

# Blue Plus

QUALITY ASSURANCE EXAMINATION

## **Preliminary Report**

For the Period: December 1, 2015 – July 1, 2018

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## MINNESOTA DEPARTMENT OF HEALTH EXECUTIVE SUMMARY

The Minnesota Department of Health (MDH) conducted a Quality Assurance Examination of Blue Plus 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 Blue Plus 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, Blue Plus should:**

Include the requirements to cover antipsychotic drugs to treat an emotional disturbance or mental illness when certain conditions apply for up to one year and to renew annually in a policy and/or procedure in addition to utilizing the formulary exception form.

### **To address mandatory improvements, Blue Plus and its delegates must:**

Update its policy *Government Program’s Service Review (GP210)* to include the current requirements regarding State Fair Hearings;

Include in the appropriate policy the requirement to provide notice by telephone within 24 hours of a request for prior authorization for all covered drug decisions;

Update its policy indicating that Blue Plus must offer a provider contract to an ECP located within the service area;

Revise its policy *Medical Management Service Review for Commercial Business C-UM 100* to delete the statement to referring to the state’s ombudsman office. That pertains to MHCP enrollees only;

Follow its policy and send a written outcome notification letter to the enrollee and attending health care professional in response to expedited appeals.

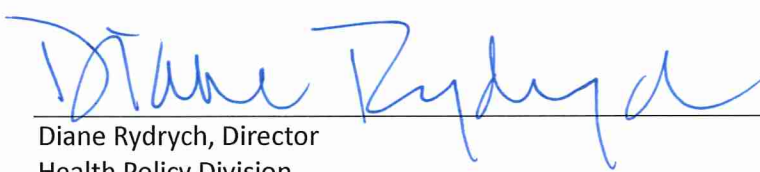
### **To address deficiencies, Blue Plus and its delegates must:**

Initiate and utilize the most current and DHS approved Appeal Rights Notice in its utilization management denial notifications. DHS updated the Appeal Rights Notice to be initiated in January 2018, however Blue Plus did not start using the updated notice until July 2018;

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Include the most current, updated Appeal Rights Notice in its clinical and non-clinical appeal notifications to ensure enrollees are being accurately informed of their rights;

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.



Diane Rydrych, Director  
Health Policy Division

Date 5/1/19

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# I. Introduction

1. History: Founded in 1974, Blue Plus, a subsidiary of Blue Cross and Blue Shield of Minnesota (Blue Cross), is a Minnesota nonprofit licensed health maintenance organization (HMO) that offers health plans and networks throughout Minnesota to individuals and local, state and national groups through contracted networks of health care providers. Aware Integrated, Inc., a Minnesota nonprofit corporation, is the parent holding company of Blue Cross. A Board of Directors, consisting of forty percent enrollee elected directors, oversees Blue Plus. In addition to offering a range of commercial products, Blue Plus currently contracts with the Centers for Medicare & Medicaid Services (CMS) and the Minnesota Department of Human Services (DHS) to deliver and administer Minnesota Senior Care Plus and the Minnesota Senior Health Options (MSHO) program and also contracts with DHS to deliver and administer MinnesotaCare and the Prepaid Medical Assistance Program (PMAP).
2. Membership: Blue Plus self-reported Minnesota enrollment as of July 1, 2018 consisted of the following:

## Self-Reported Enrollment

Product	Enrollment
<b>Fully Insured Commercial</b>	
Large Group	419
Small Employer Group	3,768
Individual	24,239
<b>Minnesota Health Care Programs – Managed Care (MHCP-MC)</b>	
Families & Children	327,220
MinnesotaCare	31,447
Minnesota Senior Care (MSC+)	3,498
Minnesota Senior Health Options (MSHO)	8,789
Special Needs Basic Care	n/a
<b>Total</b>	<b>399,380</b>

3. Onsite Examination Dates: October 8th– 12th, 2018
4. Examination Period: December 1, 2015 to July 1, 2018  
File Review Period: July 1, 2017 to June 30, 2018  
Opening Date: July 19, 2018

