

**Minutes**  
**EVALUATION SUBCOMMITTEE**  
**Legislative Audit Commission**  
**February 19, 2016**

Members Present:

Representative Rick Hansen, Chair

Members Absent:

Representative Connie Bernardy  
Senator Mary Kiffmeyer  
Senator Warren Limmer

Representative Rick Hansen called the Legislative Audit Commission Evaluation Subcommittee meeting to order at 10:00 a.m. The purpose of the meeting was to release the evaluation, *Minnesota Department of Health Oversight of HMO Complaint Resolution*.

Representative Hansen introduced Jim Nobles, Legislative Auditor, and asked him to tell what other evaluations were forthcoming. Mr. Nobles said that the following reports would be released soon:

- *Mental Health Services in County Jails* on March 3 to the Senate Health, Human Services, and Housing Committee
- *Minnesota Teacher Licensure* on March 4 to the Evaluation Subcommittee
- *MnDOT Highway Project Selection* on March 14 to the House Transportation Policy and Finance Committee
- *Iron Range Resources and Rehabilitation Board (IRRRB)* in mid-March
- *Deer Population Management and Agricultural Utilization Research Institute (AURI)* in April

Mr. Nobles said that the process for selecting topics for evaluation by the Office of the Legislative Auditor was under way. He said that the Office of the Legislative Auditor (OLA) was currently soliciting topic suggestions from legislators, legislative staff, and citizens.

Mr. Nobles then turned to the release of the *Minnesota Department of Health Oversight of HMO Complaint Resolution*. He said that the report deals with an issue of what the process is when someone has a problem with their health benefits or quality of care. Mr. Nobles introduced Jo Vos, evaluation manager, to give a presentation. Ms. Vos said that the overall conclusions of the report are that (1) the resolution processes for benefit-related complaints are transparent, comprehensive, and generally properly implemented; (2) the resolution processes for quality-related complaints are less transparent and comprehensive; and (3) the Minnesota Department of Health has insufficient regulatory authority to oversee complaint resolution processes, especially for quality-related complaints. She said the major recommendations made by the report for the Legislature are to (1) define the types of complaints that can be investigated using a confidential peer-protected process and (2) give the Minnesota Department of Health (MDH) full access to health maintenance organizations' (HMOs') confidential quality of care investigations. Ms. Vos said the major recommendations made by the report for MDH was to (1) develop standard definitions and categories for complaints and require HMOs to report data accordingly and (2) forward all quality of care complaints it receives to the appropriate professional health-related licensing board for investigation.

Representative Hansen invited the MDH representatives to address the subcommittee. Gilbert Acevedo, Assistant Commissioner, and Tom Major, Interim Manager of the Managed Care Section, introduced themselves for the record. Mr. Acevedo, on behalf of the Commissioner, thanked the Legislative Audit Commission for the evaluation process and OLA staff for their thorough work of this complex process of complaint resolution. Mr. Acevedo said the department agrees with the report recommendation that better definitions and standard categories are needed to specify what constitutes a quality of care

complaint reviewed by an HMO. He added that even though the department agrees that all quality of care complaints received should be forwarded to the appropriate health-related licensing board for investigation, MDH should retain authority to review other types of complaints. Mr. Major said that before requesting more authority from the Legislature, the first step is to make sure that MDH is actually using the authority they currently have to the fullest extent possible.

Representative Hansen thanked the MDH representatives for addressing the subcommittee and, with no further business, adjourned the meeting at 10:50 a.m.

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Representative Rick Hansen, Chair

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Shelly Watterud, Recording Secretary