



COURT INTERNATIONAL BUILDING

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March 30, 2007

Senator Patricia Torres Ray
State Capitol
St. Paul, MN 55155

Representative Cy Thao
State Office Building
St. Paul, MN 55155

RE: Amino acid based formula coverage

Dear Senator Torres Ray and Representative Thao:

I am pleased to provide you with the letters from various health plans' medical directors about each health plan's decision to modify its medical policy in conformance with the language in SF 504 and HF 529 as amended. Five of the health plans have provided individual letters: Blue Cross Blue Shield of Minnesota/Blue Plus (BCBSM), HealthPartners, Medica, PreferredOne, and Sanford Health Plan.

Two of the health plans, UCare Minnesota and Metropolitan Health Plan, serve only public health care program enrollees. In lieu of a letter from these two plans, I am attaching a copy of the language from the DHS manual that prescribes how these types of formulas are covered for persons by public health care programs. In fact, as a condition of having a contract with DHS, health plans are required to follow the DHS manual for these conditions. Therefore, all of the health plans with contracts with DHS already follow the DHS manual for government enrollees.

Finally, I want to point out that First Plan of Minnesota, which is based out of Duluth, is affiliated with BCBSM. Therefore, any changes to medical policy that BCBSM makes is adopted at First Plan of Minnesota also.

In presenting these letters, I believe the health plans have followed through on their commitment to modify their medical policies. Thank you for your willingness to find an alternative solution to simply passing a benefit mandate, which only applies to the state regulated, fully insured market.

On behalf of the Minnesota Council of Health Plans, it has been a great experience working with both of you and I look forward to working with you again in the future. Please let me know if you have any questions.

Sincerely,

Kathryn Kmit

Attachments

Cc: Sen. Linda Scheid, Sen. Linda Berglin and Sen. John Marty
Rep. Paul Thissen, Rep. Joe Atkins and Rep. Tom Huntley



PO Box 91110
Sioux Falls, SD 57109-1110
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March 20, 2007

Minnesota Council of Health Plans
Kathryn Kmit , Director of Policy and Government Affairs
2550 University Ave. W., Ste. 255S
St. Paul, MN 55114-1904

RE: Amino-acid based formula coverage

Dear Ms. Kmit:

Please accept this letter as formal confirmation that Sanford Health Plan will modify its medical management policy to cover amino acid-based formulas for persons with certain dietary requirements consistent with the terms of the amended language for Minnesota bills, HF 529 and SF 504.

If you have any additional questions or concerns regarding this policy, please feel free to contact me directly at (605) 328-6868.

Sincerely,

Ruth A. Krystopolski
President, Sanford Health Plan

PO Box 9310
Minneapolis, MN 55440-9310
952-992-2900

March 22, 2007

MEDICA®

Senator Patricia Torres Ray
75 Rev. Dr. Martin Luther King Jr. Blvd.
Capitol Building, Room 124
St. Paul, MN 55155-1606

Representative Cy Thao
359 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

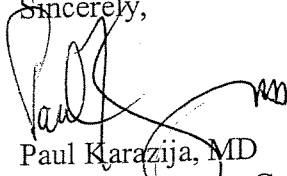
Re: Medica's Coverage Policy Regarding Amino Acid-Based Elemental Formulas

Dear Senator Torres Ray and Representative Thao:

I am writing to inform you that Medica's Benefit Interpretation Committee agreed today to adopt a new coverage policy entitled "Amino Acid-Based Elemental Formula." This coverage policy may be effective as early as June 1, 2007. Under this coverage policy, Medica will incorporate the proposed language in the amended version of SF 504 and HF 529.

We appreciate this matter being brought to our attention and welcome the opportunity to work cooperatively with you to resolve this issue.

Sincerely,



Paul Karazija, MD
Medical Director, Care Management

PK:dr

✓cc: Kathryn Kmit



PreferredOne[®]
COMMUNITY HEALTH PLAN

6105 Golden Hills Drive
Golden Valley, MN 55416

March 21, 2007

Senator Patricia Torres Ray
124 Capitol
75 Rev Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155-1606

Representative Cy Thao
359 State Office Building
St. Paul, MN 55155-1606

RE: SF 504/HF 529

Dear Senator Torres Ray and Representative Thao:

This is to inform you that PreferredOne Community Health Plan ("PreferredOne") has reviewed the language in the above referenced proposed legislation. Based on our review of the science and evidence-based medicine, PreferredOne will be modifying our internal medical policy on the issue of coverage for elemental formulas. We expect that our policy will be consistent with the language as amended in this legislation.

We expect that for policies issued and renewed after July 1, 2007 that this will be the standard medical policy that will apply to PreferredOne enrollees.

Sincerely,



John Frederick, M.D.
Executive Vice President &
Chief Medical Officer

\\k/legal/correspondence/Amino Acid Formula ltr 3 07



8100 34th Avenue South
P.O. Box 1309
Minneapolis, MN 55440-1309
www.healthpartners.com

March 28, 2007

Senator Patricia Torres Ray
124 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

Representative Cy Thao
359 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
Saint Paul, Minnesota 55155

Dear Senator Torres Ray and Representative Thao,

We appreciate your consideration of the issues surrounding amino acid-based elemental formulas and your willingness to work with all those involved in this topic. Having discussed the current medical science with Dr. Stillerman and others, we have concluded that updating our medical policy to reflect new understandings of the effective use of such formulas would be appropriate.

We are in the final stages of developing a new medical policy which HealthPartners will implement. We will make this a standard coverage guideline and will be applying it to our commercial business, including self-insured employers unless they choose not to accept it. Any member contract language to the contrary will be fixed upon approval of change by the appropriate regulatory body and revised upon renewal of the contract. However the new medical policy will be in place regardless of contract language.

Thank you for working with us and others to come to a more far reaching resolution to this issue than a statutory mandate would have achieved.

Sincerely,

A handwritten signature in black ink, appearing to read "Terry Crowson".

Terry Crowson, M.D.
Associate Medical Director

BlueCross BlueShield BluePlus of Minnesota



March 27, 2007

Senator Patricia Torres Ray
State Capitol
St. Paul, MN 55115

Representative Cy Thao
State Office Building
St. Paul, MN 55115

P.O. Box 64560

St. Paul, MN

55164-0560

651.662.8000

1.800.382.2000

www.bluecrossmn.com

Dear Representative Thao and Senator Ray:

I am Medical Director for Integrated Health Management and Medical policy at Blue Cross Blue Shield of Minnesota. In this position, I oversee development of coverage policies for our 2.7 million members in Minnesota and nationally.

For the past six months we have been researching the issue of coverage for a category of nutrition variously classified as medical foods, special formulas and exempt infant formulas.

This is to inform you that Blue Cross Blue Cross Blue Shield of Minnesota has decided to modify its medical policy consistent with the language in SF504/HF529 as amended. To do this, we need to change some wording in our member contracts and finalize our medical policy relating to these products. We will need to get the language in our member contracts approved by our regulators, the Minnesota Department of Health and Commerce.

If you have questions regarding this, please let me know.

Sincerely,

A handwritten signature in black ink that reads "Keith E. Folkert MD". The signature is written in a cursive style.

Keith E. Folkert, MD, MHA
Medical Director, Integrated Health Management and Medical Policy
Blue Cross Blue Shield of Minnesota
R472
3400 Yankee Drive
Eagan, MN 55121-1627
Telephone: 651-662-8242
FAX: 651-662-8242

CC: Cynthia Goff