



Medica Health Plans

QUALITY ASSURANCE EXAMINATION FINAL REPORT

Issue Date: April 26, 2021

Medica Health Plans Final Report

For the Period: November 1, 2017 – June 30, 2020

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As requested by Minnesota Statutes, Section 3.197: This report cost approximately \$125.00 to prepare, including staff time, printing, and mailing expenses.

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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. “Recommendations” are areas where, although compliant with law, MDH identified improvement opportunities.

To address recommendations, Medica should:

There are no recommendations.

To address mandatory improvements, Medica and its delegates must:

Correct the wording on its Appeal Rights Notice to give correct and complete instructions to enrollees regarding their appeal.

To address deficiencies, Medica and its delegates must:

Ensure that all allegations of the quality of care grievances are investigated.

Update the extension letters to clearly state the member’s right to file a grievance and must provide prompt oral notification of the extension to the member; and

Change its practice and provide a one-day notice by telephone or fax to the attending provider for all decisions, including benefit decisions, that deny or limit services; and

Process prior authorizations within the statutorily required ten business days unless an extension is provided in accordance with the DHS contract and state and federal regulation; and

Resolve appeals within 30 days; and

Send the written acknowledgement letter within 10 days of receiving the request for an appeal and must include the date mailed to the enrollee on all acknowledgement letters.

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



Susan Castellano, Acting Director
Health Policy Division

4/21/2021

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 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 offers commercial employer-based coverage, Medicare, Medicaid, and individual and family coverage. These coverage options are offered in different states throughout its service area of Iowa, Kansas, Minnesota, Missouri, Nebraska, Oklahoma, North Dakota, South Dakota, and Wisconsin.

2. Membership: Medica self-reported Minnesota enrollment as of July 1, 2020 consisted of the following:

Self-Reported Enrollment

Product	Enrollment
Medicare Advantage	28,246
Minnesota Health Care Programs – Managed Care (MHCP-MC)	
Families & Children	NA
MinnesotaCare	NA
Minnesota Senior Care (MSC+)	4,156
Minnesota Senior Health Options (MSHO)	10,874
Special Needs Basic Care	12,091
Total	55,367

3. Virtual Onsite Examination Dates: September 21 – 25, 2020

4. Examination Period: November 1, 2017 to June 30, 2020

File Review Period: Medica - July 1, 2019 to June 30, 2020

Delta Dental - December 2, 2019 to June 30, 2020

Express Scripts – February 1, 2020 to June 30, 2020

Opening Date: July 1, 2020

5. National Committee for Quality Assurance (NCQA): Medica is accredited by NCQA for its Commercial PPO products based on 2019 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 plan scored less than 100% of the possible points on NCQA's score sheet or MDH identified an 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 checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input 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	<input type="checkbox"/> NCQA
Subp. 7.	Information System	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subp. 8.	Program Evaluation	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 9.	Complaints	<input type="checkbox"/> Met	<input checked="" 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
Houston county									X
Morrison County									X

Entity	UM	QOC	Complaints/ Grievances	Appeals	Cred	Claims	Disease Mgmt	Network	Care Coord
MN Stroke									X
Delta Dental	X					X		X	
Express Scripts, Inc	X			X	X	X		X	
Medica Behavioral Health	X	X	X	X	X	X		X	
Optum Physical Health (Chiro)	X	X	X	X				X	
Magellan Pharmacy Management	X			X					

During the examination, MDH found six deficiencies involving different delegated functions performed by Delta Dental. Medica will be investigating each of those deficiencies. Medica’s investigation will include review of potential gaps accountable for deficiencies to avoid future deficiencies, as well as in general to eliminate future issues with any of Medica’s delegates.

Finding: Quality of Care Complaints

Subp.9. Minnesota Rules, part 4685.1110, subpart 9 [see Section III. Quality of Care]

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% on all 2019 NCQA Credentialing/recredentialing standards.

