with the federal law (42 CFR 438, subpart E) and the DHS 2016 Contract, Article 8.

MDH reviewed a total of 52 grievance system files.

Grievance System File Review

File Source	# Reviewed
Grievances	
<i>Medica Written</i>	1

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File Source	# Reviewed
<i>Medica Oral</i>	19
<i>MBH Written</i>	1
<i>MBH Oral</i>	7
<i>Optum – no files</i>	0
Non-Clinical Appeals	
<i>Written</i>	8
<i>Oral</i>	5
State Fair Hearing	10
Total	52

General Requirements

DHS Contract, Section 8.1

Section	42 CFR	Subject	Met	Not Met
Section 8.1	§438.402	General Requirements		
Sec. 8.1.1		Components of Grievance System	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Internal Grievance Process Requirements

DHS Contract, Section 8.2

Section	42 CFR	Subject	Met	Not Met
Section 8.2	§438.408	Internal Grievance Process Requirements		
Sec. 8.2.1	§438.402 (b)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.2.2	§438.408 (b)(1)	Timeframe for Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.2.3	§438.408 (c)	Timeframe for Extension of Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec 8.2.4	§438.406	Handling of Grievances		
(A)	§438.406 (a)(2)	Written Acknowledgement	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.416	Log of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.402 (b)(3)	Oral or Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(D)	§438.406 (a)(1)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(E)	§438.406 (a)(3)(i)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(F)	§438.406 (a)(3)(ii)	Appropriate Clinical Expertise	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.2.5	§438.408 (d)(1)	Notice of Disposition of a Grievance		
(A)	§438.408 (d)(1)	Oral Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

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Section	42 CFR	Subject	Met	Not Met
(B)	§438.408 (d)(1)	Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

DTR Notice of Action to Enrollees

DHS Contract, Section 8.3

Section	42 CFR	Subject	Met	Not Met
Section 8.3	§438.408	DTR Notice of Action to Enrollees		
Sec. 8.3.1		General Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.3.2	§438.404 (c)	Timing of DTR Notice		
(A)	§438.210 (c)	Previously Authorized Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.404 (c)(2)	Denials of Payment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.210 (b)(c)(d)	Standard Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(1)		As expeditiously as the enrollee’s health condition requires	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(2)		To the attending health care professional and hospital by telephone or fax within one working day after making the determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(3)		To the provider, enrollee and hospital, in writing, and must include the process to initiate an appeal, within ten (10) business days following receipt of the request for the service, unless the MCO receives an extension of the resolution period	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(D)	§438.210 (d)(2)(i)	Expedited Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(E)	§438.210 (d)(1)	Extensions of Time	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(F)	§438.210 (d)	Delay in Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.3.3.	§438.420 (b)	Continuation of Benefits Pending Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: DTR Notice and Appeal Rights

Section 8.3.1 lays out the requirements of DTR and Appeal Rights Notices, which must be approved by the State. In the DTR files, the notices did not contain the approval number/date of the notice, however the correct notices were being used. Medica is in the process of instituting “Pub Codes” on notices to assure the most recent approved notices are being sent to enrollees.

Internal Appeals Process Requirements

DHS Contract, Section 8.4

Section	42 CFR	Subject	Met	Not Met
Section 8.4	§438.404	Internal Appeals Process Requirements		
Sec. 8.4.1.	§438.402 (b)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.2.	§438.408 (b)(2)	Timeframe for Resolution of Standard Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.3.	§438.408 (b)	Timeframe for Resolution of Expedited Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(A)	§438.408 (b)(3)	Expedited Resolution of Oral and Written Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.410 (c)	Expedited Appeal by Denied	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.410 (a)	Expedited Appeal by Telephone	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.4.	§438.408 (c)	Timeframe for Extension of Resolution of Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.5.	§438.406	Handling of Appeals		
(A)	§438.406 (b)(1)	Oral Inquiries	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.406 (a)(2)	Written Acknowledgment	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
(C)	§438.406 (a)(1)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(D)	§438.406 (a)(3)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(E)	§438.406 (a)(3)	Appropriate Clinical Expertise (See Minnesota Statutes, sections 62M.06, and subd. 3(f) and 62M.09)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(F)	§438.406 (b)(2)	Opportunity to Present Evidence	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(G)	§438.406 (b)(3)	Opportunity to Examine the Care File	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(H)	§438.406 (b)(4)	Parties to the Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(I)	§438.410 (b)	Prohibition of Punitive Action Subsequent Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.6.		Subsequent Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.7.	§438.408 (d)(2)(e)	Notice of Resolution of Appeals		
(A)	§438.408 (d)(2)(e)	Written Notice Content	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
(B)	§438.410 (c)	Appeals of UM Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.410 (c) and .408 (d)(2)(ii)	Telephone Notification of Expedited Appeals (Also see Minnesota Statutes section 62M.06, subd.2)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.8	§438.424	Reversed Appeal Resolutions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Written Acknowledgement

