Itasca Medical Care

QUALITY ASSURANCE EXAMINATION

2024

Itasca Medical Care Quality Assurance Examination Report
For the Period: May 1, 2021, to July 21, 2024.
Examiners: Dena Harrell, BA, MPA; Brenda Sorvig, LPN, MHI; Mary Timm, BS
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Minnesota Department of Health
Managed Care Systems Section
PO Box 64975
St. Paul, MN 55164-0975
651-201-5100
health.mcs@state.mn.us
www.health.state.mn.us

MINNESOTA DEPARTMENT OF HEALTH EXECUTIVE SUMMARY

The Minnesota Department of Health (MDH) conducted a Quality Assurance Examination of Itasca Medical Care (IMCare) to determine 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 IMCare 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, IMCare should:

None Identified.

To address mandatory improvements, IMCare and its delegates must:

None Identified.

To address deficiencies, IMCare and its delegates must:

1. Ensure that the Denial, Termination, Reduction (DTR) Notice of Action includes the most current approved "Health Plan Appeal Rights" notice (eDoc-8320) in all of the IMCare appeal rights notices sent to enrollees.

2. Ensure that the most current approved "Managed Care State Appeal Rights Notice" (eDoc-8324) is sent with the written resolution of all appeals sent to enrollees.

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.

/s/ Diane Rydrych

6/11/2025

Diane Rydrych, Director
Health Policy Division

Date

Contents

I. Introduction

1. History:

   The Itasca Medical Care (IMCare) program was established in 1982 as a collaborative effort involving the Minnesota Department of Human Services (DHS), Itasca County, and the local community providers. Both DHS and Itasca County recognized the need for change surrounding the legacy of Fee for Service health delivery system. IMCare began providing health care coverage for Itasca County residents eligible to receive services under the Minnesota General Assistance Medical Care program. IMCare was the first Medicaid Managed Care organization in the state and one of the first such organizations in the country.

   In 1985, Public Law 99-272, the Consolidated Omnibus Budget Reconciliation Act of 1985 gave Itasca County federal authority to contract as a Managed Care entity [also reference 42CFR434.20 (a) (5) and 42USC139u-2(a) (3) (C)]; and Itasca County was also authorized as a prepayment demonstration provider by Minnesota Statute 256.B.69, Subdivision2. (b). Subsequently, IMCare was approved by the Minnesota Department of Health (MDH) in 2002 to meet all regulatory compliance as a County-Based Purchasing (CBP) entity per Minnesota Statute 256.692, Subd 2. In 1985, IMCare expanded to include the Medical Assistance program, and in 1996 further extended coverage to include MinnesotaCare. In 2005, IMCare brought on the Minnesota Senior Care Plus (MSC+) population. Finally, the Medicare population, Minnesota Senior Health Options (MSHO), was included in 2006.

   IMCare currently serves approximately 8,000 enrollees in Itasca County, 325 of which are MSHO enrollees and 263 MSC+ enrollees. IMCare currently has 28 staff, a Medical Director, Pharmacy Director, and Dental Director. IMCare contracts with many providers to deliver expert advice, professional input, and recommendations.

   As a County Based Purchasing (CBP) organization, IMCare works closely with many of the county departments to help facilitate care with a common enrollee, and coordinates Public Health in many areas, focusing on the senior population as well as children's health and well-being. IMCare partners with Public Health on enrollee incentives as well, and their current incentive centers on prenatal and post-natal care. IMCare also works closely with the Social Services, Developmentally Disabled, and Financial Assistance units to coordinate an enrollee's coverage and care, including transportation needs. The goal of IMCare's county collaboration is to not duplicate efforts or take away any functions that the county is already doing and doing well.

   IMCare is also heavily inter-twined with other community resources and partners with many organizations that provide services to benefit enrollees.

