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Regional Coordinating Board Five Health Coverage Demonstration Project Progress Report

February 6, 1997
Minnesota Department of Health

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Preface

The following progress report provides information and preliminary data on the development, utilization and progress of the Regional Coordinating Board Five Health Coverage Demonstration Project. The recently developed project began providing services to the public within the region of Regional Coordinating Board Five (Region Five) on September 1, 1996. Region Five includes 27 counties located in South Central and Southwestern Minnesota. Major towns included in Region Five are Fairmont, Glencoe, Mankato, Marshall, New Ulm, Pipestone and Willmar. **The project has been in operation for a very short duration. Recognizing that insufficient time has elapsed since program development to prepare a comprehensive evaluation, this report provides preliminary information on project progress between August 15, 1996 through December 15, 1996.**

This project was given one-time funding that will sunset June 30, 1997. If it is determined that further evaluation of the Health Coverage Demonstration Project or components within is necessary, the Office of Rural Health and Primary Care will complete a final evaluation at the direction of the Minnesota State Legislature.

Executive Summary

The 1995 MinnesotaCare Legislation established the Regional Coordinating Board Five Health Coverage Demonstration Project (HCDP). The project was to provide health information, counseling and advocacy services to individuals obtaining health care services within Region Five, a 27-county area in South Central and Southwestern Minnesota. *The Office of Rural Health and Primary Care was mandated to evaluate the effectiveness of the pilot project and make recommendations to the legislature on whether the pilot project should be extended beyond the sunset date, and whether services should be made available to individuals living within areas served by other Regional Coordinating Boards.*

In August 1996, the Southwest Community Development Corporation was awarded a one time, one year grant of one-hundred thousand dollars ($100,000.00) for the development and administration of the Health Coverage Demonstration Pilot Project.

Since the receipt of the grant, the Southwest Community Development Corporation has established and trained a network of insurance counseling volunteers to assist individuals in understanding the complexities of their health plan network, services and coverage. The Health Coverage Demonstration Project has been successful in training over 50 volunteers, establishing 25 community counseling sites throughout the region, and has collectively over 500 hours available for walk-in health insurance counseling. It is estimated that, during the months of October and November, the insurance counseling project has encountered 470 volunteer contacts and has filed appeals for over $64,000 in claims. Additionally, the HCDP has implemented a comprehensive marketing plan to increase program awareness and availability to all ages within Region Five.

Through the operation and limited evaluation of this project, the Minnesota Department of Health (MDH) identified some significant concerns and challenges with the very specific legislative requirements regarding components of the Health Coverage Demonstration Pilot Project. Those legislatively mandated components which cause both project and evaluation difficulties include:

- the development of a provider network listing serving each health plan company in Region Five, external to the health plan itself;
- the mandated collection of current certificates, contracts or policies of coverage from each health plan; and,
- the mandated collection of and dissemination of health plan expenditures and activities related to community-based prevention and health promotion.

The State was mandated to require health plan companies within Region Five to submit related information on each of the above service components in order to assist the HCDP in providing information and advocacy services. However, lack of funding and the unavailability of information, prohibited the State and likewise the HCDP from achieving the legislative intentions correlating to the above service components. Furthermore, there is reason to believe that many of the correlating services [listed above] are similar and potentially duplicative to services already provided by private and state organizations. Consequently, this is not an effective use of limited financial resources. Despite these challenges, the HCDP when necessary, obtains the information by working directly with the clients and health plans.

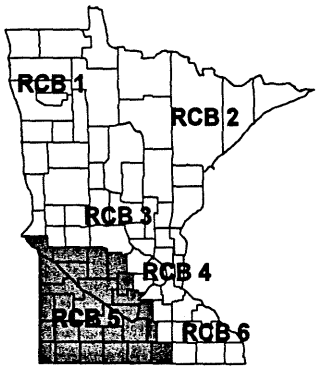
Although preliminary data and information suggests the insurance counseling program is providing a useful service to interested individuals and families, the project has only been in operation for a short duration. Therefore, there is no conclusive data or adequate experience to calculate the effectiveness or determine the demand for regional health insurance counseling services. As a result, based on data available at this time for the evaluation, the Minnesota Department of Health is unable to determine if the Health Coverage Demonstration Pilot Project should continue beyond its June 30, 1997, sunset date; or if regional insurance counseling services should be expanded to include other regions in the state, as requested by the legislature.

In conclusion, if the legislature decides to extend the pilot project beyond the sunset date, the Minnesota Department of Health recommends that the legislature eliminate those service components identified in the report as redundant or difficult, if not impossible, to implement. By doing so, the legislature will simplify project operations and enhance the overall effectiveness and efficiency, while increasing state fiscal responsibility.

Introduction

The six Regional Coordinating Boards were created by the 1992 MinnesotaCare legislation to advise the commissioner of health on health care issues in specific geographic areas of the state. They serve as a public forum for discussion on health care issues, such as access, cost, collaboration, competition and quality.

In the 1996 session, the Minnesota Legislature established a one year grant (FY '97) for the development and administration of the Regional Coordinating Board Five Health Coverage Demonstration Project. The project's overall mission is to provide health insurance coverage information and advocacy services to individuals obtaining health care services within the geographic area served by Regional Coordinating Board Five (RCB 5). The legislation grants the Minnesota Department of Health the authority to award RCB 5 $100,000 to develop and administer this pilot project. The pilot project encompasses four components which are to work towards achieving its mission. The four components are as follows *[Laws of Minnesota 1995, Chapter 234, Article 8, Section 52]:*



Regional Coordinating Board Regions

(1) "Provide individuals with assistance in interpreting the terms of their certificate, contract, or policy of health coverage, including but not limited to, terms relating to covered services, limitations on services, limitations on access to providers, and enrollees complaint and appeal procedures;

(2) maintain a current listing of health care providers serving health plan company enrollees within regional coordinating board five and assist individuals in determining whether services provided by a specific provider are covered under the health plan;

(3) assist and serve as advocates for enrollees in the complaint and appeals process; and,

(4) provide information supplied by the health plan companies to individuals obtaining health care services within the geographic area served by the regional coordinating board regarding each company's expenditure and activity dedicated directly to community-based prevention and health promotion. The information supplied by the health plan company shall include a description of the community-based prevention and health promotion projects conducted or to be conducted in the geographic area served by the regional coordinating board."