Sec. 8.4.5(B). 42 CFR Section 438.406(a)(2)(contract section 8.4.5(B),) requires a written acknowledgement letter in response to an appeal. Filing requirements state that an appeal may be filed orally or in writing. If oral, the MCO must assist the enrollee in completing a written signed appeal. If no signed appeal within 30 days, the MCO may resolve the appeal as if a signed appeal were received. Acknowledgment letters referring to this requirement sent by CVS

are ambiguous to the reader. Medica must work with CVS to more clearly state the requirement on its acknowledgement letters. **(Mandatory Improvement #1)**

Finding: Written Notice Content

Sec. 8.4.7(A). 42 CFR Section 438.408 (d)(2)(i) and (e)(contract section 8.4.7) and Minnesota Statutes, Section 62M.06, subd. 3(e), states that the notice of appeal resolution to enrollees or providers whose appeals are unsuccessful include a complete summary of the review findings; the qualifications of the reviewers; and the relationship between the enrollee’s diagnosis and the review criteria underlying the decision, including the rationale for the reviewer’s decision. Neither of Medica’s clinical appeal policies, *CA0050P Clinical Appeals Minnesota Senior Health Options* or *CA0105P Clinical Appeals MHCP (non-MSHO)*, included the specific requirements. The policies stated that “the notification letter must be in accordance with the specifications required by state law/DHS/CMS.” File review showed the appeal resolution letters did include the results, reviewer qualifications, the relationship between the diagnosis and the review criteria, and the rationale for the decision. Thus, Medica’s appeal resolutions comply with state law, however policies don’t specify the requirements. Medica must revise its appeal policies to clearly specify contents required in a notice of appeal resolution when the denial is upheld upon appeal. **(Mandatory Improvement #2)**

Maintenance of Grievance and Appeal Records

DHS Contract, Section 8.5

Section	42 CFR	Subject	Met	Not Met
Section 8.5	§438.416 (c)	Maintenance of Grievance and Appeal Records	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

State Fair Hearings

DHS Contract, Section 8.9

Section	42 CFR	Subject	Met	Not Met
Section 8.9	§438.416 (c)	State Fair Hearings		
Sec. 8.9.2.	§438.408 (f)	Standard Hearing Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.9.5.	§438.420	Continuation of Benefits Pending Resolution of State Fair Hearing	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.9.6.	§438.424	Compliance with State Fair Hearing Resolution	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

V. Access and Availability

Geographic Accessibility

Minnesota Statutes, Section 62D.124

Subdivision	Subject	Met	Not Met
Subd. 1.	Primary Care, Mental Health Services, General Hospital Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2.	Other Health Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Exception	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Essential Community Providers

Minnesota Statutes, Section 62Q.19

Subdivision	Subject	Met	Not Met
Subd. 3.	Contract with Essential Community Providers	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Availability and Accessibility

Minnesota Rules, Part 4685.1010

Subparts	Subject	Met	Not Met
Subp. 2.	Basic Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 5.	Coordination of Care	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subp. 6.	Timely Access to Health Care Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Emergency Services

Minnesota Statutes, Section 62Q.55

Subdivision	Subject	Met	Not Met
Subd. 1	Access to Emergency Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2	Emergency Medical Condition	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Licensure of Medical Directors

Minnesota Statutes, Section 62Q.121

Section	Subject	Met	Not Met
62.121	Licensure of Medical Directors	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Coverage of Nonformulary Drugs for Mental Illness and Emotional Disturbance

Minnesota Statutes, Section 62Q.527

Subdivision	Subject	Met	Not Met
Subd. 2.	Required Coverage for Anti-psychotic Drugs	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Continuing Care	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 4.	Exception to Formulary	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Coverage for Court-Ordered Mental Health Services

Minnesota Statutes, Section 62Q.535

Subdivision	Subject	Met	Not Met
Subd. 2.	Coverage required	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Continuity of Care

Minnesota Statutes, Section 62Q.56

Subdivision	Subject	Met	Not Met
Subd. 1.	Change in health care provider, general notification	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 1a.	Change in health care provider, termination not for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 1b.	Change in health care provider, termination for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2.	Change in health plans (applies to group, continuation and conversion coverage)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2a.	Limitations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

VI. Utilization Review

MDH examined Medica’s utilization review (UR) system under Minnesota Statutes, chapter 62M. MDH reviewed a total of 85 UR System files.