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5. National Committee for Quality Assurance (NCQA): Blue Plus is accredited by NCQA for its Commercial HMO/POS/PPO Combined, Marketplace PPO and Medicaid HMO products based on 2017 standards. The Minnesota Department of Health (MDH) evaluated and used results of the NCQA review in one of three ways:
  - a. If NCQA standards do not exist or are not as stringent as Minnesota law, the accreditation results were not used in the MDH examination process [No NCQA checkbox].
  - b. If the NCQA standard was the same or more stringent than Minnesota law and the health plan was accredited with 100% of the possible points, the NCQA results were accepted as meeting Minnesota requirements [NCQA , unless evidence existed indicating further investigation was warranted [NCQA ].
  - c. If the NCQA standard was the same or more stringent than Minnesota law, but the review resulted in less than 100% of the possible points on NCQA's score sheet or as an identified opportunity for improvement, MDH conducted its own examination.
6. Sampling Methodology: Due to the small sample sizes and the methodology used for sample selection for the quality assurance examination, the results cannot be extrapolated as an overall deficiency rate for the health plan.
7. Performance Standard: For each instance of non-compliance with applicable law or rule identified during the quality assurance examination, that covers a three-year audit period, the health plan is cited with a deficiency. A deficiency will not be based solely on one outlier file if MDH has sufficient evidence that a plan's overall operation is compliant with an applicable law. Sufficient evidence may be obtained through: 1) file review; 2) policies and procedures; and 3) interviews.



## II. Quality Program Administration

### Program

#### Minnesota Rules, Part 4685.1110

Subparts	Subject	Met	Not Met	NCQA
Subp. 1.	Written Quality Assurance Plan	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	
Subp. 2.	Documentation of Responsibility	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subp. 3.	Appointed Entity	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met	<input type="checkbox"/> NCQA
Subp. 4.	Physician Participation	<input 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	<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/ Grievances	Appeals	Cred	Claims	Disease Mgmt	Network	Care Coord
Prime Therapeutics	X	X			X	X		X	
Secure Care (Chiro)		X	X		X			X	

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Entity	UM	QOC	Complaints/ Grievances	Appeals	Cred	Claims	Disease Mgmt	Network	Care Coord
Carlton County									X
Mower County									X
Trimont Health Care									X

**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. Blue Plus scored 100% on all 2017 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
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

### III. Quality of Care

MDH reviewed a total of fifteen quality of care grievance and complaint system files.

#### Quality of Care File Review

File Source	# Reviewed
<i>Quality of Care</i>	
<i>MHCP Grievances</i>	8
<i>Commercial Complaints</i>	7
<b>Total</b>	<b>15</b>

#### Quality of Care Complaints

#### Minnesota Statutes, Section 62D.115

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

#### Finding: Quality of Care Complaints

Subds. 1 and 2. Minnesota Statutes, section 62D.115, subdivisions 1 and 2, outlines the requirements for quality of care complaint processes. All quality of care policy and procedures were reviewed and are being followed according to law. In addition, MDH reviewed seven commercial quality of care complaint files and eight public program quality of care complaints. The review demonstrated that Blue Plus is conducting thorough investigations, and performing appropriate review and follow-up with active involvement by the Medical Director.

# IV. Complaint and Grievance Systems

## Complaint Systems

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

### Complaint System File Review

File Source	# Reviewed
Complaint Files	
<i>Blue Plus Written</i>	7
<i>Blue Plus Oral</i>	23
Non-Clinical Appeals	8
<b>Total</b>	<b>30</b>

## 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



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Section	Subject	Met	Not Met
Subd. 3.	Notification of Appeal Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Notice to Enrollees

**Minnesota Statutes, Section 62Q.71**

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

External Review of Adverse Determinations

**Minnesota Statutes, Section 62Q.73**

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

Grievance System

MDH examined Blue Plus’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 2018 Contract, Article 8.

MDH reviewed a total of 46 grievance system files.

**Grievance System File Review**

File Source	# Reviewed
Grievances	
<i>Blue Plus Written</i>	1
<i>Blue Plus Oral</i>	7
Non-Clinical Appeals	30
State Fair Hearing	8
<b>Total</b>	<b>46</b>

## General Requirements

### DHS Contract, Section 8.1

Section	42 CFR	Subject	Met	Not Met
<b>Section 8.1.</b>	§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
<b>Section 8.2.</b>	§438.408	Internal Grievance Process Requirements		
Sec. 8.2.1.	§438.402 (c)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.2.2.	§438.408 (b)(1), (d)(1)	Timeframe for Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.2.3.	§438.408 (c)	Timeframe for Extension of Resolution of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec 8.2.4.</b>	<b>§438.406</b>	<b>Handling of Grievances</b>		
(A)	§438.406 (b)(1)	Written Acknowledgement	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.416	Log of Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.402 (c)(3)	Oral or Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(D)	§438.406 (a)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(E)	§438.406 (b)(2)(i)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(F)	§438.406 (b)(2)(ii)	Appropriate Clinical Expertise	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.2.5.</b>	<b>§438.408 (d)(1)</b>	<b>Notice of Disposition of a Grievance</b>		
(A)	§438.404 (b) §438.406 (a)	Oral Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.404 (a), (b)	Written Grievances	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