It is our understanding that the proposed legislation was in response to rapid changes in the health care market within Region Five. Recent consolidations, the development of new innovative health plans and growing popularity with employer direct contracting within the region might potentially make consumers unaware of the impact of these changes on their health care coverage. The grant was awarded based on the assumption that the intent of the Health Coverage Demonstration Project is to make available to consumers information about health coverage options and provider networks, health care benefits or certificates coverage, data on health plan prevention and health promotion initiatives, and advocacy services to individuals obtaining health care services within Region Five.

The Minnesota Department of Health's Role

Legislation for the development of the Health Coverage Demonstration Project charged the Commissioner of Health with three responsibilities in relation to the development and oversight of the pilot project. Responsibilities included *[Laws of Minnesota 1995, Chapter 234, Article 8, Section 52]*:

(1) *"...award a grant to the regional coordinating board five to develop [the Health Coverage Demonstration Project] a pilot project to provide health coverage counseling, information, and advocacy services...*

(2) *...require all health plan companies serving enrollees within regional coordinating board five to regularly provide the regional coordinating board, or the entity under contract with the board with current listings of providers and current certificates, contracts, or policies of coverage.*

(3) *...through the office of rural health, in consultation with the commissioner of commerce, shall evaluate the effectiveness of the pilot project. The commissioner of health shall recommend to the legislature by January 15, 1997, whether the pilot project should be extended beyond the sunset date, and whether the services provided by the pilot project should be made available to enrollees living within the areas served by other regional coordinating boards."*

Since Regional Coordinating Board Five is not a legal entity, the Department of Health acts as the fiscal agent for the coordinating board. In addition, the Minnesota Department of Health's Regional Coordinating Board staff, in conjunction with other staff from the Departments of Health and Commerce served as technical agents to RCB 5 in completing the Request For Proposal (RFP) process and selecting an appropriate grantee. Issues necessitating research and staff time prior to the board's attention and discussion was provided through technical agents of the Department of Health and Commerce. All selection and oversight decisions pertaining to the operations and development of the Health Coverage

Demonstration Project were made by Regional Coordinating Board Five[1], or entity under contract by the board. Discussions and decisions made by RCB 5 pertaining to the oversight, development and administration of the Health Coverage Demonstration Project are summarized in public meeting minutes.

Grantee Selection Process

A Request for Proposal was published in the State Register on March 4, 1996. In addition, the Department of Health sent letters of solicitation and published notices as a means of encouraging interested organizations to submit grant proposals. The deadline for submission of proposals was April 15, 1996. On that date, two proposals were received by the MDH acting fiscal agent. The two organizations who submitted proposals and included in the evaluation were:

(1) *Lutheran Social Services*
(2) *Southwest Community Development Corporation.*

Two subcommittees were established for analysis of the two proposals. The first committee, was referred to as the *"Technical Assistance Committee"* and consisted of Department of Health and Commerce staff with technical expertise in managed care, indemnity insurance, ombudsperson services, data analysis, public health and grants management. This committee reviewed both proposals and developed a list of strengths, weaknesses and questions for the second "proposal review committee" to consider in the RFP grantee selection process. A subcommittee of Regional Coordinating Board Five served as the "Grant Proposal Review Committee." The *Health Coverage Demonstration Grant Proposal Review Committee* consisted of only RCB 5 members. Members with identified conflict of interests were not included in the subcommittee's discussions or grantee selection and did not attend subcommittee meetings. To insure that the Department of Health, did not influence the decisions made by the RCB 5 *Proposal Review Committee*, findings from the *Technical Assistance Committee* were NOT discussed until the conclusion of preliminary discussions and grantee selection made by the *Grant Proposal Review Committee.* Both reviewing committees had similar support, concerns and selection outcomes.

The *Health Coverage Demonstration Grant Proposal Review Committee* met on May 1, 1996 to review and select a grantee for the development and administration of the Health Coverage Demonstration Project. **Upon review of the recommendations from the *Health Coverage Demonstration Grant Proposal Review Committee*, Regional Coordinating Board Five supported the subcommittee's recommendation to award the grant to the Southwest Community Development Corporation to develop and administer the Health Coverage Demonstration Project.** The Board's approval occurred at the May 8, 1996 board meeting.

[1] All Regional Coordinating Board Members with a conflict of interest abstained from serving in board discussions and voting on the awarding of the Health Coverage Demonstration Project Grant.

Southwest Community Development Corporation's: Proposal Summary

The proposal submitted by the Southwest Community Development Corporation was in collaboration with:

- Region Nine Area Agency on Aging
- Southwest Area Agency on Aging
- Mid-Minnesota Area Agency on Aging
- Upper Minnesota Valley Area on Aging
- Region Nine Development Commission
- Good Neighbor Foundation
- Legal Services
- Rice Memorial Hospital
- Southwest Senior Linkage and Insurance Counseling Project

The delivery of the project services will be in close collaboration with the existing insurance counseling program for older adults called Senior Linkage. The Senior Linkage program provides similar service components as the proposed Health Coverage Demonstration Project, however, services are limited to older adults with the primary focus on Medicare supplements. The collaborative proposal allows the project to encompass and work closely with an existing network of insurance counselors in order to access insurance information and achieve program objectives. The Southwest Community Development Corporation, through its collaborative network, proposed it would achieve the following goals:

Goal I.	Assure that residents in Region Five have access to accurate information regarding their health insurance coverage.
Goal II.	Assure that residents in Region Five have access to accurate information on health care providers and their services as they relate to health plan coverage.
Goal III.	Assure that residents in Region Five have access to advocacy in the complaint and appeals process.
Goal IV.	Assure that individuals obtaining health care services in the Region Five have information on health plan expenditures and activities dedicated to community-based prevention and health promotion.

The proposed goals will be accomplished through the recruitment and training of volunteers. An estimated seventy (70) new volunteers will provide insurance counseling at approximately eighty-one (81) community sites developed through the existing insurance counseling program by the Area Agency on Aging.

