

Final Report: Evaluation of the Administrative Review Committee Established by the Consent Order in State of Minnesota v. Blue Cross and Blue Shield of Minnesota

Sponsoring Department: Division of Health Services Research and Policy (HSRP), School of Public Health, University of Minnesota (now called Health Policy and Management (HPM)).

Consortium on Law and Values

Introduction

The purpose of this project was to analyze the accomplishments of Minnesota's unique process for independent evaluation of mental health claims. The Administrative Review Committee (ARC) was established as a result of a settlement of the State of Minnesota v. Blue Cross and Blue Shield of Minnesota in 2002. Based on the settlement, the ARC (composed of three retired judges appointed in accordance with the agreement) automatically received any claim for mental health services that was denied by the three largest insurers in Minnesota. ARC reviewed every denial based on criteria established in the settlement and by subsequent agreement. The goal of the project was to study the results of these determinations from 2002 to August 2005 and provide an analysis of the ARC process in relationship to mental health services in Minnesota.

Research Design

The research team included Professor Susan Bartlett Foote, JD, MA and Professor Beth Virnig, Ph.D. from the University of Minnesota School of Public Health. The consortium support was used for the work of two graduate students, Lindsay Bockstedt, a student in the MS program in the School of Public Health and Zeia Lomax, a joint degree student in the JD/MPP program at the Law School and the Humphrey Institute of Public Affairs.

We acquired consent from the ARC judges, the State Attorney General's Office, all three participating health plans, and the University's Institutional Review Board. Professor Foote and the research team conducted informal interviews, did extensive literature review, including legal sources, administrative law and processes, and health policy literature, including data on state-based appeals processes, mental health services coverage, and other relevant material. We acquired data on Minnesota's broad based appeals of health claim denials. We also reviewed media coverage of the case. Professor Virnig led the research design for coding and analyzing the data. We acquired all the case files held by the ARC judicial team, designed a coding system, and compiled the results.

Project Results

Publication:

Foote, Susan B., Beth A. Virnig, Lindsay Bockstedt, and Zeia Lomax (published on line 30 June 2006/in print January 2007). "External Review of Health Plan Denials of Mental Health Claims: Lessons from Minnesota. Administration and Policy in Mental Health and Mental Health Services Research 34(1): 38-44.

Dissemination:

Professor Foote presented the results of the research to a group of stakeholders, including consumer groups, health plans, health lawyers, and others assembled at Hallelund, Lewis, Nilan firm on October 4, 2006. Judge Roberta Levy, one of the three judges on ARC, presented the findings at a Minnesota Bar Association Conference.

Conclusion:

The project provided valuable information on an important experiment to oversee and evaluate denials of mental health claims. There was interest on the part of health plans, the Attorney General's office, and consumer groups on the findings.