

BRIEFING MEMO

DATE: November 30, 2015

TO: Mary C. Mayhew, Commissioner, DHHS

THROUGH: Kenneth Albert, Director and Chief Operating Officer, Maine CDC
Phyllis Powell, Director, DLRS

FROM: Larry D. Carbonneau, Manager, Health Care Oversight, DLRS
Michael Swan, Health Facility Survey Manager

SUBJECT: Application of Issuance of Certificate of Authority – Martin’s Point Generations Advantage, Inc.

Subject to the Maine Certificate of Need Act of 2002, a person may apply to the superintendent of insurance for and obtain a certificate of authority to establish, maintain, own, merge with, organize or operate a health maintenance organization in compliance with the Maine Insurance Code. A person may not establish, maintain, own, merge with, organize or operate a health maintenance organization in this State either directly as a division or a line of business or indirectly through a subsidiary or affiliate, nor sell or offer to sell, or solicit offers to purchase or receive advance or periodic consideration in conjunction with, a health maintenance organization without obtaining a certificate of authority. See 24-A M.R.S. §4203 (1).

The superintendent of insurance shall issue or deny a certificate of authority to any person filing an application pursuant to section 4203 within 50 business days of receipt of the notice from the Department of Health and Human Services that the applicant has been granted a certificate of need or, if a certificate of need is not required, within 50 business days of receipt of notice from the Department of Health and Human Services that the applicant is in compliance with the requirements of paragraph B below. Issuance of a certificate of authority shall be granted upon payment of the application fee prescribed in section 4220 if the superintendent is satisfied that the following conditions are met as set out in 24-A M.R.S. §4204 (2-A).

A. The Commissioner of Health and Human Services certifies that the health maintenance organization has received a certificate of need or that a certificate of need is not required pursuant to Title 22, chapter 103-A.

Met: A letter of Non-Applicability for this project in regards to the Certificate of Need statute was forwarded to the applicant and the Bureau of Insurance on October 30, 2015. As the reason for this determination, the letter of non-applicability cited section §330 (2):

22 M.R.S. §330. Notwithstanding section 329, the requirements of this Act do not apply with respect to: [] 2. Activities or acquisitions by or on behalf of a health maintenance organization or a health care facility controlled, directly or indirectly, by a health maintenance organization or combination of health maintenance organizations to the

extent mandated by the National Health Policy, Planning and Resources Development Act of 1974, as amended, and its accompanying regulations;

B. If the Commissioner of Health and Human Services has determined that a certificate of need is not required, the commissioner makes a determination and provides a certification to the superintendent that the following requirements have been met. (Please note that the numbering of the following paragraphs is in accordance with section 4204 (2-A) (B) of Title 24-A. There are no paragraphs numbered (1), (2), or (3) in this section of the statute).

(4) The health maintenance organization must establish and maintain procedures to ensure that the health care services provided to enrollees are rendered under reasonable standards of quality of care consistent with prevailing professionally recognized -standards of medical practice. These procedures must include mechanisms to ensure availability, accessibility and continuity of care.

Met: The applicant forwarded a copy of the Martin's Point Health Care (MPHC) Health Plan Clinical Quality Management Program (CQMP) (September 2015- August 2016). The CQMP outlines the essential components for a comprehensive, integrated, and collaborative quality program that align with the Institute for Healthcare Improvement's (IHI) Triple Aim initiative and the National Committee for Quality Assurance (NCQA) accreditation program. The Institute for Healthcare Improvement (IHI), an independent not-for-profit organization based in Cambridge, Massachusetts, is a leading innovator, convener, partner, and driver of results in health and health care improvement worldwide. The National Committee for Quality Assurance is a private, 501(c)(3) not-for-profit organization dedicated to improving health care quality. Pages 12-14 of the CQMP outline MPHC's adoption of evidence-based clinical practice guidelines from nationally recognized government organizations, voluntary health organizations and medical specialty societies. Pages 14-16 of the CQMP include a description of the MPHC's efforts to evaluate availability, accessibility, and continuity of care through disease management and maternity management, utilization management, and case management programs.