The development of an electronic database will provide information to the insurance counselors and finally the public on provider/health plan networks, available health services, health plan activities, and health promotion initiatives and expenditures. Information from the database would be available upon request to all individuals who receive care in Region Five. Access to the information, volunteer schedules, location sites and phone numbers will be marketed to all age groups and residents of Region Five. In total, the Southwest Community Development Corporation developed the following program objectives as a means of achieving the above goals. These objectives include:

(1) Recruit and provide training to approximately 70 volunteers of all ages through the Minnesota Board on Aging by October 1, 1996.

(2) Provide health coverage insurance assistance to 1,500 consumers in Region Five by June 30, 1997.

(3) Provide training in insurance coverage information to over 100 insurance processing staff of Region Five hospitals by January 1, 1997.

(4) Establish approximately 81 outreach offices for volunteer insurance counselors located in small communities throughout Region Five by January 1, 1997.

(5) Develop an electronic and hard copy of all health care providers practicing in Region Five and the health plan provider network affiliations. This list will be available upon request to the insurance counselors, staff of clinics, hospitals, counties, legal services, and non-profit organizations throughout the region by January 1, 1997.

(6) Publish a report detailing health plan expenditures and activities dedicated to community based prevention and promotion by January 1, 1997.

Grant Award

The Minnesota Department of Health completed the grant award process for the Health Coverage Demonstration Project. A one time, one year grant contract for one-hundred-thousand dollars ($100,000.00) was awarded to the Southwest Community Development Corporation on August 18, 1996. The grant contract shall remain in effect until June 30, 1997, the date the initial legislative funding ends.

Grantee Accomplishments as of December 15, 1996[2]

Prior to the development of the Health Coverage Demonstration Project, the Area Agency on Aging, which is a division of the Southwest Community Development Corporation, administered the Senior Linkage Program. This program [Senior Linkage] offered similar insurance counseling and advocacy services to the elderly. The Health Coverage Demonstration Project allowed the Southwest Community Development Corporation, in collaboration with other agencies, the opportunity to expand services originally provided through Senior Linkage to all ages. Initiatives for program expansion include:

1. recruitment and training of insurance counseling volunteers,
2. identification and establishment of community outreach sites for "walk-in" insurance counseling hours,
3. marketing the availability of the HCDP to all populations and ages within Region Five,
4. planning development of a centralized provider network database for Region Five,
5. collection of health plan certificates of coverage within Region Five, and
6. collection and dissemination of health plan health promotion and prevention activities and expenses within Region Five.

Insurance Counselors, Site Locations and Availability

Between the months of August and November, the Southwest Community Development Corporation concentrated on the recruitment and training of health insurance counselors, and the development of volunteer counseling sites and office/appointment hours. Through a wide variety of professional speakers the Southwest Community Development Corporation was successful in training fifty-eight (58) insurance volunteers. Subjects covered in the training of insurance volunteers included:

- Medicare - parts A & B
- Medicare HMO and supplemental insurance
- Long-term care insurance and accelerated benefits
- Medical Assistance and public programs
- Medical Assistance and MinnesotaCare applications
- Claims processing
- Advanced care planning
- Other health insurance coverage
- Problem solving and available resources
- Counseling skills/role

[2] Although development and progress information was provided up to December 15, 1996, all data illustrated in this section reflect program operations ending November 30, 1995.

Currently thirty-six (36) of the fifty-eight (58) trained volunteers actively participate in providing insurance counseling. The remaining volunteers are either completing final stages of their training or helping the program with marketing efforts and support services. It is anticipated that many of the non-active insurance volunteers will soon become active insurance counselors, or will participate in an as available, on-call capacity, once final approval of individual training is completed. Characteristics of the participating fifty-eight (58) volunteers include

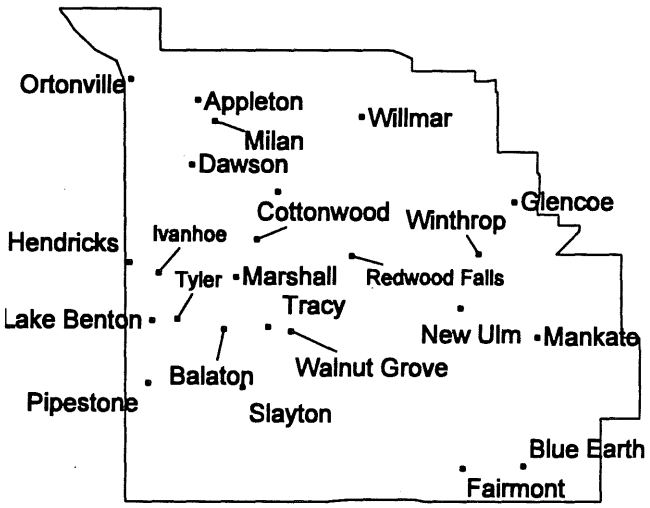
- 43 females and 14 males
- 1 American Indian and 57 Caucasians

Age	Number of Volunteers	Percentage
20's	2	3%
30's	4	7%
40's	7	12%
50's	5	9%
60's	37	64%
70's	3	5%
Total	58	100%

The Southwest Community Development Corporation has identified 25 outreach site locations with regular counseling hours for "walk-in" clients. *Map 1.A* identifies those townships where a walk-in site location has established regular insurance counseling volunteer hours. Volunteers at the various established community site locations are cumulatively available for over 500 hours per month. In addition, many site locations and counties have several volunteers who are available or travel directly to resident homes by appointment. Between July and November[3] there were 730 person-to-person counseling contacts, of which approximately 40 percent were located at the place of residence.

[3] Data on the total number of counseling contacts is available starting July 1996, however it should be noted that the marketing to all age groups of the HCDP did not occur until late October. As a result, data may not be inclusive of the HCDP or otherwise due in part to the high ratio of elderly in rural Minnesota and the demand for medical and advocacy services by this population. In order to establish a true reflection of the HCDP, separate from the previous Senior Linkage Program, subsequent data in this report only includes the months of October and November.

