

Minnesota Department of Health
Compliance Monitoring Division
Managed Care Systems Section



Final Report

South Country Health Alliance

Quality Assurance Examination
For the Period:

January 1, 2010
Through
December 31, 2012

Final Issue Date:
September 3, 2013

Examiners
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Minnesota Department of Health Executive Summary

The Minnesota Department of Health (MDH) conducted a Quality Assurance Examination of South Country Health Alliance (SCHA) 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 finds that SCHA 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 compliant with law, MDH identified improvement opportunities.

To address recommendations, SCHA should:

Complete a more comprehensive documentation of its review in the pre-delegation assessment process and follow up activities/monitoring with its new delegates.

Complete a more comprehensive summary in its reporting of delegation oversight activities to demonstrate adequate and thorough review of all delegated functions.

Review its policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*, to ensure its policy/procedure and its actual practices are consistent and its standards serve as a robust measure of timely availability.

Verify its file lists to ensure that it is providing accurate information.

Evaluate specific specialties as required by the Centers for Medicare & Medicaid Services (CMS) including specialties pertinent to its enrolled population (e.g., pediatric and carve-out services, such as pharmacy, dental, etc.). SCHA should use the Minnesota standard of sixty miles or minutes for specialties.

Identify a specific threshold for provider compliance as a basis for interventions and corrective actions and state the threshold in policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*.

Expand its explanation of dental and chiropractic utilization review procedures in its UM Program Description to give a more comprehensive picture of its UM processes and integration with its delegates.

To address mandatory improvements, SCHA and its delegates must:

Revise its policy entitled *Standard Written Authorization Review Organization Determination Decision* (UM 05), to correctly state that for denial of payment, notice may be in the form of an EOB, explanation of payments, or remittance advice.

Revise its policy/procedure, PR 04, *Provider Network*, to state that a member needing behavioral health urgent care must be seen within 24 hours.

Review its policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*, to ensure its policy/procedure and its actual practices are consistent and its standards serve as a robust measure of timely availability.

Revise its policy/procedure, CM 05, *Continuity of Care/Referrals*, to state how it will notify the enrollees about a provider termination.

Include in its policies that in cases of an expedited utilization review determination, the utilization review organization must notify the enrollee and attending health care professional by telephone of its determination. The *Expedited Prior Authorization Policy (UM 03)* was updated in February 2013 to include notification by telephone; however this date is after MDH opened SCHA's Quality Assurance Examination.

To address deficiencies, SCHA and its delegates must:

Inform the enrollee that, if the enrollee is not satisfied with the resolution of the complaint, an oral grievance may be submitted in writing and must offer assistance to submit a written grievance. The verbal notice and offer of assistance must be documented.

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.

Darcy Miner, Director
Compliance Monitoring Division

Date

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I. Introduction

A. History:

South Country Health Alliance (SCHA), the first multi-county County Based Purchasing Program in the State of Minnesota, began operations November 1, 2001. The organization was established to use local and county health services to full advantage in organizing and providing health care for persons in Minnesota Health Care Programs. The initial service area included Brown, Dodge, Freeborn, Goodhue, Kanabec, Sibley, Steele, Wabasha, and Waseca Counties, nine rural counties located in the southern half of Minnesota. Initial product offerings included only Pre-Paid Medical Assistance (PMAP) and General Assistance (GA). Product offerings were expanded to include Minnesota Senior Care Plus (MSC+) and SeniorCare Complete, a Minnesota Senior Health Options (MSHO) Program in 2005, and Minnesota Care (MNCare) and AbilityCare (a Medicare Advantage Special Needs Program) in 2006.