(5) The health maintenance organization must have an ongoing internal quality assurance program to monitor and evaluate its health care services including primary and specialist physician services, ancillary and preventive health care services across all institutional and non-institutional settings. The program must include, at a minimum, the following:

(a) A written statement of goals and objectives that emphasizes improved health outcomes in evaluating the quality of care rendered to enrollees;

Met: CQMP pages 5 and 6, III. Program Goals

- A. Improve the Health of MPHC's Member Population
- B. Improve the Member Experience of Care (Quality and Satisfaction)
- C. Reduce the Per Capital Cost of Health Care

(b) A written quality assurance plan that describes the following:

(i) The health maintenance organization's scope and purpose in quality assurance;

Met: CQMP page 4, I. Introduction

- (ii) *The organizational structure responsible for quality assurance activities;*
Met: CQMP page 6, IV. Authority and Responsibility, V. Quality Division Program Functions, pages 7 - 10, VI. Committee Structure, pages 10-11, VII. Leadership – Staff Qualifications and Responsibilities
- (iii) *Contractual arrangements, in appropriate instances, for delegation of quality assurance activities;*
Met: CQMP page 9, F. Delegation Oversight Committee (DOC) - The DOC is responsible for approving delegated relationships, and ongoing monitoring and evaluation of services that MPHC delegated to external contracted entities.
- (iv) *Confidentiality policies and procedures;*
Met: CQMP page 16, E. Contracting. Martin's Point provided Policy Number: PP016-10, Policy Title: HIPAA: Uses and Disclosures of Protected Health Information Requiring Authorization.
- (v) *A system of ongoing evaluation activities;*
Met: CQMP page 19, A. Service Quality Improvement Monitoring, B. Clinical Quality Improvement Monitoring.
- (vi) *A system of focused evaluation activities;*
Met: CQMP pages 19-20, C. Quality Improvement Project and Chronic Care Improvement Program, QIP: Transitions of Care Program
- (vii) *A system for reviewing and evaluating provider credentials for acceptance and performing peer review activities; and*
Met: CQMP page 9, E. Credentials Committee
- (viii) *Duties and responsibilities of the designated physician supervising the quality assurance activities;*
Met: CQMP page 10, VII. Leadership – Staff Qualifications and Responsibilities, Chief Medical Officer (CMO)
- (c) *A written statement describing the system of ongoing quality assurance activities including:*
- (i) *Problem assessment, identification, selection and study;*
Met: CQMP page 18, Quality Improvement Activities
- (ii) *Corrective action, monitoring evaluation and reassessment; and*
Met: CQMP page 8, C. Health Plan Quality Management Committee
- (iii) *Interpretation and analysis of patterns of care rendered to individual patients by individual providers;*
Met: CQMP page 17, F. Member/Patient Safety Activities

(d) A written statement describing the system of focused quality assurance activities based on representative samples of the enrolled population that identifies the method of topic selection, study, data collection, analysis, interpretation and report format; and

Met: CQMP page 19 - 20 C. Transitions of Care Program, page 21 D. Chronic Condition Improvement Program (CCIP): Controlling Blood Pressure.

(e) Written plans for taking appropriate corrective action whenever, as determined by the quality assurance program, inappropriate or substandard services have been provided or services that should have been furnished have not been provided.

Met: CQMP page 23, C. Annual Evaluation of Clinical Quality Management Program

(6) The health maintenance organization shall record proceedings of formal quality assurance program activities and maintain documentation in a confidential manner. Quality assurance program minutes must be available to the Commissioner of Health and Human Services.

Met: Martin's Point letter to Mary C. Mayhew, dated October 30, 2015. Re: Compliance with Quality Standards and Quality Assurance Program Requirements

(7) The health maintenance organization shall ensure the use and maintenance of an adequate patient record system that facilitates documentation and retrieval of clinical information to permit evaluation by the health maintenance organization of the continuity and coordination of patient care and the assessment of the quality of health and medical care provided to enrollees.

Met: Martin's Point uses a care management system, TruCare, to manage all its records in a data warehouse. TruCare features a series of standard interfaces that provide the providers with flexible integration capabilities for exchanging data and interoperating with internal and external systems including clinical, business and administrative.

(8) Enrollee clinical records must be available to the Commissioner of Health and Human Services or an authorized designee for examination and review to ascertain compliance with this section, or as considered necessary by the Commissioner of Health and Human Services.

Met: Martin's Point letter to Mary C. Mayhew, dated October 30, 2015. Re: Compliance with Quality Standards and Quality Assurance Program Requirements

(9) The organization must establish a mechanism for periodic reporting of quality assurance program activities to the governing body, providers and appropriate organization staff.

Met: CQMP page 6, IV. Authority and Responsibility – MPHIC's Board of Directors (BOD) assumes ultimate responsibility for the CQMP and has established a BOD standing committee, the Corporate Quality Leadership Committee (CQLC), to provide oversight of quality functions. The CQLC, which is led by the Chair of the Board Directors, receives regular reports from the Quality Steering Council (QSC) and the Health Plan Quality Management Committee, which annually approves the CQMP description, work plan, and evaluation.

The Commissioner of Health and Human Services shall make the certification required by this paragraph within 60 days of the date of the written decision that a certificate of need was not required. If the commissioner certifies that the health maintenance organization does not meet

all of the requirements of this paragraph, the commissioner shall specify in what respects the health maintenance organization is deficient.