Map 1.A
Health Coverage Demonstration Project
Volunteer Site Locations



Since the development of the project, the actual number of counseling hours provided in Region Five have totaled over seven-hundred-fifty (750 total counseling hours). It is estimated that over five-hundred[4] initial contacts have been made by clients requesting information and/or the counseling services provided by the Health Coverage Demonstration Project since the project became available to all ages.

Marketing Initiatives for the Health Coverage Demonstration Project

Since the Health Coverage Demonstration Project resembled an expansion of the already existing Senior Linkage Program, which provided similar services to the elderly population; marketing these services to all ages in order to achieve project goals became vital to program success. The Southwest Community Development Corporation has developed a comprehensive marketing plan to promote the availability of the counseling program to all ages. The marketing plan includes initiatives through news releases, contacts with clinics and hospital administrators, development of "tents and flyers," local radio and television advertisements, and community posters and brochures. Implementation of the marketing plan started in November 1996 and proposed television and radio ads will run between January and February 1997 (after the publication of this progress report). Because insufficient time has elapsed since the development of the program and limited marketing has occurred to all ages, careful consideration should be given to the data identified in this report, since it might not reflect actual demand or future volumes for services in certain age categories and types of insurance coverage.

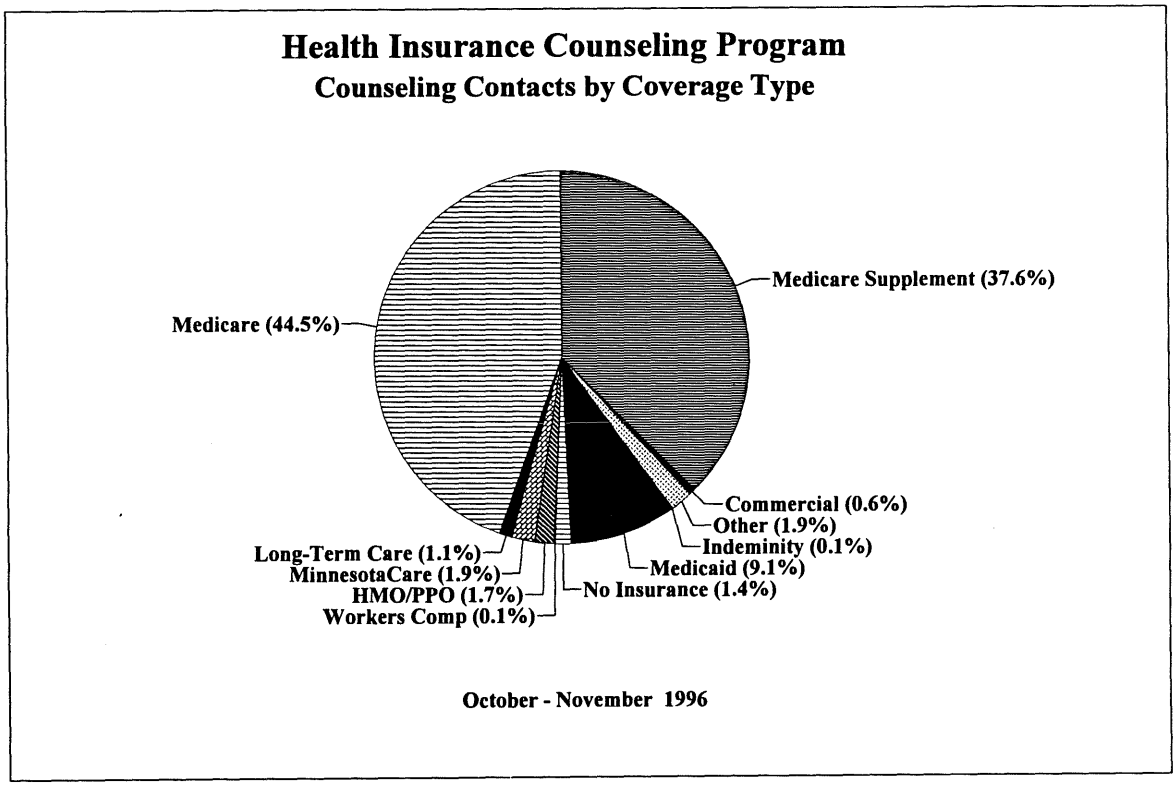
[4] July through November data.

Types of Clients Served and Issues Resolved

Using volunteer contact reports for the months of October and November 1996, *Graph 1.A* shows the percentages of contacts by health coverage type. Note that marketing the expanded program to all ages began in November 1996, and may not be evident in this graph.

Reflective of the well established Senior Linkage Program and illustrated in *Graph 1.A,* it comes as no surprise that over 82% of all counseling contacts were concerning Medicare and Medicare Supplement questions.

