

**Minnesota's Section 1115 Prepaid Medical Assistance Project Plus (PMAP+)  
Demonstration Renewal Request  
February 5, 2008**

Greetings Federal Review Team,

The Centers for Medicare & Medicaid Services (CMS) has received a demonstration renewal request from Minnesota for their current Medicaid section 1115 demonstration entitled, Prepaid Medical Assistance Project Plus (PMAP+). The PMAP+ demonstration is scheduled to *expire on 6/30/08*. This renewal request would be granted under section 1115(a) authority for a three year extension period. *Please review the summary document and supporting documents in order to develop your questions/comment. All responses should be forwarded to [Wanda.pigatt-canty@cms.hhs.gov](mailto:Wanda.pigatt-canty@cms.hhs.gov) no later than February 22, 2008.* Thank you in advance for your response to this request.

**PLEASE NOTE:** In addition, to this renewal request you will also receive a separate e-mail request to review an amendment related to the State's proposed use of unspent DSH funds to cover the expansion the PMAP+ demonstration to cover childless adults age 21-64 years who are currently receiving healthcare through the State only funded General Assistance Medical Care (GAMC) Program. **CMS plans to process both the renewal request and DSH amendment in a single decision package.**

**Background – Minnesota's Prepaid Medical Assistance Project Plus (PMAP+) Section 1115 Demonstration**

Minnesota's section 1115 PMAP+ demonstration was initially approved and implemented in 1995. The PMAP+ demonstration provides healthcare services through a prepaid, capitated managed care delivery model that currently operates statewide. The State provided the chart of demonstration eligibles under PMAP+ demonstration as follows:

<b>Population</b>	<b>Eligibility Authority</b>	<b>Managed care Authority</b>	<b>In PMAP+ Budget Neutrality Agreement</b>
<b><i>MinnesotaCare</i></b>			
MinnesotaCare Children < 21 years up to 275 % FPL	PMAP + §1115 Waiver	PMAP + §1115 Waiver Mandatory	<b>YES</b>
Minnesota Care Caretaker Adults up to 275 % FPL	PMAP + §1115 Waiver	PMAP + §1115 Waiver Mandatory	<b>YES</b>
Pregnant Women up to 275 % FPL	PMAP + §1115 Waiver	PMAP + §1115 Waiver Mandatory	<b>YES</b>
<b>Medical Assistance (State Plan)</b>			
Infants age 12-24 months 133% to 275% FPL	PMAP + §1115 Waiver	PMAP + §1115 Waiver Mandatory	<b>YES</b>
Dual Eligibles < 65	State Plan	PMAP + §1115 Waiver Voluntary by choosing	<b>NO</b>

**Minnesota's Section 1115 Prepaid Medical Assistance Project Plus (PMAP+)  
 Demonstration Renewal Request  
 February 5, 2008**

<b>Population</b>	<b>Eligibility Authority</b>	<b>Managed care Authority</b>	<b>In Budget Neutrality Agreement</b>
<b>Medical Assistance (con't)</b>		alternative basis	
American Indians	State Plan	PMAP + §1115 Waiver Mandatory	<b>NO</b>
Children in Foster Care /Special Needs	State Plan	PMAP + §1115 Waiver Mandatory	<b>NO</b>

The State's renewal request is proposing to amend the current PMAP+ demonstration as follows:

- ▶ Elimination of MinnesotaCare 6-month renewals
- ▶ Twelve month exemption from MinnesotaCare premiums for returning military and their families
- ▶ Elimination of MinnesotaCare Farm Depreciation Add-back
- ▶ Elimination of 2003 sliding scale premium increases for MinnesotaCare
- ▶ Exemption of Worker's Compensation Settlements as Countable Assets under MinnesotaCare
- ▶ Change MinnesotaCare outpatient MH benefit package to align with MA
- ▶ Expand mental health benefit under MinnesotaCare to include mental health targeted case management
- ▶ Changes to Medical Education and Research Costs (MERC) – removes education factor, adds supplemental public program volume factor, changes distribution
- ▶ Remove MinnesotaCare dental co-payment
- ▶ Charge premiums for MA recipients with gross family income greater than 175% FPG - See detailed chart of Medicaid state plan populations that the State is requesting 1115 authority to impose premiums.
- ▶ Increase income limit at which the \$10,000 inpatient hospital limit applies from 200% to 215% of FPG
- ▶ Two month extended MA eligibility for children under age 19 and automatic MinnesotaCare eligibility for former MA children
- ▶ *Elimination of 2005 8% premium increase – This item was repealed by the 2007 Minnesota Legislature and was never implemented by the State.*
- ▶ *Elimination of MinnesotaCare college student insurance barrier- This item was repealed by the 2007 Minnesota Legislature and was never implemented by the State.*

**Attachments**

1. State's renewal request
2. MA Groups Requested to Impose Premiums
3. Current PMAP+ STCs, waiver and CNOM List