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Minn. To Cover Patients Hit By Pawlenty Budget Cut

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ST. PAUL, Minn. (AP) — The Minnesota Department of Human Services outlined a plan Friday to maintain health insurance for more than 30,000 low-income adults whose coverage runs out March 1, by moving them from one state program into another.

Commissioner Cal Ludeman said the agency will automatically transfer 28,000 people from the General Assistance Medical Care program into MinnesotaCare, a bigger subsidized plan for the working poor. Another 8,000 GAMC enrollees already are switching or dropping coverage.

The plan aims to catch those who otherwise would have become uninsured after Republican Gov. Tim Pawlenty eliminated nearly \$400 million in funding for GAMC as part of a deficit fix earlier this year. The future of the program's patients will be one of the top issues in next year's legislative session, starting in February.

"I was not going to simply be left in a position of having no coverage for these people for any period of time," Ludeman said.

Democrats said it would be difficult for the poorest, most vulnerable residents to handle a program that requires premiums and paperwork to stay enrolled. GAMC covers 36,000 very low-income adults — some homeless, others with incomes as low as a couple thousand dollars a year. MinnesotaCare is insurance for 125,000 working poor who pay monthly premiums on a sliding scale.

"Within six months, tens of thousands more Minnesotans will be uninsured at great cost to all of us," said Rep. Paul Thissen, one of a dozen Democrats running for governor.

Ludeman said counties would pay the new group's MinnesotaCare premiums for the first four to six months. Later, enrollees will have to pay at least \$4 a month.

Democrats raised other concerns:

—Sen. Linda Berglin of Minneapolis said a state law prohibits transferring groups including the homeless and AIDS patients from GAMC onto MinnesotaCare. But Ludeman said the Human Services Department has the legal authority to transfer the patients.

—Berglin said moving all GAMC patients to MinnesotaCare would dry up MinnesotaCare's funding by March or April 2011.

—Rep. Tom Huntley of Duluth said many GAMC patients likely will need more hospital coverage than the program provides, which means hospitals will end up with uncompensated costs.

Republicans praised Ludeman for arranging to keep GAMC patients insured and said they will work with the Democrats who control the Legislature on a longer-term plan.

"If there's a better way to cover these folks, then let's work together. But this at least makes sure that they have continuous coverage into the future," said Rep. Matt Dean of Dellwood.

Berglin said Democrats have been working behind the scenes on their own proposals.

A fiscal note prepared months ago by the Human Services Department estimated the cost of transferring GAMC patients to MinnesotaCare at \$217 million by the middle of 2011. That figure will be updated with a new state budget forecast next month.

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