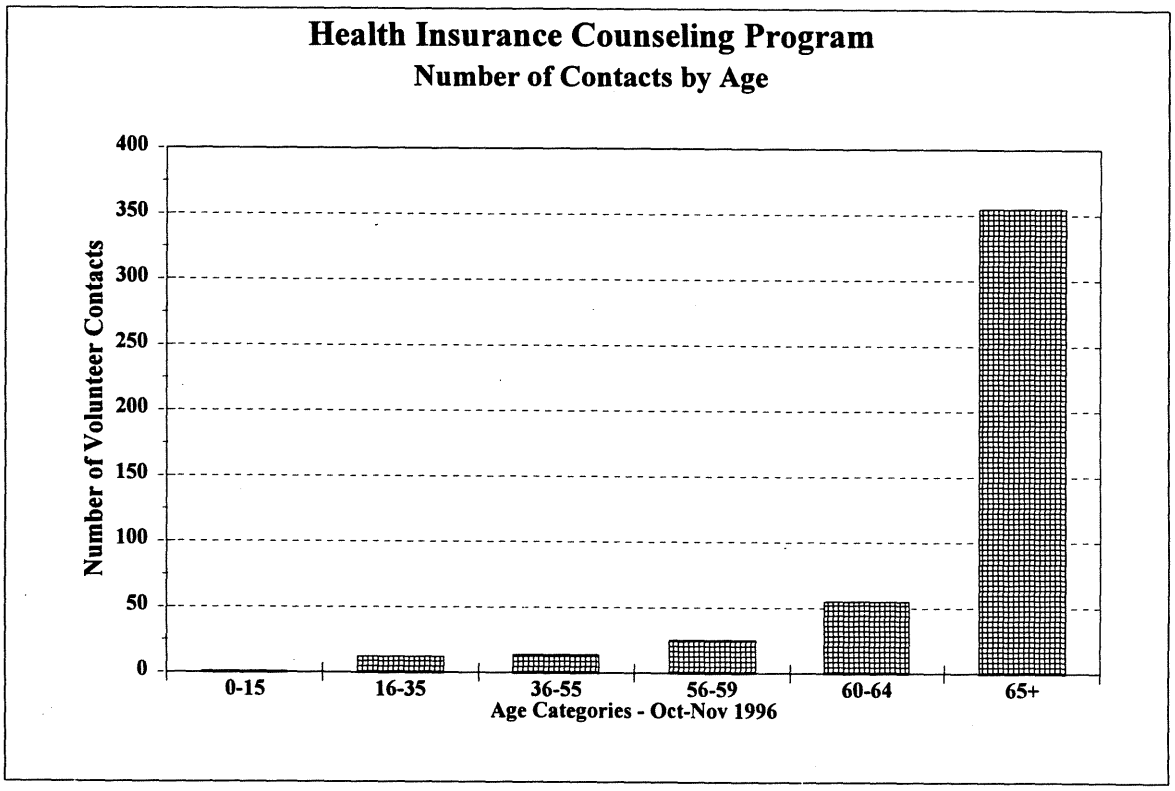
Graph 1.A



Likewise, the age of the client population reported by volunteer contacts during October and November; and illustrated in *Graph 2.A,* is representative of an elderly population. Contacts with

individuals over age 65 constituted over 75 percent of all volunteer contacts (n = 470[5]). Volunteer contacts under age 60 totaled 11 percent. Since data was reported by number of client contacts, both coverage type and age percentages are influenced by the complexity of the counseling request and availability of supporting family and friend structures, who could assist in follow-up questions, actions or filing. This may explain the disproportionate number of client contacts for Medicare and elderly populations. However, through ongoing and future marketing initiatives of the program to all ages, it is expected that volumes of all coverage types and age categories will increase during 1997.

Graph 2.A



[5] October and November data only

There are three types of counseling services identified by the volunteers. Those types include:

(1) Information and Education -

The provision of accurate, timely and relevant information about health care coverage to individuals or groups. Examples include information on eligibility, rights, benefits, premiums, etc.

(2) Counseling -

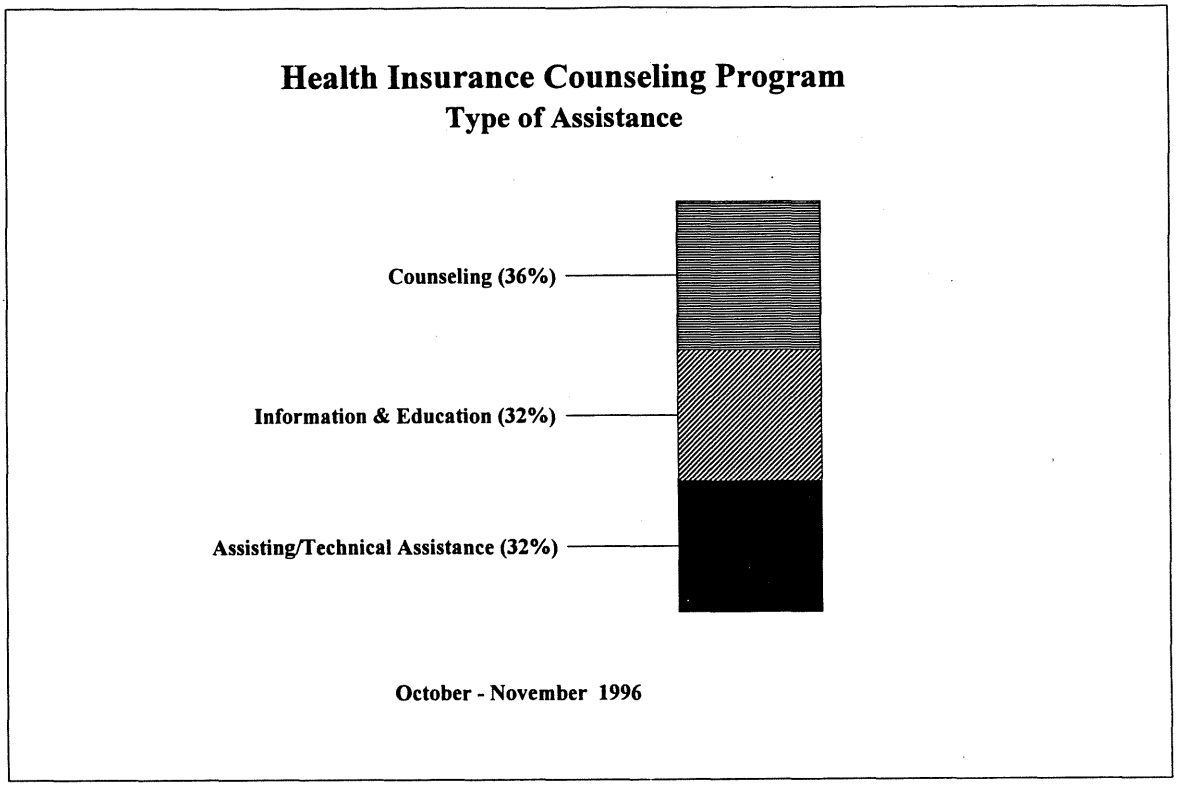
The provision of objective comparisons and purchasing standards regarding health care coverage to individuals based on their specific circumstances. As an example, the information may include the comparisons of health plan benefits and rates.

(3) Assistance -

Providing technical assistance to individuals in disputing denied claims, benefits decisions, and applications for insurance. Examples include organizing, filing or refiling medical bills and claims for payments.

In total there were approximately 470 volunteer contacts for the Health Coverage Demonstration Project during the months of October and November 1996. *Graph 3.A* depicts the type of counseling services rendered by the insurance volunteers. It is estimated that the insurance counseling program filed or appealed claims for over $64,000 for the individuals in Region Five during the months of October and November, 1996.

