



Sanford Health Plan of Minnesota

QUALITY ASSURANCE EXAMINATION

09/02/2020

Final Report

For the Period: September 1, 2017 – February 29, 2020

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Final Report Issue Date: September 2, 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 Sanford Health Plan of Minnesota (Sanford Health Plan) 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 Sanford Health Plan 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, Sanford Health Plan should:

Include a more specific description of the proposed focus studies/improvement projects planned for the following year;

Reconsider its language in the appeals rights notice regarding continued coverage pending outcome of appeals to assure it is easily understood by enrollees.

To address mandatory improvements, Sanford Health Plan and its delegates must:

Revise its policy, *MM-GEN-049 UM Program* to include specific information regarding the notification of the enrollee and the attending health care professional of the right to an expedited internal appeal when an expedited initial determination is made not to certify.

To address deficiencies, Sanford Health Plan and its delegates must:

Provide a telephone/fax notification to the attending health care professional within one working day after making the determination;

Have a physician review all pharmaceutical utilization review cases in which a determination not to certify has been made. Since this was a deficiency in the previous examination, this is a repeat deficiency.

Consistently utilize the correct appeal rights notification directing enrollees to the Minnesota Commissioner of Health if they wish to file a complaint regarding a determination not to certify.

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.



Susan Castellano, Assistant Director
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9/2/2020

Date

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I. Introduction

History:

Sanford Health Plan is a not-for-profit, community-based HMO that began operations on January 1, 1998. Managed care services are provided to large and small groups in North Dakota, South Dakota, Iowa and Minnesota, by Sanford Health Plan of Minnesota. Originally called Sioux Valley Health Plan, it changed its name in March 2007 to acknowledge the gift of Denny T. Sanford to the Sioux Valley Hospital & Health System.

Sanford's Minnesota HMO is a risk-bearing product that provides benefits for in-network services with higher cost sharing for out-of-network services. Extensive care management services are available.

On November 2, 2009, Sanford Health Plan's parent organization, Sanford Health, merged with North Dakota's largest health system, MeritCare. MeritCare has many regional sites in North Dakota and Northwest Minnesota.

Subsequent to this merger Sanford Health Plan applied and was granted its Certificate of Authority from the North Dakota Insurance Department on February 2, 2010. In June of 2010, Sanford Health Plan began actively marketing its large and small group insurance products to North Dakota companies. In November 2010, North Dakota approved Sanford Health Plan's Medicare Supplement and SELECT products and in January 2011 the elite1 individual insurance product was approved for sale in North Dakota.

In April 2011, the Sanford Health Plan submitted, and the Minnesota Department of Health subsequently approved, a service area expansion request for 23 additional Minnesota counties: In June 2016, Sanford Health Plan submitted, and the Minnesota Department of Health subsequently approved, a service area expansion request for an additional Minnesota 10 counties.

Post-Open Enrollment in January of 2020, Sanford Health Plan serves almost 202,000 lives across all plan types and all states. In Minnesota, Sanford Health Plan is licensed to sell large group and small group plans and TPA services in 45 western Minnesota counties. Small group plans are sold off-exchange only. Sanford Health Plan is also licensed to sell Medicare Supplement and Medicare Select Plans in 13 southwest Minnesota counties.

1. Membership: Sanford Health Plan self-reported Minnesota enrollment as of February 1, 2020 consisted of the following:

Self-Reported Enrollment

Product	Enrollment
<i>Fully Insured Commercial</i>	
Large Group	1082
Small Employer Group	162
Individual	NA
Medicare Advantage	NA
<i>Total</i>	1244

2. Onsite Examination Dates: May 11 – 13, 2020
3. Examination Period: September 1, 2017 to February 29, 2020
File Review Period: January 1, 2019 to February 29, 2020
Opening Date: February 11, 2020
4. National Committee for Quality Assurance (NCQA): Sanford Health Plan is accredited by NCQA for its Commercial HMO 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 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.
5. 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.
6. 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 checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input 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	<input type="checkbox"/> NCQA
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	Appeals	Cred	Claims	Network	Care Coord	Other
Optum Rx, Inc					X	X	X		
Contract Analysis Systems									MD & Hospital Directory
Eviti	X Oncology TX approvals								Clinical criteria for UM decisions

Review of Sanford Health Plan’s delegation oversight indicated an appropriate process consistent with the standards as set forth in the *2019 NCQA Standards and Guidelines for the Accreditation of Health Plans*.

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. *2019 NCQA Standards and Guidelines for the Accreditation of Health Plans* was used for the purposes of this examination. Sanford Health Plan scored 100% on all credentialing/recredentialing standards and has therefore met Minnesota requirements.

