



MINNESOTA HISTORICAL SOCIETY
Minnesota State Archives

HEALTH DEPARTMENT
Health Systems Division

An Inventory of Its Health Maintenance Organizations Files

OVERVIEW OF THE RECORDS

Agency: Minnesota. Division of Health Systems.
Series Title: Health maintenance organizations files.
Dates: 1971-1989.
Quantity: 3.8 cu. ft. (4 boxes).
Location: See Detailed Description section for box locations.

SCOPE AND CONTENTS OF THE RECORDS

Files documenting the health department's activities in relation to health maintenance organizations (HMOs) operating in Minnesota, particularly its regulatory authority pursuant to Minn. Stat. 62D.01 et seq, which includes the authority to review contractual relationships between an HMO and other parties, the quality of care being offered within an HMO, and the financial status of an HMO.

The alphabetical subject files cover such topics as American Indian health care, comprehensive health insurance, developing neighborhood and area HMOs, legislation, regulations, MORE HMO Plan, Inc., pharmaceutical plans, the Minnesota Comprehensive Insurance Act of 1976, prepaid dental, the Share Health Plan examination, and the State Health Planning and Development Agency. The reports and publications were mainly collected by the division as background information and deal with various aspects of managed health care in the state, including certificate of need, alternate delivery systems, malpractice, Medicare enrollment, health care expenditures, and cooperative health care.

The legal documents detail a capitation rate dispute between Park Nicollet Medical Center and MedCenters Health Care, Inc., an HMO. They include transcripts, exhibits, correspondence, and related documents covering both an arbitration before the Hennepin County District Court and a hearing before the state's Administrative Hearings Office.

ARRANGEMENT OF THE RECORDS

The records are divided into three subseries: Subject files (1971-1988), reports and publications (1976-1982), and legal documents (1986-1989).

INDEX TERMS

These records are indexed under the following headings in the catalog of the Minnesota Historical Society. Researchers desiring materials about related topics, persons or places should search the catalog using these headings.

Topics:

Dental health maintenance organizations—Minnesota.
Health facilities—Certificates of need—Minnesota.
Health maintenance organizations—Law and legislation—Minnesota.
Indians of North America—Health and hygiene—Minnesota.
Insurance, Health—Minnesota.
Insurance, Pharmaceutical services—Law and legislation—Minnesota.
Malpractice—Minnesota.
Managed care plans (Medical care) —Minnesota.
Medical care, Cost of—Minnesota.
Medical policy—Minnesota.
Medicare—Minnesota.

Organizations:

MedCenters Health Care, Inc. (Minneapolis, Minn.).
Minnesota. District Court (Hennepin County).
Minnesota. Office of Administrative Hearings.
Minnesota. State Health Planning and Development Agency.
MORE HMO Plan, Inc.
Park Nicollet Medical Center (Minneapolis, Minn.).
Share Health Plan of Minnesota.

Types of Documents:

Transcripts.

Titles:

Minnesota. Comprehensive Insurance Act of 1976.

ADMINISTRATIVE INFORMATION

Preferred Citation:

[Indicate the cited volume and page or item and folder title here]. Minnesota. Division of Health Systems. Health Maintenance Organizations Files. Minnesota Historical Society. State Archives.

See the Chicago Manual of Style for additional examples.

Accession Information:

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Processing Information:

Processed by: Processing Staff, 1998; Benjamin Bloom, September and October 2003
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DETAILED DESCRIPTION OF THE COLLECTION

Note to Researchers: To request materials, please note both the location and box numbers shown below. Each file consists of one folder unless specified otherwise.

Location	Box	
112.F.5.7B	1	Subject files, 1971-1988. Alphabetical. American Indian health, 1971-1976. Bridging the Gap: The Twin Cities Native American Community, January 1975. By Minnesota Advisory Committee. Correspondence, 1974-1975. Health Behavior and Health Needs of American Indians in Hennepin County, February 1971. Impetigo Skin Disease at Red Lake Indian Reservation, 1974. Minnesota Public Health Association (MPHA) meeting, 1974. Pamphlets and background research, 1973-1975. A Sampler of Health Statistics on Minnesota Indians [incomplete], February 1973. By Indian Health Board of Minneapolis. Urban Indian legislation, 1975-1976. Why Native Americans Leave A Chemical Dependency Treatment Program Prior to its Completion, September 1974. By David and Curt Ramberg, Fergus Falls State Hospital. Comprehensive Health Insurance Association, 1976-1979. Developing HMOs - Hennepin County, 1979-1980. Developing HMOs - Powderhorn, 1981-1982. Developing HMOs - Southeastern Minnesota Health Maintenance Organization (SEHMO), 1978-1981. Developing HMOs - Western Minnesota and Marshall (Countryside Council) Area, undated, 1980. Health research grants, 1978-1979.