South Country expanded its service area for all products except SeniorCare Complete in January 2007 to add five northern Minnesota counties: Cass, Crow Wing, Morrison, Todd, and Wadena Counties. SeniorCare Complete became available in the expansion counties in January 2010. In 2008, the Minnesota Department of Human Services implemented the Special Needs Basic Care (SNBC) Program. At that time the AbilityCare Program converted from a Medicare-only product to SNBC, a dual Medicare-Medicaid program. In January 2011, South Country reduced its service area and withdrew from Cass and Crow Wing Counties. In 2011 Freeborn County did not participate as a member county; however, South Country continued to service all products in that county. For Freeborn County in 2012, South Country served members in MSHO/MSC+ and SNBC products. The SNBC product has evolved. It originally included two populations: dual-eligible members with disabilities and members certified disabled with Medicaid who lacked Medicare. In 2012, SNBC was expanded to add a third group, certified-disabled members with fee-for-service Medicare and an independent Medicare Part D plan.

Under contract with the Minnesota Department of Human Services (DHS), SCHA is fully at financial risk for guaranteeing payment for covered services

B. Membership:

SCHA self-reported enrollment as of December 31, 2012, consisted of the following:

Product	Enrollment
<i>Minnesota Health Care Programs- Managed Care (MHSP-MC)</i>	
Families & Children	17,262
MinnesotaCare	1,444
Minnesota Senior Care (MSC+)	790
Minnesota Senior Health Options (MSHO)	1,804
Special Needs Basic Care (SNBC)	1,912
<i>Total</i>	23,212

C. Onsite Examination Dates: April 1 through April 5, 2013

D. Examination Period: January 1, 2010 through December 31, 2012

File Review Period: January 1, 2012 through December 31, 2012

Opening Date: January 17, 2013

E. 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.

F. 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 had sufficient evidence obtained through: 1) file review; 2) policies and procedures; and 3) interviews, that a plan's overall operation is compliant with an applicable law.

II. Quality Program Administration

Minnesota Rules, Part 4685.1110. Program

Subp. 1.	Written Quality Assurance Plan	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 2.	Documentation of Responsibility	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 3.	Appointed Entity	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 4.	Physician Participation	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 5.	Staff Resources	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 6.	Delegated Activities	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 7.	Information System	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 8.	Program Evaluation	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>
Subp. 9.	Complaints	Met <input checked="" type="checkbox"/>	Not Met <input type="checkbox"/>

- Subp. 10. Utilization Review Met Not Met
 Subp. 11. Provider Selection and Credentialing Met Not Met
 Subp. 12. Qualifications Met Not Met
 Subp. 13. Medical Records Met Not Met

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 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	UM Appeal	QM	Grievance	Cred	Claims	Network	Care Coord	SCHA Oversight
Mayo Medical Services Inc. (MMSI)	X		X		X	X	X	X	X
DentaQuest	X	X	X	X	X	X	X		X
Essentia Health -- West					X				X
Sibley County								X	X
Morrison County								X	X
Freeborn County								X	X
Clinical Resource Group, Inc. (CRG)	X								X
PerformRx	X	X							X

PerformRx is a new delegate for SCHA as of January 2013. MDH reviewed the pre-delegation assessment dated November and December 2012. SCHA is PerformRx's first client in the state of Minnesota. The predelegation assessment appeared to be brief with no complete policies and procedures from PerformRx. Through discussion of the pre-delegation process, timeline review, review of 16 UM denial files from March 2013, and review of UM process flows, SCHA demonstrated a comprehensive several month assessment process of this delegate with numerous meetings and approvals of various stages of the process. In the file review, it was noted that in one pharmacy UM denial file the denial appeared that it should have been an appeal and a second file where the incorrect medication was denied. SCHA should point these files out to PerformRx for follow up. MDH recommends improved documentation of its comprehensive pre-delegation process and follow up activities/monitoring with the new delegates.

(Recommendation #1)

MDH reviewed the annual delegation oversight summary reports on DentaQuest for 2011 and 2012. The 2011 report (dated March 27, 2012) states 16 areas were included in the review but lists only ten areas. The 2012 annual summary (dated March 11, 2013) states 12 subject areas were reviewed. It is unclear from the reports which areas were reviewed in 2011 and why fewer areas were reviewed in 2012. SCHA should be more comprehensive in its reporting of delegation oversight to demonstrate adequate and thorough review of all delegated functions.