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

Subparts	Subject	Met	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

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

Subp. 3. Minnesota Rules, part 4685.1130, subparts 1 and 3 states, the health maintenance organization shall file its written quality assurance plan, as described in part 4685.1110 with the commissioner and may change its written quality assurance plan by filing notice with the commissioner 30 days before modifying its quality assurance program or activities. Medica submitted its *Quality Improvement Program Description 2020 (dated March 2020)*. MDH reviewed and subsequently approved it during the exam. The written plan is an excellent summary of Medica’s organizational quality program and structure.

III. Quality of Care

MDH reviewed a total of 20 quality of care grievance system files.

Quality of Care File Review

File Source	# Reviewed
<i>Quality of Care</i>	
<i>MHCP Medica Grievances</i>	8
<i>Delta Dental Grievances</i>	10 (all)
<i>Medica Behavioral Health Grievances</i>	2 (all)
Total	20

Quality of Care Complaints

Minnesota Rules, Part 4685.1110, Subpart 9

Subparts	Subject	Met	Not Met
Subp. 9	Complaints	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met

Finding: Quality of Care Complaints

Subp. 9 Minnesota Rules, Part 4685.1110, Subpart 9, states a health maintenance organization shall conduct ongoing evaluation of all enrollee complaints. Documentation must show that each allegation has been addressed.

Two of the ten Delta Dental grievance quality of care files included multiple allegations, however, the files did not indicate that all allegations were investigated.

Therefore, Delta Dental must ensure that all allegations of the quality of care grievances are investigated to ensure adequate tracking and trending. **(Deficiency #1)**

IV. Grievance Systems

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 F) and the DHS 2020 Contract, Article 8.

MDH reviewed a total of 65 grievance system files.

Grievance System File Review

File Source	# Reviewed
<i>Grievances</i>	
Medica Written	1
Medica Oral	7
Delta Dental MN Written	0
Delta Dental MN Oral	9 (all)
Medica Behavioral Health Oral	1 (all)
Medica Behavioral Health Written	0
Subtotal	25
<i>Non-Clinical Appeals</i>	
Medica	7
Delta Dental	13
Subtotal	20
<i>State Fair Hearing</i>	
Medica	8
Delta	10
Medica Behavioral Health	2 (all)
Subtotal	20
Total	65

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		
Section 8.2.1.	§438.402 (c)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.2.2.	§438.408 (b)(1), (d)(1)	Timeframe for Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.2.3.	§438.408 (c)	Timeframe for Extension of Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.3.1		Notice of the extension	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
Section 8.2.4.	§438.406	Handling of Grievances		
8.2.4.1	§438.406 (b)(1)	Written Acknowledgement	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.4.2	§438.416	Log of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.4.3	§438.402 (c)(3)	Oral or Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.4.4	§438.406 (a)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.4.5	§438.406 (b)(2)(i)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.4.6	§438.406 (b)(2)(ii)	Appropriate Clinical Expertise	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.2.5.	§438.408 (d)(1)	Notice of Disposition of a Grievance		
8.2.5.1	§438.404 (b) §438.406 (a)	Oral Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.2.5.2	§438.404 (a), (b)	Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Notice of Extension

Sec. 8.2.3.1. 42 CFR §438.408 (c) (DHS Contract 8.2.3.1), The 2020 DHS contracts state that when extending the timeframe for a resolution of a grievance that, “the MCO must provide prompt oral notice...(and) must notify the enrollee of the right to file a Grievance regarding the delay.”

In three of nine Delta Dental Grievance files where an extension was taken, none of the members received oral notification of the extension, and none were offered their right to file a Grievance regarding the delay.

Therefore, MDH finds that Delta Dental must update the extension letters to clearly state the member’s right to file a grievance and must provide prompt oral notification of the extension to the member. **(Deficiency #2)**

Delta Dental noted that it identified in April 2020 that its letters did not include the member rights regarding filing a grievance related to the delay. Delta Dental later updated its letter templates to include this right. The revised letters began use in May, however, none of the files that required an extension reviewed by MDH were dated after the new template was implemented. Thus, MDH was unable to verify if the template was correctly being used. Delta Dental did not provide any evidence of a corrective action plan nor conduct any audits to verify that the new templates were being used.