2. Membership: IMCare self-reported Minnesota enrollment as of September 2024 consisted of the following:

Self-Reported Enrollment

	Product	Enrollment
	Families & Children	6,601
	MinnesotaCare	684

	Product	Enrollment
Minnesota Health Care Programs – Managed Care (MHCP-MC)	Minnesota Senior Care (MSC+)	263
	Minnesota Senior Health Options (MSHO)	325
	Special Needs Basic Care	0
	Total	**7,873**

3. Virtual Examination Dates: December 2 to December 6, 2024.
4. Examination Period: May 1, 2021 to July 31, 2024.
   File Review Period: January 1, 2023 to December 31, 2023.
   Opening Date: September 27, 2024.
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

Minnesota Rules, Part 4685.1110

Subject	Met	Not Met
Subpart 1. Written Quality Assurance Plan	Met	
Subpart 2. Documentation of Responsibility	Met	
Subpart 3. Appointed Entity	Met	
Subpart 4. Physician Participation	Met	
Subpart 5. Staff Resources	Met	
Subpart 6. Delegated Activities	Met	
Subpart 7. Information System	Met	
Subpart 8. Program Evaluation	Met	
Subpart 9. Complaints	Met	
Subpart 10. Utilization Review	Met	
Subpart 11. Provider Selection and Credentialing Also refer to 62Q.097	Met	
Subpart 12. Qualifications	Met	
Subpart 13. Medical Records	Met	

Delegated Activities

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
CVS Caremark						Claims		Network	
Itasca County Public Health							Disease Mgmt		Care Coord

Activities

Minnesota Rules, Part 4685.1115

Subject	Met	Not Met
Subpart 1. Ongoing Quality Evaluation	Met	
Subpart 2. Scope	Met	

Quality Evaluation Steps

Minnesota Rules, Part 4685.1120

Subject	Met	Not Met
Subpart 1. Problem Identification	Met	
Subpart 2. Problem Selection	Met	
Subpart 3. Corrective Action	Met	
Subpart 4. Evaluation of Corrective Action	Met	

Focused Study Steps

Minnesota Rules, Part 4685.1125

Subject	Met	Not Met
Subpart 1. Focused Studies	Met	
Subpart 2. Topic Identification and Selections	Met	
Subpart 3. Study	Met	
Subpart 4. Corrective Action	Met	
Subpart 5. Other Studies	Met	

Filed Written Plan and Work Plan

Minnesota Rules, Part 4685.1130

Subject	Met	Not Met
Subpart 1. Written Plan	Met	
Subpart 2. Work Plan	Met	
Subpart 3. Amendments to Plan	Met	

Provider Selection and Credentialing

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. IMCare is not accredited by NCQA but follows NCQA Credentialing/recredentialing standards and guidelines for its policies and procedures.

MDH reviewed a total of 8 initial credentialing files as indicated in the table below.

Credentialing File Review

File Source	Provider Type	# Reviewed
Initial	*Physicians*	4
	Allied	4
	Total	**8**

Requirements For Timely Provider Credentialing

Minnesota Statutes, Section 62Q.097

Subject	Met	Not Met
Subdivision 1. Definitions	Met	
Subdivision 2. Time limit for credentialing determination (1) If application is clean and if clinic/facility requests, notify of date by which determination on app.	Met	
Subdivision 2. Time limit for credentialing determination (2) If app determined not to be clean, inform provider of deficiencies/missing information within three business days	Met	
Subdivision 2. Time limit for credentialing determination (3) Make determination on clean app within 45 days after receiving clean app	Met	
Subdivision 2. Time limit for credentialing determination (4) Health plan allowed 30 additional days to investigate any quality or safety concerns.	Met	

Enrollee Advisory Body

Minnesota Statutes, Section 62D.06, Subdivision 2

Subject	Met	Not Met
Subdivision 2 Enrollee Input. Governing body shall establish a mechanism to afford the enrollees an opportunity to express their opinions in matters of policy and operation.	Met	

III. Quality of Care

MDH reviewed a total of 8 quality of care complaint system files.