(Recommendation #2)

Subd. 9. Minnesota Rules, part 4685.1110, subpart 9, states the quality program must conduct ongoing evaluation of enrollee complaints related to quality of care. A total of two quality of care complaint and grievance files were reviewed as follows:

Quality of Care File Review	
QOC File Source	# Reviewed
<i>Grievances—MHCP-MC Products</i>	2

Subd. 11. Minnesota Rules, part 4685.1110, subpart 11, states the health maintenance organization shall have policies and procedures for provider selection, credentialing, and recredentialing that, at a minimum, are consistent with accepted community standards. The standards established by the National Committee for Quality Assurance (NCQA) for credentialing are considered the community standard and, as such, were used for the purposes of this examination. MDH reviewed a total of 94 credentialing and recredentialing files (including physician, allied and organizational providers) from SCHA and delegates as follows:

Credentialing and Recredentialing File Review			
File Source	#Reviewed Physician	#Reviewed Allied	#Reviewed Organizational
<i>Initial Credentialing</i>			
SCHA	8	8	8
MMSI	5	5	8
Essentia Health - West	9	6	NA
<i>Recredentialing</i>			
SCHA	10	8	7
MMSI	5	5	NA
Essentia Health - West	5	5	NA
Total = 94	42	37	23

SCHA has made considerable improvements to its credentialing and recredentialing processes.

MDH reviewed credentialing and recredentialing files for Essentia Health West physicians and allied professionals. In initial credentialing files of 15 physicians and allied professionals, MDH found three files that did not document a valid Minnesota license. In one of these files, the date of the physician notice was five days prior to the credentialing committee approval date. In an additional file, the practitioner’s work history was not verified. In all cases, Essentia Health West staff could provide a reasonable explanation. (Staff documented oral confirmation of license approval; providers were granted provisional credentials; providers were prohibited from serving SCHA enrollees until the credentialing process was complete; provider refused position, etc.) However, the explanation was not documented in the file. As a result, the files appeared incomplete. SCHA and its delegates’ credentialing files should be well-documented with

relevant information to ensure accurate, complete information for SCHA. (**Recommendation #3**)

Subd. 13. Minnesota Rules, part 4685.1110, subdivision 13, states the quality assurance entity shall conduct ongoing evaluation of medical records. SCHA has made significant enhancements to its medical record review process with ongoing follow up with its providers. SCHA is commended for improving advance directive documentation compliance from 9% in 2010 to 54% in 2012.

Minnesota Rules, Part 4685.1115. Activities

- | | | | |
|----------|----------------------------|---|----------------------------------|
| 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 |

Minnesota Rules, Part 4685.1120. Quality Evaluation Steps

- | | | | |
|----------|---------------------------------|---|----------------------------------|
| 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 |

SCHA submitted the 2011 annual evaluation and sections of the 2012 annual evaluation. The 2011 evaluation was a comprehensive document with a good summary of the overall effectiveness of the quality improvement program and areas identified for improvement.

Minnesota Rules, Part 4685.1125. Focus Study Steps

- | | | | |
|----------|------------------------------------|---|----------------------------------|
| Subp. 1. | Focused Studies | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |
| Subp. 2. | Topic Identification and Selection | <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 |

Minnesota Rules, Part 4685.1130. Filed Written Plan and Work Plan

- | | | | |
|----------|--------------|---|----------------------------------|
| Subd. 1. | Written Plan | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |
| Subd. 2. | Work Plan | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |

SCHA regularly reviews and updates its comprehensive annual work plan. Timelines and progress are monitored with a visual bar system of red (not due yet), yellow (in progress) and green (complete).

III. Grievance System

MDH examined SCHA’s Minnesota Health Care Programs Managed Care Programs-Managed Care (MCHP-MC) grievance system for compliance with the federal law (42 CFR 438, subpart F) and the DHS 2013 Model Contract, Article 8.

