

News From

State Senator Sean R. Nienow

District 17
120 Capitol
75 Rev Dr Martin Luther King Jr
Blvd.
St. Paul, MN 55155-1606
Telephone (651) 296-5419
sen.sean.nienow@senate.mn



Minnesota Senate

Republican Caucus

121 Capitol
75 Rev Dr Martin Luther King Jr Blvd.
St. Paul MN 55155-1606
Telephone (651) 296-2577
Fax (651) 296-6511
mnsro@senate.mn
Visit our Web Page

Date: February 17 2012
Contact Name: Libbie Krueger
Contact Phone: 651.296.1388
Contact Email: elizabeth.krueger@senate.mn
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Sen. Sean Nienow: HMO Transparency Needed for Taxpayer Confidence

Openness in government strengthens democracy and promotes efficiency. A lack of openness in government – your government – is problematic. Without transparency, there is little accountability for elected officials, public servants, or the manner in which they spend your tax dollars. You deserve a system with oversight to assure you that your money is being spent without waste, abuse or fraud.

Last year in the state legislature, we decided that programs for 55,000 of Minnesota's poorest citizens needed additional funding from you, Minnesota's taxpayers. You trusted us as elected officials and public servant to effectively and efficiently spend your money. However, there is a shocking lack of oversight over the billions of health care dollars spent each year.

Here's how the money is spent: your tax dollars go to four health management organizations (HMOs) in the state. These four companies – HealthPartners, UCare, Blue Cross Blue Shield, and Medica – administer health care programs for the Minnesotans who qualify for assistance. Last year alone, 3 billion of your hard-earned tax dollars were entrusted to HMO companies to be allocated for health care assistance.

Now, here's the problem: we have no idea how those dollars were spent. Minnesota makes an appropriation based on the Department of Human Services' (DHS) projected need for health care programs. DHS passes the money along to the HMOs and, from there, we cannot truly tell how the money is spent. The HMOs self-report and self-audit. There is no way to know for sure if the HMO plans are spending the money as the state intended.

Here's the solution: we must require independent third-party audits of the HMOs that administer the health care programs on behalf of the state. The audits must be conducted by trained experts that have knowledge of the health care field and they must use source data that details how much is spent and on what.

The result of the proposed audits does not need to include John Q. Citizen's person health information.

However, we should be able to know, for example, how many John Q. Citizens had bypass surgery and the average cost of that bypass surgery

Last week, I proposed legislation that achieves these goals. I introduced a bill that requires third-party audits of HMOs in order to identify and prevent mismanagement of health care programs and taxpayer dollars.

If there is a problem with the money, let's find it and fix it. If these companies are administering your tax dollars appropriately, then we can applaud them. Regardless, you deserve to know how your money is being spent.

You should know if your tax dollars are being used efficiently and effectively. You deserve the transparency and openness that gives you the assurance that the government is wisely spending your hard-earned tax dollars. My proposal will bring about that confidence.

If you have questions or comments regarding HMO transparency or third-party audits, please contact me at (651) 296.5419 or via email at sen.sean.nienow@senate.mn. You can also find me on Twitter at @snienow

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