



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

December 20, 2012

The Honorable Mark Dayton
Governor of Minnesota
St. Paul, MN 55155

Dear Governor Dayton:

I am pleased to inform you that Minnesota has received conditional approval to establish a State-based Exchange. Congratulations on reaching this significant milestone on the path to establishing an Exchange for the people of Minnesota.

Conditional approval reflects the substantial progress the Minnesota Health Insurance Exchange (MN HIX) has made and an expectation that MN HIX will be ready to provide affordable, quality coverage for consumers and small businesses in 2014.

The Centers for Medicare & Medicaid Services (CMS) has reached this decision based on MN HIX's self-assessment, progress to date, and expected progress across the entire spectrum of Exchange requirements, and is contingent upon the following conditions:

1. Demonstrate the ability to perform all required Exchange activities in line with the attestations Minnesota has made in its Exchange Blueprint Application submission;
2. Comply with regulations and expected progress milestones. During the first year of the program (plan year 2014), approval of a State-based Exchange will account for timelines related to guidance and infrastructure development; and
3. Demonstrate sufficient legal authority for MN HIX to operate the State-based Exchange beyond its existing authority to build the Exchange.

CMS will continue its work with the Exchanges, including providing more detailed information directly to your State Exchange, MN HIX.

Sincerely,

Kathleen Sebelius