MDH reviewed a total of 49 grievance system files:

Grievance System File Review	
File Source	# Reviewed
<i>Grievances</i>	
SCHA	24
DentaQuest (all)	5
<i>Non-Clinical Appeals</i>	
SCHA	9
DentaQuest (all)	4
State Fair Hearing	7
Total	49

Section 8.1. §438.402 General Requirements

Sec. 8.1.1 Components of Grievance System Met Not Met

Section 8.2. §438.408 Internal Grievance Process Requirements

Sec. 8.2.1. §438.402 (b) Filing Requirements Met Not Met

Sec. 8.2.2. §438.408 (b)(1) Timeframe for Resolution of Grievances
Met Not Met

Sec. 8.2.3. §438.408 (c) Timeframe for Extension of Resolution of Grievances
Met Not Met

Sec. 8.2.4. §438.406 Handling of Grievances

- (A) §438.406 (a)(2) Written Acknowledgement Met Not Met
- (B) §438.416 Log of Grievances Met Not Met
- (C) §438.402 (b)(3) Oral or Written Grievances Met Not Met
- (D) §438.406 (a)(1) Reasonable Assistance Met Not Met
- (E) §438.406 (a)(3)(i) Individual Making Decision Met Not Met
- (F) §438.406 (a)(3)(ii) Appropriate Clinical Expertise Met Not Met

Sec. 8.2.5. §438.408 (d)(1) Notice of Disposition of a Grievance

- (A) §438.408 (d)(1) Oral Grievances Met Not Met
 (B) §438.408 (d)(1) Written Grievances Met Not Met

8.2.2. 42 CFR 438.408 (b)(1), (DHS 8.2.2) states the plan must resolve oral grievances within 10 days of receipt. In one file, the response was sent 11 days after receipt.

8.2.4(B). 42 CFR 438.416 (DHS 8.2.4(B)) states the MCO must maintain a log of all grievances, oral and written. MDH asks for a list of grievance files for a specific time period. From the list, MDH draws a stratified random sample. MDH tries to include grievances regarding mental health services, pharmacy/formulary, etc. for which there is specific Minnesota law. SCHA provided a list of 40 grievances that it processed in 2012. MDH pulled a sample of 24 SCHA grievance files. Of the 24, 9 files did not have the correct dates, category or subcategory. (The grievance file list from DentaQuest, a delegate that also processes grievances, was correct.) As a result, the sample of files could not include an accurate representation relative to specific requirements in law. MDH strongly recommends that SCHA verify its file lists to ensure that it is providing accurate information. **(Recommendation #4)** [Also see 42 CFR 438.416(c) DHS contract 8.5.]

8.2.5. 42 CFR 438.408 (d)(1), (DHS 8.2.5(A)), states if the oral grievance disposition is adverse to the enrollee or the enrollee is not satisfied with the resolution, the plan must inform the enrollee that the grievance may be submitted in writing and offer assistance to submit a written grievance. In DentaQuest file review, three of five oral grievance files did not document an offer of a written complaint form or assistance. SCHA stated that another client of DentaQuest discovered the process error. DentaQuest implemented a corrective action plan (CAP) and applied the action to all Minnesota clients. SCHA provided a copy of the DentaQuest CAP and revised policy/procedure. However, SCHA did not provide any evidence of its oversight of the CAP. In addition, DentaQuest's CAP stated it would audit until ten straight grievance cases are documented correctly. SCHA had only five DentaQuest grievances in 2012. At the time of the exam, it was too soon to know if the problem was actually corrected. **(Deficiency #1)**