Location	Box	
112.F.5.7B	1	<p>HMO legislation, 1987-1988. Concerns legislation requiring continuation of HMO coverage, consumer disclosure requirements, and financial solvency of HMOs.</p> <p>HMO regulations, 1973-1980. HMO Research Work Group, 1980. Legal requirements, 1976-1970. HMO Seminar for State Board of Health materials, 1974. Includes outline of discussion of HMO theory; proposed laws, statutes, and rules; and proceedings of a 1971 conference on HMOs.</p> <p>MORE HMO Plan, Inc., Virginia, Minnesota: Annual reports, 1985, 1986. 2 folders. Pharmacy correspondence, 1974-1980. Pilot City Health Center, 1982-1983. Policy Forms Committee for Minnesota Comprehensive Insurance Act of 1976, 1973-1977. Prepaid dental, 1979-1983.</p>
112.F.5.8F	2	<p>Share Health Plan examination, April 1982. 3 folders. State Health Advisory Council (SHAC), 1980. State Planning Agency (SPA) agreements, 1982-1984. State Health Planning and Development Agency, 1973-1983. Reports and publications, 1976-1982. Chronological.</p> <p>St. Cloud Surgical Center Status Report, November 1976. A Review and Analysis of the Certificate of Need Experience in Minnesota, 1972-1978, Health Systems Division, January 1979. Alternative Delivery Systems: A Description of the Minneapolis-St. Paul Experience, November 1979. An Office of Research Affairs, American Hospital Association working paper.</p> <p>A Cooperative Health Care System: A Concept Paper by Robert D. Miller, December 1979. A Report by the Countryside Council of Health Maintenance Organization Task Force, 1980. Report on Health Maintenance Organizations, January 10, 1980. By State Health Advisory Council.</p> <p>Report on Malpractice Claims of Health Facilities in Minnesota, January 1980. Prepared pursuant to Minn. Stat. 144.693.</p>

Location	Box	
112.F.5.8F	2	<p>National HMO Census-1981, June 30, 1981. Produced by a Twin Cities' based company, Interstudy; includes information on Minnesota.</p> <p>Medicare Enrollment in HMOs, 1981, April 1982. Written by Jean Hetherington, JD, MPH, for Interstudy.</p> <p>Health Care Expenditures in Minnesota 1980, October 1982. Prepared by the Center for Health Services Research of the University of Minnesota for the Minnesota Coalition on Health Care Costs.</p> <p>Legal documents: Park Nicollet Medical Center and MedCenters Health Care, Inc., 1986-1989. Files documenting the relationship between Park Nicollet Medical Center and MedCenters Health Care, an HMO. Park Nicollet and MedCenters entered into arbitration in September 1987 following MedCenters' significant financial losses in 1986 and 1987 and Park Nicollet's argument that MedCenters' capitation rates were not adequate in reimbursing Park Nicollet for physician services. An arbitration award was issued to Park Nicollet, setting higher and fixed rates (payable regardless of revenues) for medical services. In early 1988, the Commissioner of the Department of Health, pursuant to Minn. Stat. 62D.01 <u>et seq.</u>, which gives the department regulatory authority over HMOs operating in the state, including the authority to review contractual relationships between an HMO and other parties, issued a Cease and Desist Order, prohibiting payment of the arbitration award on the grounds that MedCenters would be rendered insolvent if it was implemented. In turn, Park Nicollet argued the Cease and Desist order deprived the clinic of property without due process of law. A contested case hearing commenced between MedCenters and Park Nicollet, and was heard from June–August 1988. The Cease and Desist Order was upheld.</p> <p>Arbitration files, 1986–1988. Files documenting the portion of the dispute mainly involved in State of Minnesota, County of Hennepin, District Court, Fourth Judicial District. In the Matter of an Arbitration between Park Nicollet Medical Center and MedCenters Health Plan, Inc.</p> <p>Park Nicollet Medical Center Provider Agreement with MedCenters Health Care, Inc., September 25, 1986. Transcript, October 9, 1987. Transcript, October 26, 1987. Transcript, October 29, 1987.</p>

Location	Box	
112.F.5.8F	2	Transcript, October 30, 1987. Transcript, November 5, 1987. Transcript, November 6, 1987. Transcript, November 6, 1987. Leatherman testimony.
112.F.5.9B	3	Transcript, November 12, 1987. Transcript, November 13, 1987. Herle testimony. Transcript, November 17, 1987. Herle testimony. Transcript, November 18, 1987. Hantho testimony. Transcript, November 20, 1987. Hantho testimony. Transcript, December 3, 1987. Hantho testimony. Transcript, December 8, 1987. Hantho testimony. Appendices 1-6, 1987-1988. 1 folder and 1 volume. Appendices 1-2, 4, 1987-1988. Exhibits, 1985-1988. 3 folders. Organized by item number, these materials are very incomplete. Many also have separate exhibit numbers. Miscellaneous documents, 1987–1988. Hearing files, 1988–1989. Files documenting the portion of the dispute mainly involved in State of Minnesota, Office of Administrative Hearings For the Minnesota Department of Health: In the Matter of MedCenters Health Care, Inc., and Park Nicollet Medical Center. Correspondence, 1988–1989. 2 folders. Discovery file, 1988. Memoranda, 1988–1989. Memoranda, Park Nicollet Medical Center’s Memoranda in Opposition to Administrative Proceedings, October 12, 1988. Miscellaneous documents [Pleadings, Findings, Orders, etc.], 1988-1989. 2 folders.

Location	Box	
112.F.5.10F	4	Transcript, Vol. I, June 7, 1988. Transcript, Vol. II, June 8, 1988. Transcript, Vol. III, June 13, 1988. Transcript, Vol. IV, June 14, 1988. Transcript, Vol. V, June 15, 1988. Transcript, Vol. VII, June 28, 1988. Transcript, Vol. VIII, June 29, 1988. Transcript, Vol. IX, June 30, 1988. Transcript, Vol. X, July 25, 1988. Transcript, Vol. XI, July 26, 1988. Transcript, Vol. XII, July 27, 1988. Transcript, Vol. XIII, July 28, 1988. Transcript, Partial Transcript of Proceedings, July 28, 1988. Transcript, Partial Transcript of Proceedings, July 29, 1988. Transcript, Vol. XIV, July 29, 1988. Transcript, Vol. XV, August 3, 1988. Transcript, Vol. XVI, August 5, 1988. Transcript, Vol. XVII, August 11, 1988.