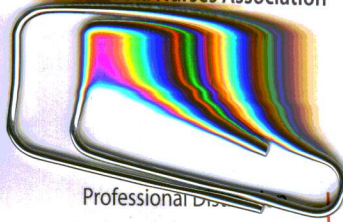




May 6, 2011

Minnesota Nurses Association

Cynthia Mann, Director  
7500 Security Boulevard, Mail Stop S2-01-16  
Baltimore, Maryland 21244-1850



Professional Dis...

Personal Dignity

Patient Advocacy

Dear Ms. Mann,

The Minnesota Nurses Association is writing to bring to your attention what we consider to be a breach of trust with the HMO management of our public health programs through the Prepaid Medical Assistance Program (PMAP). We urge CMS to require more transparency and accountability of HMO's in the management of these programs when considering the renewal or extension of our Minnesota 1115 Medicaid Waiver. It is our understanding that CMS required transparency and quality measures in Florida's renewal of their 1115 Waiver and we urge you to do the same in Minnesota.

As nurses, we are extremely concerned that our state hands over \$3 billion dollars of public money (half of which is federal dollars) to our HMO's with little information on how these dollars are spent. When our organization was working to restore our General Assistance Medical Program (a state-funded program) vetoed by our former Governor, we found it nearly impossible to understand what services were being paid for by the HMO's. Additionally, we knew many GAMC clients were not getting the care they needed because they were randomly assigned a clinic they did not know about if they did not fill out the paperwork.

Moreover, we also know that HMO's are not only profiting from our public programs, but we have recently learned that the HMO's have billions of dollars in reserves (approximately \$250 billion), most of it coming from the management of our public programs. This amount is unquestionably excessive. In fact, the reserves increased over \$1 billion in just the past year.

While we are supportive of our Governor's executive decision to implement competitive bidding in our HMO contracts, we remain concerned that this does not go far enough given our consolidated market (three HMO's control 85% of the market). Additionally, at a time of unprecedented state budget deficits that could result in the loss of health care for many Minnesotans, we believe it is vital for CMS to do all it can to ensure our public programs are being spent wisely and for those whom the program was designed to serve.

We urge you to contact us if you need further information. Given the June 30<sup>th</sup> deadline for our Waiver, we urge you to act quickly.

Thank you.

*Linda Hamilton RN, BSN*

Sincerely,

Linda Hamilton

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