## DTR Notice of Action to Enrollees

### DHS Contract, Section 8.3

Section	42 CFR	Subject	Met	Not Met
<b>Section 8.3.</b>	§438.10 §438.404	DTR Notice of Action to Enrollees		

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Section	42 CFR	Subject	Met	Not Met
Sec. 8.3.1.	§438.10(c), (d) §438.402(c) §438.404(b)	General Requirements	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
Section 8.3.2.	§438.404 (c)	Timing of DTR Notice		
(A)	§431.211	Previously Authorized Services	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.404 (c)(2)	Denials of Payment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.210 (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 checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(3)		To the provider, enrollee and hospital, in writing, and must include the process to initiate an appeal, within ten (10) business days following receipt of the request for the service, unless the MCO receives an extension of the resolution period	<input type="checkbox"/> Met	<input checked="" 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)(3) and 42 USC 1396r-8(d)(5)	Covered Outpatient Drug Decisions	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
(G)	§438.210 (d)(1)	Delay in Authorizations	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

Finding: Content of DTR Notice of Action

Sec. 8.3.1. 42 CFR 438.404 (DHS contract 8.3.1(B)(11)(c)) states Appeal Rights Notice must include the enrollee's right to file a request for State Fair Hearing after first exhausting the MCO's appeal procedures or up to 120 days after the MCO's determination of the appeal. Blue Plus's policy *Government Program's Service Review (GP210)* included outdated information regarding State Fair Hearings. Blue Plus must update its policy to include the current requirements regarding State Fair Hearings. **(Mandatory Improvement #1)** Blue Plus incorporated the requested language in the policy and provided a copy to the MDH examiners during the onsite portion of the exam.

Finding: One Working Day telephone notice of Denial

Sec. 8.3.2(C)(2). 42 CFR 438.210(d) (DHS Contract 8.3.2(C)(2), states the MCO must provide a telephone notice to the attending care professional within one working day of the determination. In one MHCP file the telephone notification did not take place within one working day (4 days).



**Finding: Appeal Rights Notice**

Sec. 8.3.2(C)(3). 42 CFR 438.210 (c) (DHS Contract 8.3.2(C)(3)), states the Appeal Rights Notice (process to initiate an appeal), which must be approved by the State, must be included with the DTR notice that deny or limit services. DHS changed the content of the Appeal Rights Notice beginning in 2018 which included changes to enrollee rights regarding appeal and State Fair Hearings. None of the 14 Blue Plus files from the sample list of files dated in 2018 contained the 2018 updated Appeal Rights Notice. **(Deficiency #1)** In three Prime Therapeutics files, the Appeal Rights notice was outdated, however those files were dated in January of 2018, and all other 2018 files had the updated notice. Blue Plus did not finalize the remediation of this issue until July 2018. Blue Plus informed MDH of this issue and an in-depth discussion took place while onsite. Corrective action on this issue included a strengthening of its vendor oversight.

**Finding: Covered Outpatient Drug Decisions**

Sec. 8.3.2. 42 CFR 438.210(d)(3) (DHS Contract 8.3.2(F)), states for all covered outpatient drug authorization decisions, notice by telephone within 24 hours of a request must be provided. Blue Plus’s policy *Government Program’s Service Review (GP210)* does not contain this provision. Blue Plus must include in the appropriate policy the requirement to provide notice by telephone within 24 hours of a request for prior authorization for all covered drug decisions. **(Mandatory Improvement #2)** Blue Plus incorporated the requested language in the policy and provided a copy to MDH examiners during the onsite portion of the exam.

**Internal Appeals Process Requirements**

**DHS Contract, Section 8.4**

Section	42 CFR	Subject	Met	Not Met
<b>Section 8.4.</b>	§438.404	Internal Appeals Process Requirements		
<b>Sec. 8.4.1.</b>	§438.402 (b)	One Level Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.2.</b>	§438.408 (b)	Filing Requirements	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.3.</b>	§438.408	Timeframe for Resolution of Appeals		
(A)	§438.408 (b)(2)	Standard Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.408 (b)(3)	Expedited Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.408 (c)(3)	Deemed Exhaustion	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.4.</b>	§438.408 (c)	Timeframe for Extension of Resolution of Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.5.</b>	§438.406	Handling of Appeals		
(A)	§438.406 (b)(3)	Oral Inquiries	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(B)	§438.406 (b)(1)	Written Acknowledgment	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