Quality of Care File Review

File Source	# Reviewed
Quality of Care	
MCHP Grievances	8
Total	**8**

Quality of Care Complaints

Minnesota Statutes, Section 62D.115

Subject	Met	Not Met
Subdivision 1. Definition	Met	
Subdivision 2. Quality of Care Investigations	Met	

IV. Grievance Systems

Grievance Systems

MDH examined IMCare'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 2024 Contract, Article 8.

MDH reviewed a total of 68 grievance system files.

Grievance System File Review

File Source	Complaint Type	# Reviewed
Grievances	*IMCare Written*	6
	IMCare Oral	2
Denial, Termination, Reduction (DTR) Notices		30
Clinical and Non-Clinical Appeals	*IMCare Written*	14
	IMCare Oral	16
State Fair Hearing		0
	Total	***68***

General Requirements

DHS Contract, Section 8.1, 42 CFR §438.402

Contract Section	42 CFR	Subject	Met	Not Met
8.1.	**§438.402**	**General Requirements:** Sec. 8.1.1 Components of Grievance System	Met	

Internal Grievance Process Requirements

DHS Contract, Section 8.2, 42CFR §438.408

Topic	Contract Section	42 CFR	Subject	Met	Not Met
	8.2.1.	**§438.402 (c)**	Filing Requirements	Met	
	8.2.2.	**§438.408 (b)(1), (d)(1)**	Timeframe for Resolution of Grievances	Met	

Topic	Contract Section	42 CFR	Subject	Met	Not Met
	8.2.3.	**§438.408 (c)**	Timeframe for Extension of Resolution of Grievances	Met	
Handling of Grievances (Section 8.2.4, 42CFR §438.406	8.2.4.1	§438.406 (b)(1)	Written Acknowledgement	Met	
	8.2.4.2	§438.416	Log of Grievances	Met	
	8.2.4.3	§438.402 (c)(3)	Oral or Written Grievances	Met	
	8.2.4.4	§438.406 (a)	Reasonable Assistance	Met	
	8.2.4.5	§438.406 (b)(2)(i)	Individual Making Decision	Met	
	8.2.4.6	§438.406 (b)(2)(ii)	Appropriate Clinical Expertise	Met	
Notice of Disposition of a Grievance (Section 8.2.5., 42CFR §438.408 (d)(1))	8.2.5.1	§438.404 (b) §438.406 (a)	Oral Grievances	Met	
	8.2.5.2	§438.404 (a), (b)	Written Grievances	Met	

DTR Notice of Action to Enrollees

DHS Contract, Section 8.3, 42CFR §438.10, §438.404

Contract Section	42 CFR	Subject	Met	Not Met
8.3.1.	**§438.10(c), (d) §438.402(c) §438.404(b)**	**General Requirements**	Met	
8.3.2	**§438.402 (c), §438.404 (b)**	**Content of DTR Notice of Action**		Not Met
8.3.2.1	**§438.404**	**Notice to Provider**		Not Met
8.3.3.	**§438.404 (c)**	**Timing of DTR Notice**	Met	
8.3.3.1	§431.211	Previously Authorized Services	Met	
8.3.3.2	§438.404 (c)(2)	Denials of Payment	Met	
8.3.3.3	§438.210 (c)(d)	Standard Authorizations *(1) As expeditiously as the enrollee's health condition requires*	Met	
		Standard Authorizations *(2) To the attending health care professional and hospital by telephone or fax within one working day after making the determination*	Met	
		Standard Authorizations *(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*	Met	
8.3.3.4	§438.210 (d)(2)(i)	Expedited Authorizations	Met	
8.3.3.5	§438.210 (d)(1)	Extensions of Time	Met	