Section 8.3. §438.404 DTR Notice of Action to Enrollees

Sec. 8.3.1. General Requirements Met Not Met

Sec. 8.3.2. §438.404 (c) Timing of DTR Notice

- (A) §438.210 (c) Previously Authorized Services Met Not Met
 (B) §438.404 (c)(2) Denials of Payment Met Not Met
 (C) §438.210 (c) Standard Authorizations Met Not Met
 (1) As expeditiously as the enrollee's health condition requires Met Not Met
 (2) To the attending health care professional and hospital by telephone or fax within one working day after making the determination Met 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 |

8.3.1. 42 CFR 438.404 (contract section 8.3.1(C)) states for denial of payment, notice may be in the form of an EOB, explanation of payments, or remittance advice. This is stated incorrectly in the policy entitled *Standard Written Authorization Review Organization Determination Decision (UM 05)*. SCHA must revise its policy to include the correct language. **(Mandatory Improvement #1)**

Section 8.4. §438.408

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 Expedited Appeals | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |
| Sec. 8.4.3. | §438.408 (b) Timeframe for Resolution of Expedited Appeals | | |
| (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 Resolution 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 Acknowledgement | <input checked="" type="checkbox"/> Met | <input 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 | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |
| | [See Minnesota Statutes, sections 62M.06, and subd. 3(f) and 62M.09] | | |
| (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 Case 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 | <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) and (e) Notice of Resolution of Appeals | <input checked="" type="checkbox"/> Met | <input type="checkbox"/> Not Met |

- (A) §438.408 (d)(2) and (e) Written Notice Content Met Not Met
- (B) §438.210 (c) Appeals of UM Decisions Met Not Met
- (C) §438.210 (c) and .408 (d)(2)(ii) Telephone Notification of Expedited Appeals Met Not Met

[Also see Minnesota Statutes section 62M.06, subd. 2]

- Sec, 8.4.8. §438.424 Reversed Appeal Resolutions Met Not Met

Section 8.5. §438.416 (c) Maintenance of Grievance and Appeal Records
Met Not Met

DHS contract, article 8.5 states, “The MCO must maintain and make available upon request by the State its records of all Grievances, DTRs, Appeals and State Fair Hearings. Eight of 24 SCHA grievance files in the sample contained incorrect dates and incorrect service categories. Incorrect dates and categories only appeared on the SCHA grievance file sample. MDH reviewed the files provided. However, MDH draws files from a broad range of categories and subcategories. When the information is inaccurate, MDH is unable to draw a comprehensive sample. SCHA should test its file lists to ensure the accuracy of the list. **(Recommendation #4)** [Also see DHS contract 8.2.4(B). 42 CFR 438.416.]

Section 8.9. §438.416 (c) State Fair Hearings

- Sec. 8.9.2. §438.408 (f) Standard Hearing Decisions Met Not Met
- Sec. 8.9.5. §438.420 Continuation of Benefits Pending Resolution of State Fair Hearing Met Not Met
- Sec. 8.9.6. §438.424 Compliance with State Fair Hearing Resolution Met Not Met

IV. Access and Availability

Minnesota Statutes, Section 62D.124. Geographic Accessibility

- Subd. 1. Primary Care, Mental Health Services, General Hospital Services Met Not Met
- Subd. 2. Other Health Services Met Not Met
- Subd. 3. Exception Met Not Met

Subd. 2. Minnesota Statutes, section 62D.124, subdivision 2, states maximum travel distance or time shall be the lesser of 60 miles or 60 minutes to the nearest provider of specialty physician services. SCHA provided its geographic access evaluation for all specialties combined. That

information isn't useful to SCHA. As discussed, the plan should evaluate specific specialties as required by the Centers for Medicare & Medicaid Services (CMS) including specialties pertinent to its enrolled population (e.g., pediatric and carve-out services, such as pharmacy, dental, etc.). SCHA should use the Minnesota standard of 60 miles or minutes for specialists.