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

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

Subparts	Subject	Met	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: Work Plan

Subp. 2. Minnesota Rules, 4685.1130, subpart 2, states the health maintenance organization shall annually prepare a written work plan. The health maintenance organization shall file the work plan with the commissioner, as requested. The work plan must be approved by the governing body and give a detailed description of the proposed quality evaluation activities and the proposed focused studies to be conducted in the following year.

Sanford Health Plan’s 2019 and 2020 Quality Management Work Plans give a description of the proposed quality activities. The proposed focus studies/improvement projects are briefly addressed within the HEDIS/CAHPS/CMS Measures section of the plan. It is not readily obvious what specific focus activities are planned for the year. The improvement initiatives are summarized in the annual QI Program Evaluation.

Accordingly, Sanford Health Plan, in future annual work plans, should include a more specific description of the proposed focus studies/improvement projects planned for the following year. **(Recommendation #1)**

Finding: Amendments to Written Plan

Subp. 3. Minnesota Rules, 4685.1130, subpart 3 states the health maintenance organization may change its written quality assurance plan by filing notice with the commissioner.

During the course of the examination, MDH reviewed Sanford Health Plan’s *Quality Improvement Program (MM-GEN -056)*, dated 03/18/2020. The written plan contained all the required elements as outlined in Minnesota Rules, 4685.1110 and was subsequently approved.

III. Quality of Care

Consistent with Minnesota Statutes, 62D.115, MDH examined Sanford Health Plan’s quality of care complaint system. Since Sanford did not have any quality of care complaint files for MDH to review, MDH discussed in detail with Sanford its quality of care complaint process during the examination. A review of Sanford’s quality of complaint policies and procedures as well as discussions during the examination demonstrate that Sanford has a process that meets Minnesota Statutory requirements.

Quality of Care File Review

File Source	# Reviewed
<i>Quality of Care Complaints</i>	0
Total	0

Quality of Care Complaints

Minnesota Statutes, Section 62D.115

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

IV. Complaint Systems

Complaint Systems

Consistent with Minnesota Statutes, 62Q.69 through 62Q. 73, MDH examined Sanford Health Plan’s complaint and non-clinical clinical appeals system. Since Sanford did not have any complaint files for MDH to review, MDH discussed at length with Sanford its complaint processes. Sanford Health Plan’s policies and procedures in addition to discussions during the examination demonstrate that Sanford Health Plan’s complaint and non-clinical appeals processes meets Minnesota Statutory requirements.

Complaint System File Review

File Source	# Reviewed
Complaint Files	0
Non-Clinical Appeals	0
Total	0

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

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

V. Access/Availability/Continuity of Care

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

Subdivision	Subject	Met	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"/> N/A
Subd. 1a.	Change in health care provider, termination not for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> N/A

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Subdivision	Subject	Met	Not Met	N/A
Subd. 1b.	Change in health care provider, termination for cause	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> N/A
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

Consistent with Minnesota Statutes chapter 62M, MDH examined Sanford Health Plan’s utilization review (UR) system, including the review of 56 utilization review files.

UR System File Review

File Source	# Reviewed
UM Denial Files	
Sanford Health Medical	20
Sanford Health Pharmacy	21
Clinical Appeal Files	
	15
Total	56

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	<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 type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met	
	(d) Initial determination not to certify (notice of right to appeal)	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subd. 3b.	Expedited Review Determination	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met	<input type="checkbox"/> NCQA

Subdivision	Subject	Met	Not Met	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: One Business Day Notification of Determination not to Certify

Subd. 3a(c) Minnesota Statutes, section 62M.05, subdivision 3a(c), states when an initial determination is made not to certify, notification must be provided by telephone, by facsimile to a verified number, or by electronic mail to a secure electronic mailbox within one working day after making the determination to the attending health care professional.

Eight files, (two medical, six pharmaceutical) took longer than one working day to provide a telephone/fax notification to the attending health care professional of the denial.

Therefore, MDH finds that Sanford Health Plan must provide a telephone/fax notification to the attending health care professional within one working day after making the determination.

(Deficiency #1)

Finding: Expedited Review Determination

Subd. 3b. Minnesota Statutes, section 62M.05, subdivision 3b(b) states, 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.

Review of the policy submitted for review, *MM-GEN-049 UM Program*, MDH did not find specific information addressing the right to an expedited appeal when an expedited initial determination is made not to certify.

Therefore, Sanford Health Plan must revise its policy, *MM-GEN-049 UM Program* to include specific information regarding the notification of the enrollee and the attending health care professional of the right to an expedited internal appeal when an expedited initial determination is made not to certify. **(Mandatory Improvement #1)**

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 checked="" type="checkbox"/> Met	<input 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: Procedures for Appeal

Subd. 1(b). Minnesota Statutes, section 62M.06, subdivision 1(b) states, in part, that the enrollee shall be allowed to receive continued coverage pending the outcome of the appeals process.

