

**Minnesota Section 1115 Demonstration Amendment
Questions and Answers**

Q. What is being approved today?

- A. CMS is approving Minnesota's Medicaid section 1115 demonstration amendment request. This amendment will be effective August 1, 2011. It will allow the State to expand demonstration coverage to the MinnesotaCare Adults without Children population, which is comprised of childless, non-pregnant adults ages 21-64 with income above 75 percent of the Federal poverty level (FPL) and at or below 250 percent of the FPL. This amendment will also allow the State to come into compliance with a recent change in state law that eliminated the authority to provide continued eligibility for children with family income below 275 percent of the FPL whose parents fail to return completed renewal forms while the State used other available means to verify family income.

Q. What will this Demonstration amendment allow the State to accomplish?

- A. This Demonstration extension will allow Minnesota to expand its PMAP+ demonstration to a new population, MinnesotaCare Adults without Children. It will also allow the State to come into compliance with a recent change in State law that removes the authority for the demonstration to provide continued eligibility for children in families at or below 275 percent of the FPL whose parents fail to return completed renewal forms while the State used other available means to verify family income.

Q. What benefits will be provided to the expansion population?

- A. The MinnesotaCare Adults without Children population will have access to a limited benefit package nearly identical to the one available to caretaker adults under the demonstration. This population will have access to a benefit package identical to that offered under Minnesota's Medicaid State plan, with the following exclusions:

- Services included in an individual's education plan;
- Private duty nursing;
- Orthodontic services;
- Non-emergency medical transportation services;
- Personal Care Services;
- Targeted case management services;
- Nursing facility services; and
- ICF/MR services.

This population is also subject to a \$10,000 annual limit on inpatient hospitalization.

Q. What cost-sharing will be imposed on the expansion population?

A. MinnesotaCare Adults without Children will be charged premiums on a sliding scale and be subject to copayments that exceed the amounts allowed under the Minnesota Medicaid State plan. There is a 10% copay for inpatient hospital stays, capped at \$1,000 per year. They will not be subject to a deductible.

Q. Who does this amendment impact?

A. This amendment impacts current and future MinnesotaCare Adults without Children population members by moving them from the State-only funded program into the demonstration. The expansion does not impact any existing demonstration populations.

The amendment will also affect children with family income at or below 275 percent of the FPL. Children in this population whose parents fail to return completed renewal forms will no longer receive continued eligibility while the State uses other available means to verify family income. This could lead to some children being dropped from coverage.

Q. What is the budget neutrality impact of the State's request?

A. The State indicates that, at the conclusion of the Demonstration extension period, in FFY 2014, the program will have a budget neutrality margin of \$143.8 million (total computable), and a cumulative budget neutrality margin of \$334.9 million (total computable).

Q. What was the public process associated with this amendment?

A. The population expansion component of this amendment request was included in the State's larger demonstration renewal public notification process. On April 1, 2010, the State sent a notice to all tribal chairs and tribal health directors requesting their comment on the State's intent to submit a request to CMS extending the PMAP+ demonstration. Opportunity for discussion and comment was provided at the quarterly tribal health director's meeting on May 12, 2010. A request for public comment on the State's extension request was published in the Minnesota State Register on May 24, 2010. The income verification component was a part of the State's budget process.