Graph 3.A[6]



Provider Network Database

The Southwest Community Development Corporation has completed preliminary work on the development of a provider network database. Completed initiatives include the electronic development of data fields and the initial collection of provider and insurance network information. In addition, the HCDP is developing policies that, once implemented will ensure that information provided in the database is current and accurate. The data is ever changing and the health plans have expressed difficulties in keeping updates current within their own data bases. The potential for inaccuracies raises a number of concerns and liability issues which have not gone unrecognized throughout this project. The HCDP is working on

[6] Clients oftentime receive more than one type of counseling service (e.g.: Information & Education and Counseling)

developing a process for collecting data and information. Information that is readily available or easily accessible is currently being collected. At this time, the database cannot provide information nor is data available to the insurance counselors or the public.

Certificate of Coverage Collection

In addition to the development of a provider network database, the HCDP was to collect copies of certificates, contracts or policies of coverage from all health plan companies within Region Five. The Departments of Health and Commerce were to assist with the collection by requiring all health plan companies to submit copies of their contracts or certificates of coverage to the HCDP Grantee. The decision from the State concerning this [Certificate of Coverage Collection] requirement of the HCDP was that the State and the Grantee could not meet the terms of this legislation for the following reasons:

(1) *The information is very "fluid" and subject to change. It would be very difficult if not impossible to keep current,*

(2) *Many contracts are negotiated between the health plan and employer, and are not necessarily standard, making it virtually impossible to collect all versions of health plan contracts or certificate available; and*

(3) *There was no money allocated to the Departments of Health or Commerce to require over one hundred health plans to supply the information. It is costly to send an administrative bulletin and to pursue enforcement action if the health plan company did not comply.*

Despite the inability of the Departments of Health and Commerce to collect or assist the project, by requiring health plan companies to submit this information, the Health Coverage Demonstration Project when necessary obtains the information by working directly with the clients and health plans.

Intervention Narratives by Donna Kurth, Project Director - Region 8 Southwest Area Agency on Aging

"As I continue to work with clients as well as train new counselors, the following concerns of clients continue to surface. Most of the concerns are involved with the lack of education and understanding of health care insurance policy coverage and the sources available to assist persons with reimbursement as well as financial assistance for elders and those under age 65."

[1] "After a Kiwanis Club presentation, a club member visited with me and began to talk about his concerns with the high cost of SNF. After some discussion, an initial visit, and reviewing the policy, it was clearly indicated that reimbursement should be made. Working with the Ombudsman, documenting facts and remittance advises, payment of $1,775.00 for 1993 was recently realized. The client was elated and reassured that opening up the old claim with Medicare and spending many hours on phone calls and documentation to insurance, Medicare and the local provider was beneficial. This scenario will allow us to proceed to recover that same type of reimbursement for 1994, 1995, and 1996. The Ombudsman has been most helpful during this intervention."

[2] "In a situation with MinnesotaCare, a woman did not qualify with the initial application because of her inability to understand and complete the MNCare forms. MNCare issued a denial. She sought assistance from the Health Insurance Counseling Program, through a referral by a family physician. Working through the 800 number of the MNCare and talking to a supervisor on the line, the application was renegotiated and she now qualifies. It should also be noted that this person did not have the financial funds to refill her prescriptions and her health status was deteriorating. The Health Insurance Counseling Program assisted her to acquire drug samples and processed indigent drug program to her physician."

■ *Words by Donna Kurth*

Strengths of the Region Five Health Coverage Demonstration Project

Creating a Health Consumer "Safety-Net" During a Period of Rapid Change

The health care market, especially in Minnesota, has and will continue to go through a period of rapid and dramatic change as innovative health plans and organizations develop new ways to effectively maximize limited health care resource dollars. In light of recent changes in the health care market, including the proliferation of managed care, employer direct contracting, and the prepayment of state and federal entitlement programs such as MinnesotaCare and Medicare; individuals will be required to take a more informed and active role in managing one's own individual and family health. As a result, individuals will have to make more decisions on selecting which care systems they utilize and the types and level of service coverage they prefer. In addition, the complexity of third party reimbursement with deductibles, covered and non-covered services, co-payments and balance billing from sometimes multiple providers can be complex and confusing. Changes in health care financing and the health care market require individuals to become more informed advocates for their health care and health care coverage.

The Health Coverage Demonstration Project provides individuals access to health insurance counselors. Trained insurance counselors provide education and technical assistance in completing and filing paperwork necessary to settle accounts, pay medical bills, interpret contracts and coverage options and provide advocacy services. In most instances, individuals or families have recently experienced a significant medical expense and do not understand what to do with the multiple and expensive medical bills. For others, confusion comes in determining which services have been paid, which are pending payment, and what services the individual needs to cover.

From discussions with volunteer insurance counselors, the most common type of service provided was technical assistance for health care financing. The majority of the individuals and families who have sought these services until now have been the elderly and individuals who do not have the traditional family or friend support structure to provide assistance. In addition, even supporting structures utilize these services for information and to answer questions. For these individuals, finding help sometimes takes several calls to different social, public health and community agencies. In theory, the Health Coverage Demonstration Project better meets the needs of these individuals by allowing access to services on a regional basis. The program enables person-to-person interaction with insurance counselors and even scheduled home visits to individuals without family and friend support structures or available travel accommodations.

Cost-Effectiveness of Utilizing Insurance Volunteers

The Health Coverage Demonstration Project utilizes volunteers making the program cost effective relative to other assistance, advocacy and ombudsperson services offered by the state. Additional operating time and data is necessary to fully understand the nuances of utilizing volunteers in offering services to large populations.

Additional Health Insurance Information Services

The Departments of Commerce, Health, and Human Services each operate health coverage toll-free help lines to assist Minnesotans in answering health care insurance questions and providing contract ombudsperson services when appropriate. Agency help lines have immediately available a wide variety of professional resources.