DTR Notice of Action to Enrollees

DHS Contract, Section 8.3

Section	42 CFR	Subject	Met	Not Met
Section 8.3.	§438.10 §438.404	DTR Notice of Action to Enrollees		
Section 8.3.1.	§438.10(c), (d) §438.402(c) §438.404(b)	General Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.3.2	§438.402 (c), §438.404 (b)	Content of DTR Notice of Action	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
8.3.2.1	§438.404	Notice to Provider	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Section 8.3.3.	§438.404 (c)	Timing of DTR Notice		
8.3.3.1	§431.211	Previously Authorized Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.3.3.2	§438.404 (c)(2)	Denials of Payment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.3.3.3	§438.210 (c)(d)	Standard Authorizations		
(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 type="checkbox"/> Met	<input checked="" 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 type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
8.3.3.4	§438.210 (d)(2)(i)	Expedited Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.3.3.5	§438.210 (d)(1)	Extensions of Time	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.3.3.6	§438.210(d)(3) and 42 USC 1396r-8(d)(5)	Covered Outpatient Drug Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.3.3.7	§438.210 (d)(1)	Delay in Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Appeal Rights Notice

Sec. 8.3.2. 42 CFR §438.404 (DHS Contract 8.3.2), outlines the requirements of the DTR and Appeal Rights Notice.

In ESI’s, Medica’s delegate, Appeal Rights Notice, MDH noted the verbiage at bottom of page two of the Appeal Rights Notice is missing a word or words. The notice reads *“You must appeal to before asking for a state appeal.”*

MDH finds that Medica’s delegate, ESI, must correct the wording on its Appeal Rights Notice to give correct and complete instructions to enrollees regarding their appeals. **(Mandatory Improvement #1)**

Finding: One Working Day telephone notice of Denial

Sec. 8.3.3.3. 42 CFR §438.210 (c)(d) (contract 8.3.3.3(2)) and Minnesota Statutes, section 62M.05, subdivision 3a(c) states for standard authorization decisions that deny or limit services, the MCO must provide notice to the attending provider by telephone or fax within one day after making the determination.

There were five Delta Dental (Medica’s delegate) files in which the attending provider was not notified within one day of the denial. These files were benefit denials and Delta Dental stated its practice was not provide the one-day telephone notification for benefit denials.

MDH finds that Delta Dental, Medica’s delegate, must change this practice and provide a one-day notice by telephone or fax to the attending provider for all decisions, including benefit decisions, that deny or limit services. **(Deficiency #3)**

Finding: Timing of DTR Notice

Sec. 8.3.3.3. 42 CFR §438.210 (c)(d) (DHS Contract 8.3.3.3(3)) and Minnesota Statutes 62M.05, subdivision 3a(a), states for standard authorization decisions that deny or limit services, the MCO must provide written notice to the Provider, Enrollee, and hospital, which must include the process to initiate an appeal, within ten (10) business days following receipt of the request for the service.

Delta Dental’s request date was incorrectly calculated. Delta was using the date all documents were received rather than the date the prior authorization arrived at plan. This resulted in two files with notification of greater than ten days.

Therefore, MDH finds that Delta Dental must change its practice in how it calculates timelines for prior authorization decisions. Delta Dental must ensure decisions are made within a ten-business day timeline. **(Deficiency #4)**

Delta Dental stated it changed the process in June 2020, which was outside of file review period; therefore, MDH did not review any files utilizing the stated changed process. Accordingly, Delta Dental, Medica’s delegate, was not processing prior authorizations within the required ten business days. MDH will review the changed process and files at mid-cycle.

