

May 24, 2011

Cynthia Mann
Director of the Center for Medicaid and State Operations
Department of Health and Human Services
Centers for Medicare & Medicaid Services
By email: [REDACTED]

750 Security Boulevard
Mail Stop S2-01-16
Baltimore, Maryland 21244-1805

RE: Minnesota 1115 Waiver Renewal June 30, 2011

Dear Ms. Mann:

I am writing as a dentist, concern citizen and as a member of the Board of Trustees of the Minnesota Dental Association because it has recently come to our attention that Minnesota's 1115 waiver expires on June 30, 2011, and we believe that new conditions should be placed on Minnesota's managed care program. I understand that CMS has placed conditions on Florida's 1115 waiver request for managed care and I believe that the same conditions concerning transparency, accountability and real time evaluation should be required as a condition prerequisite to the modification or extension of Minnesota's waiver.

It is my belief that Minnesota would benefit from the imposition of the same conditions as in Florida for the renewal of Minnesota's 1115 Waiver. Dentists in Minnesota have long been frustrated by our inability to get information regarding the expenditure of Medicaid and related funds by the managed care plans. Participation in Minnesota's Medical Assistance and MinnesotaCare programs has always forced participating dentists to experience substantial losses when treating public program patients. Yet, the managed care plans experience substantially more net income from public programs than from their commercial programs and they have built substantial reserves based on public program revenue. Managed care plans should be held accountable for their use of public funds and this is not occurring in Minnesota. Minnesota dentists believe that there should be transparency and accountability in the operation of our Prepaid Medical Assistance Program.

Minnesota's non-profit HMO vendors have resisted meaningful change that would provide meaningful transparency and accountability measures as it relates to their administration of these funds. Directives by Minnesota's Governor to address the

situation have fallen short of the mark. So, waivers conditioned on transparency and accountability are essential. Specifically, I would request that CMS require for Minnesota's 1115 waiver extension the following principles:

Transparency and Accountability – Ensure that payments to plans are properly used and the plans are held accountable for the funds they receive and the results they achieve.

Evaluation – Establish the mechanisms (e.g. encounter data) to allow for real time evaluations of how well the plans are performing, allowing for corrections and improvements as needed.

Monitor Access and Quality – Establish capitation rates using all of the encounter data.

Standardization – Implement a standardized encounter data validation process for all contracted plans.

I believe the merger of encounter and payment data is essential to monitor the utilization of public funds. There is no evidence that encounter data is being used to establish Medicaid rates. Furthermore, I believe that it is possible to collect this data without identifying individuals or individual providers.

I am greatly interested in ensuring that public funding for health care programs is spent wisely. Without substantial change I believe that public funds will continue to benefit the managed care plans to the detriment of patient care. I believe that it is in the public interest that managed care plans in Minnesota be held accountable for the public funds they receive and that such information be made available for state and federal government oversight and management of public health programs. Therefore, I strongly recommend that you apply requirements for transparency, accountability and real time evaluation to any renewal of Minnesota's 1115 waiver.

Thank you for your consideration of this request.

Sincerely,

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