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Section	42 CFR	Subject	Met	Not Met
(C)	§438.406 (a)	Reasonable Assistance	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(D)	§438.406 (b)(2)	Individual Making Decision	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(E)	§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
(F)	§438.406 (b)(4)	Opportunity to Present Evidence	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(G)	§438.406 (b)(5)	Opportunity to Examine the Care File	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(H)	§438.406 (b)(6)	Parties to the Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(I)	§438.410 (b)	Prohibition of Punitive Action Subsequent Appeals	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.6.</b>		<b>Subsequent Appeals</b>		
<b>Sec. 8.4.7.</b>	§438.408 (d)(2)	Notice of Resolution of Appeals		
(A)	§438.408 (d)(2)	Written Notice Content	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
(B)	§438.210 (c)	Appeals of UM Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(C)	§438.410 (c) and .408 (d)(2)(ii)	Telephone Notification of Expedited Appeals (Also see Minnesota Statutes section 62M.06, subd.2)	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.4.8.</b>	§438.424	Reversed Appeal Resolutions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
<b>Sec. 8.5.</b>	§438.420 (b)	Continuation of Benefits Pending Appeal or State Fair Hearing	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

**Finding: Written Notice Content**

Sec. 8.4.7. 42 CFR 438.408(d)(2) (DHS Contract Section 8.4.7(A)), states that the MCO must provide a written notice of resolution for all appeals and must include....with the notice a copy of the State’s notice “Your Appeal Rights.” Twelve of the 30 MHCP non-clinical appeal files contained outdated appeal rights. Eleven of those files contained some of the updated 2018 appeal rights but did not contain all of the required information about how to request a State Fair Hearing, and one file was outdated using 2017 appeal rights. Of the ten clinical appeals files reviewed, four files did not have the updated appeal rights. A total of 16 MHCP appeal files, both clinical and non-clinical that were processed in 2018 did not contain the most updated 2018 Appeal Rights Notice. Blue Plus must update and institute in a timely manner all appeal rights forms to ensure the most up to date forms approved by DHS are being used. **(Deficiency #2)**



## Maintenance of Grievance and Appeal Records

### DHS Contract, Section 8.6

Section	42 CFR	Subject	Met	Not Met
Section 8.6.	§438.416 (c)	Maintenance of Grievance and Appeal Records	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met

## State Fair Hearings

### DHS Contract, Section 8.10

Section	42 CFR	Subject	Met	Not Met
Section 8.10.	§438.416 (c)	State Fair Hearings		
Sec. 8.10.2.	§438.408 (f)	Standard Hearing Decisions	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Sec. 8.10.5.	§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 type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met

### Finding: Essential Community Providers

Subd. 3. Minnesota Statutes, section 62Q.19, subdivision 3, states that a health plan company must offer a provider contract to any designated essential community provider (ECP) located within the area served by the health plan, and cannot restrict access to members seeking ECP services. There is nothing stated in Blue Plus’s policy and procedures that addresses contracting with ECPs. Blue Plus does have contracts with ECPs. Blue Plus must update its policy indicating that they must offer a provider contract to an ECP located within the service area. **(Mandatory Improvement #3)**

## 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

### Finding: Coverage of Nonformulary Drugs for Mental Illness and Emotional Disturbance

Subds. 2, 3 and 4. Minnesota Statutes, section 62Q.527, subdivisions 2, 3 and 4, require health plans to cover antipsychotic drugs to treat an emotional disturbance or mental illness, when certain conditions apply, for up to one year and to renew annually. Blue Plus regularly utilizes a formulary exception form internally when determining whether an enrollee meets formulary exception criteria. The form contains all the requirements in this statute, however, these requirements aren't included in any Blue Plus policy and/or procedure. MDH suggests that Blue Plus include the requirements in a policy and/or procedures to ensure compliance with the requirement. **(Recommendation #1).**

## 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 Blue Plus's utilization review (UR) system under Minnesota Statutes, chapter 62M. A total of 99 utilization review files were reviewed.