Internal Appeals Process Requirements

DHS Seniors 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)	One Level Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.2.	§438.408 (b)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.4.	§438.408	Timeframe for Resolution of Appeals		
8.4.4.1	§438.408 (b)(2)	Standard Appeals	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met

Section	42 CFR	Subject	Met	Not Met
8.4.4.2	§438.408 (b)(3)	Expedited Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.4.3	§438.408 (c)(3)	Deemed Exhaustion	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.5.	§438.408 (c)	Timeframe for Extension of Resolution of Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.6.	§438.406	Handling of Appeals		
8.4.6.1	§438.406 (b)(3)	Oral Inquiries	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.2	§438.406 (b)(1)	Written Acknowledgment	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
8.4.6.3	§438.406 (a)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.4	§438.406 (b)(2)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.5	§438.406 (b)(2)	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
8.4.6.6	§438.406 (b)(4)	Opportunity to Present Evidence	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.7	§438.406 (b)(5)	Opportunity to Examine the Care File	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.8	§438.406 (b)(6)	Parties to the Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.6.9	§438.410 (b)	Prohibition of Punitive Action Subsequent Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.7.		Subsequent Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.8.	§438.408 (d)(2)	Notice of Resolution of Appeals		
8.4.8.1	§438.408 (d)(2)	Written Notice Content	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.8.2	§438.210 (c)	Appeals of UM Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
8.4.8.3	§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
8.4.8.4	§438.404	Unsuccessful appeal of UM determination notice content (Also see Minnesota Statutes section 62M.06, subd.3(f))	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.4.9.	§438.424	Reversed Appeal Resolutions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.5.	§438.420 (b)	Continuation of Benefits Pending Appeal or State Fair Hearing	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Appeals of UM Decisions

Sec. 8.4.4.1 42 CFR §438.408 (b)(2) (DHS Contract section 8.4.4.1) and Minnesota Statutes 62M.06, subdivision 3b, states the MCO must resolve each Appeal as expeditiously as Enrollee’s health requires, not to exceed thirty (30) days after receipt of the Appeal.

In two Delta files, the resolution of the appeal exceeded 30 days (actual timeline was 31 and 105 days).

MDH finds that Delta Dental, Medica’s delegate, must resolve appeals within 30 days.

(Deficiency #5)

Finding: Written Acknowledgement

Sec. 8.4.6.2. CFR 438.406 (b)(1) (DHS Contract 8.4.6.2), states the MCO must send a written acknowledgment within ten (10) days of receiving the request for an Appeal and may combine it with the MCO’s notice of resolution if a decision is made within the ten (10) days.

File review revealed:

- Two Medica appeal files did not contain an acknowledgement letter.
- In one Medica appeal file and all the ESI appeal files, the acknowledgement letters did not include the date mailed to the enrollee.
- In three Delta Appeal files, the acknowledgement letter was greater than 10 days (actual timeline for acknowledgement letters was 95, 31 and 20 days)

MDH finds that Medica and its delegates must send the written acknowledgement letter within 10 days of an enrollee’s request for an appeal; and further that Medica and its delegates must include the date on all acknowledgement letters. **(Deficiency #6)**

State Fair Hearings

DHS Contract, Section 8.8

Section	42 CFR	Subject	Met	Not Met
Section 8.8.	§438.416 (c)	State Fair Hearings		
Sec. 8.8.2.	§438.408 (f)	Standard Hearing Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.8.5.	§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
62Q.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	N/A
Subd. 1.	Change in health care provider, general notification	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/>
Subd. 1a.	Change in health care provider, termination not for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/>
Subd. 1b.	Change in health care provider, termination for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/>
Subd. 2.	Change in health plans (applies to group, continuation and conversion coverage)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> N/A

VI. Utilization Review

MDH examined Medica’s utilization review (UR) system under Minnesota Statutes, chapter 62M. A total of 134 utilization review files were reviewed.