Contract Section	42 CFR	Subject	Met	Not Met
8.3.3.6	§438.210(d)(3) and 42 USC 1396r-8(d)(5)	Covered Outpatient Drug Decisions	Met	
8.3.3.7	§438.210 (d)(1)	Delay in Authorizations	Met	

Finding: 8.3.2. Content of DTR Notice of Action

DHS Contract Section 8.3.2 states that the content of the DTR Notice of Action must include the most current approved "Health Plan Appeal Rights" notice (eDoc-8320). 30 DTR files reviewed did not contain the most current appeal rights notice. Therefore, MDH finds that IMCare must ensure that the current approved "Health Plan Appeal Rights" notice (eDoc-8320) is included with the DTR Notice of Action sent to enrollees. **Deficiency #1**

Internal Appeals Process Requirements

DHS Contract, Section 8.4, 42CFR §438.404

Topic	Contract Section	42 CFR	Subject	Met	Not Met
	8.4.1.	**§438.402 (b)**	**One Level of Appeal**	Met	
	8.4.2.	**§438.408 (b)**	**Filing Requirements**	Met	
Timeframe for Resolution of Appeals (Sec. 8.4.3., 42CFR §438.408)	8.4.3.1	§438.408 (b)(2)	Standard Appeals	Met	
	8.4.3.2	§438.408 (b)(3)	Expedited Appeals	Met	
	8.4.3.3	§438.408 (c)(3)	Deemed Exhaustion	Met	
	8.4.4.	**§438.408 (c)**	**Timeframe for Extension of Resolution of Appeals and Expedited Appeals**	Met	
Handling of Appeals (Sec. 8.4.5., 42CFR §438.406)	8.4.5.1	§438.406 (b)(3)	Oral Inquiries	Met	
	8.4.5.2	§438.406 (b)(1)	Written Acknowledgment	Met	
	8.4.5.3	§438.406 (a)	Reasonable Assistance	Met	
	8.4.5.4	§438.406 (b)(2)	Individual Making Decision	Met	
	8.4.5.5	§438.406 (b)(2)	Appropriate Clinical Expertise	Met	
	8.4.5.6	§438.406 (b)(4)	Opportunity to Present Evidence	Met	
	8.4.5.7	§438.406 (b)(5)	Opportunity to Examine the Care File	Met	
	8.4.5.8	§438.406 (b)(6)	Parties to the Appeal	Met	
	8.4.5.9	§438.410 (b)	Prohibition of Punitive Action Subsequent Appeals	Met	
	8.4.6.		**Subsequent Appeals**	Met	
Notifying Enrollees and	8.4.7.1	§438.408 (d)(2) and (e)	Written Notice Content		Not Met

Topic	Contract Section	42 CFR	Subject	Met	Not Met
Providers of Resolution of Appeal (Sec. 8.4.7.)	8.4.7.2	§438.210 (c)	Appeals of UM Decisions	Met	
	8.4.7.3	§438.410 (c) and .408 (d)(2)(ii)	Telephone Notification of Expedited Appeals	Met	
	8.4.8.	**§438.424**	**Reversed Appeal Resolutions**		
Continuation of Benefits Pending Appeal or State Appeal (Sec. 8.5., 42CFR §438.420)	8.5.1	§438.420 (b)	Continuation of Benefits Pending Resolution of Appeal	Met	
	8.5.2	§438.420 (b)	Continuation of Benefits Pending Resolution of State Appeal	Met	
	8.5.3	§438.420 (d)	Upheld Appeal Resolutions	Met	
	8.6.	**§438.416**	**Maintenance of Grievance and Appeal Records**	Met	

Finding: 8.4.7.1. Notice of Resolution of Appeals; Written Notice Content

DHS Contract Section 8.4.7.1 states that the MCO must include a copy of the state's notice "Managed Care State Appeal Rights Notice" (eDoc 8324) with the written resolution of all appeals. 23 of 30 appeal files reviewed did not contain the most current appeal rights notice. Therefore, MDH finds that IMCare must ensure that the current approved "Managed Care State Appeal Rights Notice" notice (eDoc-8324) is included with the written appeal resolution sent to enrollees. **Deficiency #2**