### UR System File Review

File Source	# Reviewed
<b>UM Denial Files</b>	
Commercial	
Blue Plus	8
Prime Therapeutics	8
MHCP-MC	
Blue Plus	31
Prime Therapeutics	12
<i>Subtotal</i>	<b>59</b>
<b>Clinical Appeal Files</b>	
Blue Plus Commercial	30



BLUE PLUS QUALITY ASSURANCE EXAMINATION

File Source	# Reviewed
Blue Plus MHCP-MC	10
<i>Subtotal</i>	40
<b>Total</b>	99

Standards for Utilization Review Performance

**Minnesota Statutes, Section 62M.04**

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

Finding: One Working Day Telephone Notice of Denial

[See 42 CFR 438.210(c) (DHS Contract 8.3.2(C)(2)]



## Appeals of Determinations Not to Certify

### Minnesota Statutes, Section 62M.06

Subdivision	Subject	Met	Not Met
Subd. 1.	Procedures for Appeal	<input type="checkbox"/> Met	<input checked="" type="checkbox"/> Not Met
Subd. 2.	Expedited Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
Subd. 3.	Standard Appeal	<input checked="" type="checkbox"/> Met	<input type="checkbox"/> Not Met
(a)	Procedures for Appeals	<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
(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)	Time limit in which to 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. 2 Minnesota Statutes, section 62M.06, subdivision 1(a) requires written procedures for appeals for appeals of determinations not to certify. Blue Plus policy *Appeals of Pre-service – Post Service Claims for Commercial Business (CSC-M-2018-003)* states “For expedited cases, in addition to outcome notification letter, a telephone call with the determination must be made...” In three files pertaining to oral expedited appeals for medications where the denial was reversed, Blue Plus did not provide a notification letter as required by its policy. Blue Plus must follow its policy and send a written outcome notification letter to the enrollee and attending health care professional in response to expedited appeals. **(Mandatory Improvement #5)**

#### Finding: Appeal Resolution Notification

Subd. 3 Minnesota Statutes 62M.06, subdivision 3, requires a written notification of the appeal determination to the enrollee and the attending health care professional for oral and written appeals. In one standard appeal file there was no written notification of the appeal determination to the enrollee and attending health care professional.

## Confidentiality

### Minnesota Statutes, Section 62M.08

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

## Staff and Program Qualifications

### Minnesota Statutes, Section 62M.09

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

## Complaints to Commerce or Health

### Minnesota Statutes, Section 62M.11

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

### Finding: Complaints to Health

Sec. 62M.11. Minnesota Statutes, section 62M.11, states an enrollee may file a complaint regarding a determination not to certify directly to MDH. The policy *Medical Management Service Review for Commercial Business C-UM 100* incorrectly states the denial letter must advise that the member has right to seek assistance from and file a complaint directly to state

commissioner and state's ombudsman office. Blue Plus must revise its policy and delete the statement to referring to the state's ombudsman office. That pertains to MHCP enrollees only. **(Mandatory Improvement #4)**

## 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 Statutes, section 62Q.527, subdivisions 2, 3 and 4, MDH recommends that Blue Plus include the requirements to cover antipsychotic drugs to treat an emotional disturbance or mental illness when certain conditions apply for up to one year and to renew annually in a policy and/or procedure in addition to utilizing the formulary exception form.

## Mandatory Improvements

1. To comply with 42 CFR 438.404 (DHS contract 8.3.1(B)(11)(c)), Blue Plus must update its policy *Government Program's Service Review (GP210)* to include the current requirements regarding State Fair Hearings.
2. To comply with 42 CFR 438.210(d)(3) (DHS Contract 8.3.2(F)), Blue Plus must include in the appropriate policy the requirement to provide notice by telephone within 24 hours of a request for prior authorization for all covered drug decisions.
3. To comply with Minnesota Statutes, section 62Q.19, subdivision 3, Blue Plus must update its policy indicating that they must offer a provider contract to an ECP located within the service area
4. To comply with Minnesota Statutes, section 62M.11, Blue Plus must revise its policy *Medical Management Service Review for Commercial Business C-UM 100* and delete the

statement to referring to the state's ombudsman office. That pertains to MHCP enrollees only.

- 5. To comply with Minnesota Statutes, section 62M.06, subdivision 1(a), Blue Plus must follow its policy and send a written outcome notification letter to the enrollee and attending health care professional in response to expedited appeals.

## Deficiencies

1. To comply with 42 CFR 438.210 (c) (DHS Contract 8.3.2(C)(3)), Blue Plus must initiate and utilize the most current and DHS approved Appeal Rights Notice in its utilization management denial notifications. DHS updated the Appeal Rights Notice to be initiated in January 2018, however Blue Plus did not start using the updated notice until July 2018.
2. To comply with 42 CFR 438.408(d)(2) (DHS Contract Section 8.4.7(A)), Blue Plus must include the most current, updated Appeal Rights Notice in its clinical and non-clinical appeal notifications to ensure enrollee are being accurately informed of their rights.