Sanford Health Plan’s appeal rights notice states “*If you are requesting an extension for a previously approved or ongoing service/treatment, your coverage will not be affected during the appeal.*” The language in Sanford Health Plan’s COC states “*A Member is entitled to continued coverage for concurrent care pending the outcome of the appeals process...*” MDH feels the COC language is clearer and better able to be understood by the enrollee.

Accordingly, MDH recommends that Sanford Health Plan reconsider its language in the appeals rights notice regarding continued coverage pending outcome of appeals to assure it is easily understood by enrollees. **(Recommendation #2)**

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

Subdivision	Subject	Met	Not Met	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 type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" type="checkbox"/> NCQA
Subd. 4a.	Chiropractic Reviews	<input type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input checked="" 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

Finding: Physician Reviewer Involvement

Subd. 3(a) Minnesota Statutes, section 62M.09, subdivision 3(a) states, a physician must review all cases in which the utilization review organization has concluded that a determination not to certify for clinical reasons is appropriate.¹

File review revealed two pharmaceutical files in which a pharmacist rendered the denial decision rather than a physician. This was also a finding in the 2015 Quality Assurance Examination (report dated July 10, 2018).

Accordingly, MDH finds that Sanford Health Plan must have a physician review all pharmaceutical utilization review all cases in which a determination not to certify has been made. Since this was a deficiency in the previous examination, this is a repeat deficiency.

(Deficiency #2 - Repeat)

Sanford Health Plan, since the previous examination revised its pharmaceutical review practices to include a physician in making the determination to deny for Minnesota enrollees, however this is a manual process. Sanford Health Plan is assessing its options to automate the process. MDH will review Sanford Health Plan’s processes at its mid-cycle review.

Complaints to Commerce or Health

Minnesota Statutes, Section 62M.11

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

¹ Beginning January 1, 2021, Minnesota Statutes, §62M.09, sub 3(d) will read as follows: *Notwithstanding paragraph (a), a review of an adverse determination involving a prescription drug must be conducted by a licensed pharmacist or physician who is competent to evaluate the specific clinical issues presented in the review.*

Finding: Complaints to Health

Subd. 11 Minnesota Statutes, section 62M.11, states an enrollee may file a complaint regarding a determination not to certify directly to the commissioner responsible for regulating the utilization review organization.

Sixteen files did not contain the right to complain to the Commissioner of Health. The appeals rights notice directed enrollees to “Other Resources” which included the insurance departments for Iowa, North Dakota and South Dakota.

Accordingly, MDH finds that Sanford Health Plan must consistently utilize the correct appeal rights notification directing enrollees to the Minnesota Commissioner of Health if they wish to file a complaint regarding a determination not to certify. **(Deficiency #3)**

Sanford health Plan identified the complexity of the letter/correspondence process within Epic, its health and information software system, specifically the manual process of matching appropriate letters/correspondence with the appropriate state and plan type. A performance improvement project was launched to assist the Appeals Team in sending appropriate appeal rights with notifications. On January 1, 2020, Sanford initiated a new process of attaching (embedding) the most frequently used appeal rights to the base version of each frequently used letter, thus allowing staff to easily choose the appropriate letter and appeal rights. MDH will follow-up with Sanford Health Plan at mid-cycle regarding this new process.

Prohibition of Inappropriate Incentives

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

1. To better comply with Minnesota Rules, 4685.1130, subpart 2, Sanford Health Plan, in future annual work plans, should include a more specific description of the proposed focus studies/improvement projects planned for the following year.
2. To better comply with Minnesota Statutes, section 62M.06, subdivision 1(b), Sanford Health Plan should reconsider its language in the appeals rights notice regarding continued coverage pending outcome of appeals to assure it is easily understood by enrollees.

Mandatory Improvements

1. To comply with Minnesota Statutes, section 62M.05, subdivision 3b(b), Sanford Health Plan must revise its policy, *MM-GEN-049 UM Program* to include specific information regarding the notification of the enrollee and the attending health care professional of the right to an expedited internal appeal when an expedited initial determination is made not to certify.

Deficiencies

1. To comply with Minnesota Statutes, section 62M.05, subdivision 3a(c), Sanford Health Plan must provide a telephone/fax notification to the attending health care professional within one working day after making the determination.
2. To comply with Minnesota Statutes, section 62M.09, subdivision 3(a), Sanford Health Plan must have a physician review all pharmaceutical utilization review cases in which a determination not to certify has been made. Since this was a deficiency in the previous examination, this is a repeat deficiency.
3. To comply with Minnesota Statutes, section 62M.11, Sanford Health Plan must consistently utilize the correct appeal rights notification directing enrollees to the Minnesota Commissioner of Health if they wish to file a complaint regarding a determination not to certify.