State Appeals

DHS Contract, Section 8.8, 42CFR §438.416 (c)

Topic	Contract Section	42 CFR	Subject	Met	Not Met
	8.8.2.	**§438.408 (f)(2)**	**Standard Hearing Decisions**	Met	
	8.8.3.	**§431.250**	**Costs of State Fair Hearing**	Met	
	8.8.4.	**§431.250**	**Expedited Hearing Decisions**	Met	
Compliance with State Appeal Resolution (Sec 8.8.5, 42 CFR §438.424)	8.8.5.1.	§438.424	Compliance with Decisions	Met	
	8.8.5.2.	§438.424(a)	MCO's Responsibility for Payment of Services	Met	
	8.8.5.3.	§438.424(b)	Upheld State Fair Hearing Resolutions	Met	
	8.8.7.	**§438.48(f)**	**External Review or Medical Review Participation**	Met	
	8.8.8.	**§431.245**	**Judicial Review**	Met	

V. Access and Availability

Geographic Accessibility

Minnesota Statutes, Section 62D.124

Subject	Met	Not Met
Subdivision 1. Primary Care, Mental Health Services, General Hospital Services	Met	
Subdivision 2. Other Health Services	Met	
Subdivision 3. Waiver	Met	
Subdivision 6. Provider Network Notifications	Met	

Essential Community Providers

Minnesota Statutes, Section 62Q.19

Subject	Met	Not Met
Subdivision 3. Health Plan Company Affiliation	Met	

Availability and Accessibility

Minnesota Rules, Part 4685.1010

Subject	Met	Not Met
Subpart 2. Basic Services	Met	
Subpart 5. Coordination of Care	Met	
Subpart 6. Timely Access to Health Care Services	Met	

Licensure of Medical Directors

Minnesota Statutes, Section 62Q.121

Subject	Met	Not Met
62Q.121. Licensure of Medical Directors	Met	

Coverage of Nonformulary Drugs for Mental Illness and Emotional Disturbance

Minnesota Statutes, Section 62Q.527

Subject	Met	Not Met
Subdivision 2. Required Coverage for Anti-psychotic Drugs	Met	
Subdivision 3. Continuing Care	Met	
Subdivision 4. Exception to Formulary	Met	

Coverage for Court-Ordered Mental Health Services

Minnesota Statutes, Section 62Q.535

Subject	Met	Not Met
Subdivision 2. Coverage required	Met	

Emergency Services

Minnesota Statutes, Section 62Q.55

Subject	Met	Not Met
Subdivision 1. Access to Emergency Services	Met	
Subdivision 2. Emergency Medical Condition	Met	

Continuity of Care

Minnesota Statutes, Section 62Q.56

Subject	Met	Not Met	N/A
Subdivision 1. Change in health care provider, general notification	Met		
Subdivision 1a. Change in health care provider, termination not for cause	Met		
Subdivision 1b. Change in health care provider, termination for cause	Met		
Subdivision 2. Change in health plans (applies to group, continuation and conversion coverage)	Met		

VI. Summary of Findings

Recommendations

1. None Identified.

Mandatory Improvements

1. None Identified.

Deficiencies

1. To comply with the Department of Human Services (DHS) Contract Section 8.3, Section 8.3.2, IMCare must ensure that the content of the Denial, Termination, Reduction (DTR) Notice of Action sent to enrollees include the most current approved “Health Plan Appeal Rights” Notice (eDoc-8320).
2. To comply with the Department of Human Services (DHS) Contract Section 8.4, Section 8.4.7.1, IMCare must ensure that the most current version of the state’s notice “Managed Care State Appeal Rights Notice” (eDoc-8324) is included with the written resolution of all appeals sent to enrollees.