



Minnesota Department of Health Oversight of HMO Complaint Resolution

Update to 2016 Evaluation Report

February 2018

Problems Identified

- **Limited Authority.** State law granted the Minnesota Department of Health (MDH) the authority to investigate and take action on health maintenance organization (HMO) enrollees' complaints related to "coverage," but did not define the term. State law did not address the department's authority to resolve non-coverage issues.
- **Little Data Available.** MDH did not require that HMOs routinely collect and report data on complaints in a consistent manner, which impaired its ability to monitor complaint resolution across HMOs.
- **Lack of Transparency and Consistency.** Statutes allowed HMOs to restrict complainants' access to the investigation and findings about the quality of care a patient received. However, the law did not define what constituted a "quality of care" complaint, and HMOs classified different types of complaints in this manner. MDH had limited access to HMO quality of care investigation documents.
- **Lack of Clarity.** In some instances, HMO enrollees could ask that an organization outside of their HMO and MDH review their complaint—a process called independent external review. State law did not clearly define the types of complaints eligible for this review.

Changes Implemented

- **Access to Complaint Information Improved.** The 2016 Legislature directed MDH to define complaint categories and directed HMOs to include data on the number and types of complaints they received in annual reports provided to MDH starting in 2018. MDH, with input from stakeholders, developed the complaint categories in Summer 2017.
- **Quality of Care Complaints Defined.** In 2016, the Legislature also defined "quality of care" complaints and directed HMOs to develop a resolution process that meets several requirements. In addition, it directed MDH to stipulate in what situations HMOs could restrict patients' access to the complaint investigation. MDH reports it is soliciting input from stakeholders to help define which types of investigations should remain private.

Action Needed

- **Clarify Authority.** The Legislature should: (1) clarify MDH's authority to resolve certain types of complaints, (2) give MDH clear authority to access all types of information collected or created in the course of HMOs' complaint investigations, and (3) identify the types of complaints eligible for external review.