



JUN 15 2011

The Honorable Mark Dayton
State of Minnesota
Saint Paul, MN 55155

Dear Governor Dayton:

On May 13, 2011, Minnesota requested that the Centers for Medicare & Medicaid (CMS) consider a modified coverage expansion proposal subsequent to its March 10, 2011, revised extension request for its section 1115 demonstration, entitled, Prepaid Medical Assistance Project Plus (PMAP+) (11-W-00039/5). The PMAP+ Demonstration is due to expire on June 30, 2011. The modified proposal now under consideration at CMS is to provide federal financial participation for coverage under the Demonstration to adults without children with family income from 75 percent of the Federal poverty level (FPL) up to and including 250 percent of the FPL. This would effectively transfer all adults without children from the State-only funded MinnesotaCare program into the PMAP+ Demonstration.

I am pleased to inform you that, based on our discussions, we are eager to partner with you on this modified proposal as it furthers the objectives of title XIX. As noted in our May 20, 2011, letter, however, it is critically important that Minnesota comply with legal requirements as it expands coverage to this new population. In particular, we cannot move forward on your modified proposal without the removal of the 6-month waiting period requirement imposed on non-State residents under State law. This change is needed to comply with Federal law.

Assuming the State can address these changes, and other changes as discussed with my staff, I have directed CMS to work with you on the necessary terms and conditions of a demonstration that will provide Minnesota with the necessary flexibility to expand coverage. We anticipate we will be able to finalize the agreement on or before the date when the current demonstration expires, and welcome the opportunity to arrive at a mutually agreeable plan.

Sincerely,

Donald Berwick, M.D.