(Recommendation #5)

Minnesota Rules, Part 4685.1010. Availability and Accessibility

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 type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met

Subp. 6. Minnesota Rules, part 4685.1010, subpart 6, B, states the plan, in coordination with the participating providers, shall develop and implement written appointment scheduling guidelines. Minnesota Rules, part 4685, 0100, subpart 16, defines urgently needed care as needed as soon as possible, usually with 24 hours. In policy/procedure PR 04, *Provider Network*, SCHA states (page 3), members needing urgent care must be seen by primary care providers within 24 hours. However, members needing urgent behavioral health appointments (page 5) must be seen “within 48 hours.” Minnesota law does not distinguish between timelines of medical and behavioral urgently needed care. SCHA must revise its policy/procedure to state that a member needing behavioral health urgent care must be seen within 24 hours. **(Mandatory Improvement #2)** SCHA evaluated urgent care, medical and behavioral, using the 24 hour standard. The policy/procedure, PR 04 *Provider Network*, was corrected while the MDH examiners were on site.

In addition, the policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*, states SCHA will monitor access and availability in the third quarter of the year by sending a survey to the Primary Care and Behavioral Health Clinics. “Providers that are non-compliant with any standard will receive a follow up letter indicating the deficiency.” In the fourth quarter, “Based on member CAHPS survey, grievances and appeals, provider survey results and clinic site surveys, if appropriate, SCHA will follow up with clinics that were non-compliant to ensure necessary changes have been implemented.” The policy/procedure goes on to explain remedial action it will take as necessary.

The *2011 and 2012 Program Evaluation—Network Analysis*, did not include analysis of CAHPS survey, or grievance and appeal results or clinic site surveys. MDH has concerns that a provider self-survey is not a robust measure of provider timely availability; particularly if it is the sole measure. SCHA should review its policy/procedure, PR 15, to ensure its policy/procedure and its actual practices are consistent and its standards serve as a robust measure of timely availability. **(Mandatory Improvement #3)**

Finally, the *2011 Behavioral Health Clinics Access & Availability Survey Summary*, SCHA reported that it sent a self-survey to a “representative sampling of our contracted behavioral health network with a response rate of 84%. . . . The only question that had less than 75% compliance was: “The after-hours message gives an emergency message or option at the beginning of the recording.” The report’s statement suggests the SCHA standard is 75%

compliance. SCHA reports that the 2012 response rate was over 90% and analysis of 2012 *Behavioral Health Clinics Access & Availability*, showed the compliance rate for the after-hours message went from 64% to 93%. The report also states only one question produced results “lower than 80% compliance.” *2012 Appointment Access and Availability -- Primary Care*, states “all but one question produced compliance results greater than 90%.” SCHA staff was unable to identify its threshold for compliance: 75%, 80% or 90%. SCHA should identify a specific threshold for provider compliance as a basis for interventions and corrective actions and state the threshold in policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*. **(Recommendation #6)**

Minnesota Statutes, Section 62Q.55. Emergency Services

Met Not Met

Minnesota Statutes, Section 62Q.121. Licensure of Medical Directors

Met Not Met

Minnesota Statutes, Section 62Q.527. Coverage of Nonformulary Drugs for Mental Illness and Emotional Disturbance

Subd. 2. Required Coverage for Anti-psychotic Drugs

Met Not Met

Subd. 3. Continuing Care

Met Not Met

Subd. 4. Exception to formulary

Met Not Met

Minnesota Statutes, Section 62Q.535. Coverage for Court-Ordered Mental Health Services

Subd. 1. Mental health services

Met Not Met

Subd. 2. Coverage required

Met Not Met

Minnesota Statutes, Section 62Q.56. Continuity of Care

Subd. 1. Change in health care provider, general notification

Met Not Met

Subd. 1a. Change in health care provider, termination not for cause

Met Not Met

Subd. 1b. Change in health care provider, termination for cause

Met Not Met

Subd. 2. Change in health plans

Met Not Met

Subd. 2a. Limitations

Met Not Met

- Subd. 2b. Request for authorization Met Not Met
 Subd. 3. Disclosures Met Not Met