State Toll-Free Health Coverage Help lines		
Department of Health	**HMO, CISN**	**800-657-3916**
Department of Human Services	**Medicare, Medicaid, MNCare and other Public Programs**	**800-657-3729**
Department of Commerce	**Indemnity Insurance, PPO**	**800-657-3602**

For example, the Department of Health's Managed Care Complaints and Help Line makes available to individuals professional resources encompassing the skills of registered nurses (RN), certified public accountants (CPA), auditors, pharmacists, licenced social workers and attorneys. Staff from the Managed Care Complaints Unit have on average, ten years of experience working on health related issues.

Urgent issues pertaining to a client's deteriorating health needs to be triaged and acted upon quickly. Health professionals providing help line services can react quickly in their evaluation of the situation, at times intervening with little guidance and research of options that will resolve the situation.

Assistance and help line services provided through state departments is primarily via the phone and mail. Person-to-person consults are extremely rare. As a result, the level of

intervention and degree of assistance is limited and it effectiveness to meet community demand varies by department, creating a barrier to help line services. If technical assistance is necessary, state ombudspersons most often work with supporting family and friends to settle and file insurance claims and applications. It is conceivable that person-to-person and in-home counseling contacts can provide more comprehensive services to individuals regardless of available supporting structures.

Concerns of Duplication in Services Provided

Several community health organizations have also expressed concerns to the Minnesota Department of Health that the conceptual services provided through the Health Coverage Demonstration Project are duplicative in nature. As discussed above, these programs offer **similar** services to individual components of the HCDP, however, they are not coordinated together nor do they provide a single point of entry for access. Existing support structures mentioned in the letters from the community health service departments are listed below. However, all of the organizations listed below are currently collaborating with the Southwest Community Development Corporation in the operations of the Region Five Health Coverage Demonstration Project.

- Office of Ombudsman for Older Americans
- Foundation for Health Care Evaluation
- Regional Legal Aid Office
- Forms Assistance Program - Good Neighbor Foundation (collaboratively participates in Health Coverage Demonstration Project)
- County Social Service Agencies

It is difficult, if not impossible to determine the additional value the community receives by providing regional, social-service type health insurance counseling as opposed to a centralized toll-free insurance help line. It is conceivable that this project provides greater access or a "safety-net" for those individuals who otherwise would not receive adequate help or would not access existing programs.

It should also be recognized that several consumer coalitions, organizational councils and state departments are currently looking into the possibility of proposing legislation for a statewide health care consumer assistance office or are advocating for a statewide body for providing ombudsperson and counseling services to all Minnesotans. This is currently part of the 1997 legislative agenda for the Minnesota Council of Health Plans. Although the details of the proposal are unclear, its vision is to make available similar user-friendly health coverage consumer assistance to all Minnesotans regardless of coverage status or type of coverage. The consumer office may provide a single point of contact. It would be staffed

with expert professionals providing insurance assistance, handling requests and tracking consumer complaints, and making this information available to consumers and purchasers, similar to the Better Business Bureau. Other consumer coalitions have similar agendas.

The potential for duplication of resources and services should be considered in the ongoing development and establishment of present and future initiatives that provide like or similar health insurance information, counseling, ombudsperson, and advocacy services to Minnesotans.

Legislative and Project Development Challenges of the Health Coverage Demonstration Project

Rapid Changes in Provider/Insurance Networks Confers Unintended Financial Accountability

One of the legislative charges incorporated in the establishment of the Health Coverage Demonstration Project is as follows:

> (2) *"...maintain a current listing of health care providers serving health plan company enrollees within regional coordinating board five and assist individuals in determining whether services provided by a specific provider are covered under the health plan" [Laws of Minnesota 1995, Chapter 234, Article 8, Section 52].*

The intended objective will provide information on an insurance plan's selected provider network and those services that are covered by the health coverage contract or certificate. However, as a result of potentially rapidly changing provider contracts and insurance networks coupled by unique nuances in each individual health plan contract, the establishment of a provider list by an external organization exposes the grantee/administrator and individuals utilizing the services to increased financial accountability. Contractual relationships between providers and health plans change regularly and at anytime. Providers affiliated with a health insurance plan on one day, theoretically could be with another plan the next day or week. Information compiled and submitted by the health plan to the HCDP volunteers will be potentially outdated at its onset. Even health plans recognize this potential financial accountability concern by printing bold disclaimers in printed provider directories, such as the following:

> *"This list is effective August 1996. We make every effort to be sure that the list of providers is up to date and accurate at the time of printing. We recommend that you*

call customer service -- before you receive care, to find out if a specific provider continues to be part of the network." [State Health Plan Select 1997 Resource Guide page 11]

This raises two issues. First, there is concern that individuals may receive care from a specific provider on the advice of a volunteer who is interpreting a contract or provider listing based on potentially outdated information. Second, there is duplication in health information efforts and resources. HMO's, CISNs and most health plans are already required to print and make available a listing of providers accepted by the plan, contract or certificate.

A portion of the individual's premium goes to the printing and management of a provider directory or database system. In order to minimize an individual's liability for payment of uncovered expenses, it is strongly recommended that clients receive confirmation from their insurance plan about any information provided by the insurance volunteer prior to receiving services. The process of receiving confirmation from the insurance plans creates duplication in both resources and processes. As a result it is unclear what value maintaining a separate external-organizational provider network brings to this insurance counseling project.

Potential Duplication Between the Minnesota Department of Health's Information Clearinghouse and Components of the Health Coverage Demonstration Project

Potential duplication in the compilation and distribution of health plan, health promotion activities raises concerns that taxpayers may be paying twice to receive a similar benefit. One of the objectives of the Health Coverage Demonstration Project is referenced by the following legislative statute:

(4) *"...provide information supplied by the health plan companies to individuals obtaining health care services within the geographic area served by the regional coordinating board regarding each company's expenditure and activity dedicated directly to community-based prevention and health promotion. The information supplied by the health plan company shall include a description of the community-based prevention and health promotion projects conducted or to be conducted in the geographic area served by the regional coordinating board."[Laws of Minnesota 1995, Chapter 234, Article 8, Section 52].*

It is unclear how this component of the Health Coverage Demonstration Project relates to the remaining three program objectives. The legislative mandate creating the Health Coverage Demonstration Project suggests that the program provide technical assistance related to health insurance. In addition, the program is to function as a regional health information

resource center. However, it is unclear how creating a separate regional resource center positively impacts the care needs of the community.