UR System File Review

File Source	# Reviewed
<i>UM Denial Files</i>	
Commercial	
Medica – no files	0
MHCP-MC	
Medica	16
Medica Behavioral Health	10
CVS	8
Optum	8
<i>Subtotal</i>	42
<i>Clinical Appeal Files</i>	
Commercial	
Medica – no files	0
MHCP-MC	
Medica	10
Medica Behavioral Health	10
CVS	15
Optum	8
<i>Subtotal</i>	43
Total	85

Standards for Utilization Review Performance

Minnesota Statutes, Section 62M.04

Subdivision	Subject	Met	Not Met
Subd. 1.	Responsibility on Obtaining Certification	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2.	Information upon which Utilization Review is Conducted	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Procedures for Review Determination

Minnesota Statutes, Section 62M.05

Subdivision	Subject	Met	Not Met	NCQA
Subd. 1.	Written Procedures	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subd. 2.	Concurrent Review	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 3.	Notification of Determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subd. 3a.	Standard Review Determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
	(a) Initial determination to certify or not (10 business days)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
	(b) Initial determination to certify (telephone notification)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
	(c) Initial determination not to certify (notice within 1 working day)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
	(d) Initial determination not to certify (notice of right to appeal)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 3b.	Expedited Review Determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 4.	Failure to Provide Necessary Information	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subd. 5.	Notifications to Claims Administrator	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	

Appeals of Determinations Not to Certify

Minnesota Statutes, Section 62M.06

Subdivision	Subject	Met	Not Met
Subd. 1.	Procedures for Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2.	Expedited Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Standard Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
	(a) Appeal resolution notice timeline	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
	(b) Documentation requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

MEDICA QUALITY ASSURANCE EXAMINATION

Subdivision	Subject	Met	Not Met
(c)	Review by a different physician	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(d)	Time limit in which to appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(e)	Unsuccessful appeal to reverse determination	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
(f)	Same or similar specialty review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(g)	Notice of rights to external review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 4.	Notifications to Claims Administrator	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Unsuccessful Appeal to Reverse Determination

Minnesota Statutes, section 62M.06, subdivision 3(e)

[See 42 CRF 42 Section 438.408 (d)(2)(i) and (e)(contract section 8.4.7) Mandatory Improvement #3]

Confidentiality

Minnesota Statutes, Section 62M.08

Subdivision	Subject	Met	Not Met	NCQA
Subd. 1	Written Procedures to Ensure Confidentiality	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA

Staff and Program Qualifications

Minnesota Statutes, Section 62M.09

Subdivision	Subject	Met	Not Met	NCQA
Subd. 1.	Staff Criteria	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 2.	Licensure Requirements	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 3.	Physician Reviewer Involvement	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 3a	Mental Health and Substance Abuse Review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subd. 4.	Dentist Plan Reviews	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 4a.	Chiropractic Reviews	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 5.	Written Clinical Criteria	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 6.	Physician Consultants	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 7.	Training for Program Staff	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 8.	Quality Assessment Program	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA

Complaints to Commerce or Health

Minnesota Statutes, Section 62M.11

Section	Subject	Met	Not Met
62M.11	Complaints to Commerce or Health	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

VII. Summary of Findings

Recommendations

None

Mandatory Improvements

1. In order to comply with 42 CFR Section 438.406(a)(2)(contract section 8.4.5(B)) Medica must work with CVS to more clearly state in its acknowledgement letters the requirement that in an oral appeal, the MCO must assist the enrollee in completing a signed appeal, and if no signed appeal in 30 days, the MCO may resolve the appeal as if a signed appeal were received.
2. In order to comply with 42 CFR Section 438.408 (d)(2)(i) and (e)(contract section 8.4.7) and Minnesota Statutes, Section 62M.06, subdivision 3(e), Medica must revise its appeal policies to clearly specify the required elements in a notice of appeal resolution when the denial is upheld upon appeal.

Deficiencies

None