Subd. 1. Minnesota Statutes, section 62Q.56, requires the health plan to have a written plan that provides for continuity of care in the event of a provider termination or a new enrollee joining the health plan. In pertinent part, the statute requires the plan to state how the plan will inform the affected enrollees about the termination within 30 days, how it will inform the affected enrollees about what other participating providers are available to assume care and how it will facilitate an orderly transfer of its enrollees from the terminating provider to the new provider to maintain continuity of care.” SCHA’s policy/procedure, CM 05, *Continuity of Care/Referrals*, states it will notify the affected enrollees, but does not state how it will notify the enrollees. **(Mandatory Improvement #4)**

V. Utilization Review

UM System File Review	
File Source	#Reviewed
<i>UM Denial Files</i>	
MMSI	8
DentaQuest	8
CRG (none)	0
SCHA (none)	0
<i>Subtotal</i>	<i>16</i>
<i>Clinical Appeal Files</i>	
SCHA	9
DentaQuest (all)	10
<i>Subtotal</i>	<i>19</i>
Total	35

Minnesota Statutes, Section 62M.04. Standards for Utilization Review Performance

- Subd. 1. Responsibility on Obtaining Certification Met Not Met
 Subd. 2. Information upon which Utilization Review is Conducted Met Not Met

Minnesota Statutes, Section 62M.05. Procedures for Review Determination

- Subd. 1. Written Procedures Met Not Met
 Subd. 2. Concurrent Review Met Not Met
 Subd. 3. Notification of Determinations Met Not Met

- Subd. 3a. Standard Review Determination
- (a) Initial determination to certify (10 business days) Met Not Met
- (b) Initial determination to certify (telephone notification) Met Not Met
- (c) Initial determination not to certify Met Not Met
- (d) Initial determination not to certify (notice of right to external appeal) Met Not Met
- Subd. 3b. Expedited Review Determination Met Not Met
- Subd. 4. Failure to Provide Necessary Information Met Not Met
- Subd. 5. Notifications to Claims Administrator Met Not Met

Subd. 3b. Minnesota Statutes, section 62M.05, subdivision 3b(b), states in pertinent part that when an expedited initial determination is made not to certify, the utilization review organization must also notify the enrollee and the attending health care professional of the right to submit an appeal to the expedited internal appeal as described in section 62M.06 and the procedure for initiating an internal expedited appeal. 62M.06 states the utilization review organization shall notify the enrollee and attending health care professional by telephone of its determination on the expedited appeal. The *Standard Written Authorization Review Organization Determination Decision Policy (UM 05)* does not state the enrollee and attending health care professional will be notified by telephone. **(Mandatory Improvement #5)**. The *Expedited Prior Authorization Policy (UM 03)* was updated in February 2013 to include notification by telephone; however this date is after MDH opened SCHA's Quality Assurance Examination.

Minnesota Statutes, Section 62M.06. Appeals of Determinations not to Certify

- Subd. 1. Procedures for Appeal Met Not Met
- Subd. 2. Expedited Appeal Met Not Met
- Subd. 3. Standard Appeal
- (a) Appeal resolution notice timeline Met Not Met
- (b) Documentation requirements Met Not Met
- (c) Review by a different physician Met Not Met
- (d) Time limit in which to appeal Met Not Met
- (e) Unsuccessful appeal to reverse determination Met Not Met
- (f) Same or similar specialty review Met Not Met
- (g) Notice of rights to external review Met Not Met
- Subd. 4. Notification to Claims Administrator Met Not Met

Minnesota Statutes, Section 62M.08. Confidentiality

Met Not Met

Minnesota Statutes, Section 62M.09. Staff and Program Qualifications

Subd. 1.	Staff Criteria	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 2.	Licensure Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Physician Reviewer Involvement	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
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
Subd. 4a.	Chiropractic Reviews	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 5.	Written Clinical Criteria	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 6.	Physician Consultants	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 7.	Training for Program Staff	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 8.	Quality Assessment Program	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Subd. 4 and 4a. Minnesota Statutes, section 62M.09, subdivisions 4 and 4a, state dentists review dental utilization review cases and chiropractors review chiropractic utilization review cases. No policies were submitted from SCHA since these functions are delegated to DentaQuest and CRG respectively. Dental and Chiropractic services are mentioned in the UM Program Description. SCHA may want to expand its explanation of dental and chiropractic utilization review procedures in its UM Program Description to give a more comprehensive picture of its UM processes and integration with its delegates. **(Recommendation #7)**