As required by *1996 Minnesota Statue 62Q.075 Local Public Accountability and Collaboration Plan,* all managed care organizations (HMO) and community integrated service networks (CISN) must submit a Collaboration Plan to the Minnesota Health Information Clearinghouse, effective July 1, 1995. The Collaboration Plans describe activities the health plan intend to take to achieve the public health goals of their service area(s). The plan is to be developed in collaboration with the local public health units, appropriate Regional Coordinating Board(s), and other community organizations providing health services within the same service area as the managed care organization.

As outlined in 1996 Minnesota Statute, HMOs and CISNs must address the following within their Collaboration Plan *[Minnesota Statute 62Q.075 Subdivision 3]* :

(1) Specific measurement strategies and a description of any activities which contribute to the public health goals and needs of high risk and special needs populations.

(2) Description of the process by which the managed care organization will coordinate its activities with the Community Health Board, Regional Coordinating Board, and other relevant Community Organizations in its service area.

(3) Documentation indicating that local public health units and local government unit designees were involved in the development of the plan.

(4) Documentation of compliance with plan filed previous year.

Upon receipt of the Collaboration Plans, the Minnesota Department of Health's Information Clearinghouse provides copies to the appropriate Regional Coordinating Board(s), local community health board(s), and other relevant community organizations within the health plans' service area(s). After reviewing the Collaboration Plan(s) appropriate boards are encouraged to provide comments and advise the Commissioner of Health on an organization's effectiveness in working towards achieving regional public health goals. As expected, there are many public health goals addressed in the Collaboration Plans, all of which articulate community-based prevention and health promotion.

Although the HCDP prevention and promotion report will provide similar information as the required Collaboration Plans, on a HMO's or CISN's activities directed at community-based prevention , differences still remain in the reporting requirements and legislatively mandated

data collected. First, the Collaboration Plan does not require that managed care organizations provide actual financial information on health promotion activities within the community. In addition, only managed care organizations, HMO's and CISN's are required to submit Collaboration Plans to the Department of Health. The legislative mandate does not require preferred provider organizations (PPO), indemnity insurance companies, or other health plans to submit a Collaboration Plan to the Department of Health.

The community prevention reporting plans for the HCDP are still in development. It is currently impossible to determine the region's demand or evaluate the benefit of the HCDP prevention and promotion report. As illustrated in Graph 1.A on page 11, **less than 5% of all volunteer counseling contacts were for information or assistance about HMOs, commercial, indemnity, or other health insurance coverage contracts.** In total, 95% of all volunteer contacts were for information or assistance on government programs, Medicare supplement insurance and for uninsured individuals. **Therefore, experience shows that at this time only a marginal benefit can arise from the (mandated) collection of health plan health promotion expenditures and the development of a community-based prevention and health promotion information/report; since the majority of counseling is consistent with insurance coverage types who do not provide health promotion initiatives (i.e. Medicare and Medicaid).**

Regional Health Insurance Advocacy Services Inhibits State Departments from Tracking Health Plan Complaint Activities

The Minnesota Department of Health's, Health Policy and Systems Compliance Division administers the Health Insurance Consumer Hotline previously mentioned. One of the many tasks performed by the Managed Care Section[7] is the tracking of consumer calls and complaints concerning HMOs and CISNs. Each month the Department of Health analyzes the different types and number of complaints it receives about a managed care organization as part of a quality review process. This allows department staff the opportunity to work with health organizations in improving service quality when a number of similar questions or complaints are reported about the same organization. Regional health insurance advocacy services inhibits the tracking of health plan complaints because the insurance counseling program provides intermediary services between consumers and the Department of Health. Subsequently questions and complaints do not get to the Department of Health for review and correction by the state's quality review process.

[7] Specific information is related to the Department of Health's Managed Care and System's Compliance Division - the impact on other state agency tracking is not yet understood.

Conclusion

This progress report provided preliminary information, data and discussion of issues identified during the first four months of the development and administration of the Health Coverage Demonstration Pilot Project.

As explained in the begining of this report, the Minnesota Department of Health was legislatively charged to evaluate the effectiveness and provide recommendations on whether the pilot project should be extended beyond the sunset date; and whether services provided should be made available to individuals living within areas served by other Regional Coordinating Boards.

Through the operation and the limited evaluation of this project, the Minnesota Department of Health identified some significant concerns and challenges with the very specific legislative requirements of the Health Coverage Demonstration Pilot Project. Those Legislatively mandated components which cause both project and evaluation difficulties include:

- the development of a provider network listing serving each health plan company in Region Five, external to the health plan itself;
- the mandated collection of current certificates, contracts or policies of coverage from each health plan; and,
- the mandated collection of and dissemination of health plan expenditures and activities related to community-based prevention and health promotion.

The State was mandated to require health plan companies within Region Five to submit related information on each of the above service components in order to assist the HCDP in providing information and advocacy services. However, lack of funding and the unavailability of information, prohibited the State and likewise the HCDP from achieving the legislative intentions correlating to the above service components. Furthermore, there is reason to believe that many of the correlating services [listed above] are similar and potentially duplicative to services already provided by private and state organizations. Consequently, this is not an effective use of limited financial resources. Despite these challenges, the HCDP when necessary, obtains the information by working directly with the clients and health plans.

Although preliminary data and information suggests the insurance counseling program is providing a useful service to interested individuals and families, the project has only been in

operation for a short duration. Therefore, there is no conclusive data or adequate experience to calculate the effectiveness or determine the demand for regional health insurance counseling services. As a result, based on data available at this time for the evaluation, the Minnesota Department of Health is unable to determine if the Health Coverage Demonstration Pilot Project should continue beyond its June 30, 1997, sunset date; or if regional insurance counseling services should be expanded to include other regions in the state, as requested by the legislature.

In conclusion, if the legislature decides to extend the pilot project beyond the sunset date, the Minnesota Department of Health recommends that the legislature eliminate those service components identified in the report as redundant or difficult, if not impossible, to implement. By doing so, the Legislature will simplify project operations and enhance the overall effectiveness and efficiency, while increasing state fiscal responsibility.