UR System File Review

File Source	# Reviewed
UM DTR/Denial Files	
MHCP-MC	
Medica	8
Delta Dental	15
Express Scripts	10
Medica Behavioral Health	8
Magellan UM	20
Optum (Chiro)	8
Subtotal	69
Clinical Appeal Files	
MHCP-MC	
Medica	30
Delta Dental	14
Express Scripts	8
Medica Behavioral Health	8
Magellan UM	5
Subtotal	65
Total	134

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 checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 3.	Notification of Determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subd. 3a.	Standard Review Determination			
(a)	Initial determination to certify or not (10 business days)	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met	
(b)	Initial determination to certify (telephone notification)	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met	
(c)	Initial determination not to certify (notice within 1 working day)	<input type="checkbox"/> Met	<input checked="" 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	

Finding: Initial Determination Ten Business days

See Finding: Timing of DTR Notice, 42 CFR §438.210 (c)(d) (DHS Contract 8.3.3.3(3)), Deficiency #4

Finding: One Working Day Telephone Notice of Denial

See Finding: One Working Day Notice of Denial, 42 CFR §438.210 (c)(d) (DHS Contract 8.3.3.3(2)) Deficiency #3

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		
(a)	Procedures for appeals written and telephone	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(b)	Appeal resolution notice timeline	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met

Subdivision	Subject	Met	Not Met
(c)	Documentation requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(d)	Review by a different physician	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(e)	Defined time period in which to file appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(f)	Unsuccessful appeal to reverse determination	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(g)	Same or similar specialty review	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(h)	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: Appeal Resolution Notice Timeline

See Finding: Appeals of UM Decisions, 42 CFR §438.408 (b)(2) (DHS Contract section 8.4.3.1) Deficiency #5

Confidentiality

Minnesota Statutes, Section 62M.08

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

Staff and Program Qualifications

Minnesota Statutes, Section 62M.09

Subdivision	Subject	Met	Not Met	NCQA
Subd. 1.	Staff Criteria	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input 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 checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 6.	Physician Consultants	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA

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

Minnesota Statutes, Section 62M.12

Section	Subject	Met	Not Met	NCQA
62M.12.	Prohibition of Inappropriate Incentives	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA

VII. Summary of Findings

Recommendations

None identified

Mandatory Improvements

1. To comply with 42 CFR §438.404 (DHS Contract 8.3.2), Medica's delegate, ESI, must correct the wording on its Appeal Rights Notice to give correct and complete instructions to enrollees regarding their appeals.

Deficiencies

1. To comply with Minnesota Rule, Part 4685.1110, subpart 9, Delta Dental must ensure that all allegations of the quality of care grievances are investigated to ensure adequate tracking and trending.
2. To comply with 42 CFR §438.408 (c) (DHS Contract 8.2.3.1), Delta Dental, Medica's delegate, must update its extension letters to clearly state the member's right to file a grievance, and must also provide prompt oral notification of the extension to the member.
3. To comply with 42 CFR §438.210 (c)(d) (DHS Contract 8.3.3.3(2)) and Minnesota Statutes, section 62M.05, subdivision 3a(c), Delta Dental, Medica's delegate, must change its current notification practice and provide a one-day notice by telephone or fax to the attending provider for all decisions, including benefit decisions, that deny or limit services.
4. To comply with 42 CFR §438.210 (c)(d) (DHS Contract 8.3.3.3(3)) and Minnesota Statutes 62M.05, subdivision 3a(a), Delta Dental, Medica's delegate, must process prior authorizations within the required ten business days, unless an extension is provided in accordance with the DHS contract and state and federal regulation.
5. To comply with 42 CFR §438.408 (b)(2) (DHS Contract section 8.4.4.1) and Minnesota Statutes 62M.06, subdivision 3b, Delta Dental, Medica's delegate, must resolve appeals within 30 days.
6. To comply with CFR 438.406 (b)(1) (DHS Contract 8.4.6.2), Medica and its delegates must send the written acknowledgement letter within 10 days of receiving the request for an appeal and must include the date mailed to the enrollee on all acknowledgement letters.