Minnesota Statutes, Section 62M.11. Complaints to Commerce or Health (Commercial Only)

Not Applicable Met Not Met

VI. Recommendations

1. To better comply with Minnesota Rules, part 4685.1110, subpart 6, SCHA should complete a more comprehensive documentation of its review in the pre-delegation assessment process and follow up activities/monitoring with its new delegates.
2. To better comply with Minnesota Rules, part 4685.1110, subpart 6, SCHA should complete a more comprehensive summary in its reporting of delegation oversight activities to demonstrate adequate and thorough review of all delegated functions.
3. To better comply with Minnesota Rules, part 4685.1110, subpart 11, SCHA and its delegates' credentialing files should be well-documented with relevant information to ensure accurate, complete information for SCHA.
4. To better comply with 42 CFR 438.416 (DHS 8.2.4(B)), SCHA should verify its file lists to ensure that it is providing accurate information.
5. To better comply with Minnesota Statutes, section 62D.124, subdivision 2, SCHA should evaluate specific specialties as required by the Centers for Medicare & Medicaid Services

(CMS) including specialties pertinent to its enrolled population (e.g., pediatric and carve-out services, such as pharmacy, dental, etc.). SCHA should use the Minnesota standard of sixty miles or minutes for specialties.

6. To better comply with Minnesota Rules, part 4685.1010, subpart 6, B, SCHA should identify a specific threshold for provider compliance as a basis for interventions and corrective actions and state the threshold in policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*.
7. To better comply with Minnesota Statutes, section 62M.09, subdivisions 4 and 4a, SCHA may want to expand its explanation of dental and chiropractic utilization review procedures in its UM Program Description to give a more comprehensive picture of its UM processes and integration with its delegates.

VII. Mandatory Improvements

1. To comply with 42 CFR 438.404 (DHS 8.3.1 (C)), SCHA must revise its policy entitled *Standard Written Authorization Review Organization Determination Decision (UM 05)*, to correctly state that for denial of payment, notice may be in the form of an EOB, explanation of payments, or remittance advice.
2. To comply with Minnesota Rules, part 4685.1010, subpart 6, B, SCHA must revise its policy/procedure, PR 04, *Provider Network*, to state that a member needing behavioral health urgent care must be seen within 24 hours.
3. To comply with Minnesota Rules, part 4685.1010, subpart 6, B, SCHA must review its policy/procedure, PR 15, *Network Provider Access and Availability Standards and Monitoring*, to ensure its policy/procedure and its actual practices are consistent and its standards serve as a robust measure of timely availability.
4. To comply with Minnesota Statutes, section 62Q.56, SCHA must revise its policy/procedure, CM 05, *Continuity of Care/Referrals*, to state how it will notify the enrollees about a provider termination.
5. To comply with Minnesota Statutes, section 62M.05, subdivision 3b(b), must include in its policies that in cases of an expedited utilization review determination, the utilization review organization must notify the enrollee and attending health care professional by telephone of its determination. The *Expedited Prior Authorization Policy (UM 03)* was updated in February 2013 to include notification by telephone; however this date is after MDH opened SCHA's Quality Assurance Examination.

Deficiencies

1. To comply with 42 CFR 438.408 (d)(1), (DHS 8.2.5(A)), SCHA must inform the enrollee that, if the enrollee is not satisfied with the resolution of the complaint, an oral grievance may be submitted in writing and must offer assistance to submit a written grievance. The verbal notice and offer of assistance must be documented.