

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Consumer Information and Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201



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September 7, 2021

**VIA ELECTRONIC MAIL:** [grace.arnold@state.mn.us](mailto:grace.arnold@state.mn.us)

Grace Arnold  
Commissioner  
Minnesota Department of Commerce  
85 7th Place East, Suite 280  
Saint Paul, MN 55101

Dear Commissioner Arnold:

This letter is to notify you that, in part due to the American Rescue Plan (ARP) Act of 2021, Minnesota will receive a total of \$142,727,404 in pass-through funding to implement its State Innovation Waiver under the Affordable Care Act (ACA) for calendar year 2021.

As you are aware, on September 22, 2017, the Department of Health & Human Services and the Department of the Treasury (the Departments) approved Minnesota's State Innovation Waiver under Section 1332 of the ACA. Minnesota's approved application waives the ACA's requirement for the single risk pool to the extent necessary to implement a state reinsurance program called the Minnesota Premium Security Plan for plan years 2018 through 2022. On April 21, 2021, the Departments notified Minnesota that they had determined that Minnesota's pass-through funding amount for calendar year 2021 was \$77,757,419. This determination reflected federal law as of March 10, 2021, prior to the passage of the ARP. Among other changes, the ARP temporarily expanded the ACA's premium tax credit (PTC), increasing the generosity of the PTC for those who were already eligible under the ACA and making PTCs available to individuals with incomes above 400 percent of the federal poverty level for the first time.

The Departments have now completed their analysis of the effects of the ARP on pass-through funding. The Department of the Treasury's final administrative determination for Minnesota's total pass-through funding for calendar year 2021, after accounting for the ARP, is \$142,727,404. As a result, Minnesota will receive \$64,969,985 more in pass-through funding than the amount specified in the Departments' April letter.

We look forward to continuing to work with you and your staff. If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Lina Rashid at [Lina.Rashid@cms.hhs.gov](mailto:Lina.Rashid@cms.hhs.gov) or [stateinnovationwaivers@cms.hhs.gov](mailto:stateinnovationwaivers@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Ellen Montz". The signature is fluid and cursive, with the first name "Ellen" and the last name "Montz" clearly distinguishable.

Ellen Montz

Director

Center for Consumer Information and Insurance Oversight (CCIIO)

Cc:

Mark Mazur, Deputy Assistant Secretary for Tax Policy, U.S. Department of the Treasury

The Honorable Tim Walz, Governor, State of Minnesota

Anne O'Connor, Chief Deputy Commissioner and Chief of Staff, Minnesota Department of Commerce

Peter Brickwedde, Assistant Commissioner of Government and External Affairs, Minnesota Department of Commerce

DEPARTMENT OF HEALTH & HUMAN SERVICES  
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Washington, DC 20201



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April 21, 2021

**VIA ELECTRONIC MAIL:** [grace.arnold@state.mn.us](mailto:grace.arnold@state.mn.us)

Grace Arnold  
Temporary Commissioner  
Minnesota Department of Commerce  
85 7th Place East, Suite 280  
Saint Paul, MN 55101

Dear Commissioner Arnold:

On September 22, 2017, the Department of Health & Human Services and the Department of the Treasury approved Minnesota's State Innovation Waiver under Section 1332 of the Affordable Care Act (ACA). Minnesota's approved application waives the ACA's requirement for the single risk pool to implement a state reinsurance program called the Minnesota Premium Security Plan for plan years 2018 through 2022. It is the Department of the Treasury's final administrative determination that Minnesota's pass-through funding amount for calendar year 2021 is \$77,757,419. This determination reflects federal law as of March 10, 2021. For information on how the American Rescue Plan Act of 2021 may impact pass-through funding, please see here.<sup>1</sup>

If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Lina Rashid at [Lina.Rashid@cms.hhs.gov](mailto:Lina.Rashid@cms.hhs.gov) or [stateinnovationwaivers@cms.hhs.gov](mailto:stateinnovationwaivers@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey Grant", is written over a light blue horizontal line.

Jeffrey Grant  
Acting Director, Center for Consumer Information and Insurance Oversight (CCIIO)  
Centers for Medicare & Medicaid Services (CMS)

Cc:

Mark Mazur, Deputy Assistant Secretary for Tax Policy, U.S. Department of the Treasury  
The Honorable Tim Walz, Governor, State of Minnesota  
Anne O'Connor, Chief Deputy Commissioner and Chief of Staff, Minnesota Department of Commerce

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<sup>1</sup> [https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section\\_1332\\_State\\_Innovation\\_Waivers-#pass-through](https://www.cms.gov/CCIIO/Programs-and-Initiatives/State-Innovation-Waivers/Section_1332_State_Innovation_Waivers-#pass-through)

Peter Brickwedde, Assistant Commissioner of Government and External Affairs,  
Minnesota Department of Commerce

DEPARTMENT OF HEALTH & HUMAN SERVICES  
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200 Independence Avenue SW  
Washington, DC 20201



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February 25, 2021

**VIA ELECTRONIC MAIL:** [Steve.Kelly@state.mn.us](mailto:Steve.Kelly@state.mn.us)

Steve Kelley  
Commissioner  
Minnesota Department of Commerce  
85 7th Place East, Suite 280  
Saint Paul, MN 55101

Dear Commissioner Kelley:

On September 22, 2017, the Department of Health & Human Services and the Department of the Treasury approved Minnesota's State Innovation Waiver under Section 1332 of the Patient Protection and Affordable Care Act (PPACA). Minnesota's application sought to waive PPACA's requirement for the single risk pool to implement a state reinsurance program called the Minnesota Premium Security Plan for plan years 2018 through 2022. The pass-through funding associated with this waiver for calendar year 2021 is estimated to be \$77,757,419. This amount will be subject to a final administrative determination by the Department of the Treasury prior to payment.

We also acknowledge receipt of your February 5, 2021 letter, regarding Minnesota's pass-through calculation in relation to the state's Basic Health Program, and will respond to that inquiry separately.

If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Lina Rashid at [Lina.Rashid@cms.hhs.gov](mailto:Lina.Rashid@cms.hhs.gov), or [stateinnovationwaivers@cms.hhs.gov](mailto:stateinnovationwaivers@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey Grant', is written over a light blue horizontal line.

Jeffrey Grant  
Acting Director, Center for Consumer Information and Insurance Oversight

Cc:

Mark Mazur, Deputy Assistant Secretary for Tax Policy, U.S. Department of the Treasury  
The Honorable Tim Walz, Governor, State of Minnesota

Anne O'Connor, Deputy Commissioner and Chief of Staff, Minnesota Department of Commerce

Grace Arnold, Commissioner of Insurance (Temporary), Minnesota Department of Commerce

Peter Brickwedde, Assistant Commissioner, Minnesota Department of Commerce