

Rothermel, Paul J (DHS)

From: Golden, James I (DHS)
Sent: Wednesday, July 31, 2013 9:35 AM
To: Hudson, Mark J (DHS)
Cc: Marquardt, Julie A (DHS); Leitz, Scott D (DHS)
Subject: PCG Info
Attachments: pmpm slides.pptx; 2014 Coverage Continuum.pptx; MNCare Enrollment.xlsx

Mark,

Here is some information to pass to PCG:

1. Julie Marquardt at [REDACTED] and at [REDACTED] can help PCG understand why MN's benefit set is richer than other states' benefit set.
2. Attached to this email is a PowerPoint chart that shows what the health care coverage continuum will look like in MN in 2014. The report might want to reflect that we have MinnesotaCare as a buffer between Medical Assistance and QHPs for adults. Also, because we expanded to 75% in 2011, and because we have MinnesotaCare, the expansion to 133% will not bring in a lot of new individuals. We will actually have a lot more coming into the revamped MinnesotaCare program. The spreadsheet titled, "MNCare Enrollment" shows the ramp-up to 2016.
3. In the report, PCG uses the 2008 study to say that MN is high cost. That is really old data. We have done a lot to reduce the capitation rates since then. In the PowerPoint that is titled, "pmpm slides" it shows the composite capitation rates from 2007 through 2013. We have been flat or negative since 2010. We feel that this makes the MCOs much less expensive. We think that the report should reflect that the data is 5-years old and a lot has been done on this topic.
4. In comparison to the State's 2010 forecast, created by the previous administration we have saved over \$1 billion dollars. Here is a chart of the savings. We have more details if needed:
- 5.

MCO Savings	Contract Savings		1% Cap & Donation	Grand Total
	CY 2012	CY 2013		
Avg. Contract Rate - PMPM	\$449.40	\$449.39		
2010 Forecast Rate - PMPM	\$502.47	\$545.82		
Difference - PMPM	-\$53.07	-\$96.43		
Member Months	6,348,557	6,348,557		
Savings	-\$336,917,920	-\$612,191,352	105,264,000	-\$1,054,373,272

Thanks,
JG

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