

From: Ulbee, Gretchen (DHS) [REDACTED]
Sent: Wednesday, April 20, 2011 6:02 PM
To: Schubel, Jessica (CMS/CMCS); Garner, Angela D. (CMS/CMCS)
Cc: Kooistra, Jan M (DHS)
Subject: FW: Outstanding PMAP+ questions from CMS
Attachments: 10 3-29 response to CMS questions and updated amends.pdf

Categories: Minnesota - 2011 Renewal

Hello Jessica –

Thanks for the additional information about the topics to be discussed on the call tomorrow. Attached please find a 3/29/2010 letter that I think will be helpful background for you regarding your topics #1, 2 and 4.

Below is an email exchange with Wanda that will provide some background on topics #2 and 3

We look forward to talking with you tomorrow.

Gretchen Ulbee
Minnesota Department of Human Services

From: Ulbee, Gretchen (DHS)
Sent: Friday, July 16, 2010 3:52 PM
To: PIGATT-CANTY, WANDA (CMS/CMSO)
Cc: Kooistra, Jan M (DHS)
Subject: Outstanding PMAP+ questions from CMS

Wanda -

You requested more information on two aspects of the pending amendments to Minnesota's PMAP+ §1115 waiver. I apologize for my delay in responding to you

1)

Q: Minnesota has requested a change in the procedures relating to the business exclusion. Please describe how this change would differ from current practice and whether it would result in loss of eligibility for some applicants.

A: For self employed persons applying for assistance, Minnesota currently allows an exclusion for up to \$200,000 in capital or operating assets of a trade or business in accordance with former AFDC methodology. It is not uncommon, however, for applicants to

have a single account that comingles business funds with personal funds used to pay personal expenses. Under these circumstances, it is difficult to determine which funds should be treated as part of the business exclusion, and which funds should be counted towards the asset limit.

The Minnesota Legislature approved a requirement that self-employed applicants and recipients must have a separate accounts for used solely for business purposes and personal funds in order to utilize the exclusion for business funds. Failure to separate personal and business funds would result in denial of the exclusion for business funds. This change would clarify and simplify application of the business funds exclusion and prevent fraud. This change could result in some persons being unable to utilize the business exclusion if they refuse to maintain a separate account for business funds.

For the benefit our legislature, Minnesota requests confirmation from CMS on whether this constitutes a more restrictive method or procedure in violation of the ARRA MOE, or the ACA MOE. Would it be possible for Minnesota to proceed with this revision as an improvement on verification measures?

2)

Q: Please describe the federal reporting for children with incomes over 275% FPG enrolled in MinnesotaCare under the MCHA exception whose premiums cover the cost of care.

A: . Minnesota reports the waiver expenditures on the CMS 64.9 Waiver page for PMAP+. Premium amounts received are not reflected on the waiver page. On a quarterly basis, receipt of MinnesotaCare premiums are included in "Line 9-D Other Collections." Premiums are reported on the CMS-64 every quarter on a cash basis, as they are received. Enrollees must pre-pay their MinnesotaCare premiums in order to become eligible for the program. Generally, enrollees must pre-pay their premiums in order to maintain eligibility for the program. Therefore, on an aggregate level, Minnesota does not require federal funds for coverage of the small number children over 275% FPG who meet the MCHA exception. In effect, this is not a federally funded group.

I hope this information is helpful. Please contact me if you have any follow-up questions.

Thanks,
Gretchen

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