

**Centers for Medicare & Medicaid Services – Summary
Minnesota’s Section 1115 Prepaid Medical Assistance Project Plus (PMAP+)
Demonstration Renewal Request
August 2010**

Greetings Federal Review Team,

The Centers for Medicare & Medicaid Services (CMS) has received a demonstration renewal request from Minnesota for their current Medicaid section 1115 demonstration entitled, Prepaid Medical Assistance Project Plus (PMAP+). The PMAP+ demonstration is scheduled to *expire on June 30, 2011. Please review the summary document and supporting documents in order to develop your questions/comment. All responses should be forwarded to wanda.pigatt-canty@cms.hhs.gov no later than September 14, 2010.* Thank you in advance for your response to this request.

Demonstration Background

Minnesota’s section 1115 PMAP+ demonstration was initially approved and implemented in 1995. This demonstration provides Federal financial participation for healthcare coverage to individuals enrolled in the MinnesotaCare Program which include: pregnant women, children under 21, caretaker adults and Medicaid infants under 2 years. All of the MinnesotaCare eligibles covered under the PMAP+ Demonstration have incomes at or below 275 % of the FPL. In addition, the PMAP+ Demonstration provides waiver authority to mandate specific Medicaid state plan groups into managed care.

Proposed Amendments to the Demonstration

The State’s renewal request includes several proposed amendments to the PMAP+ demonstration that were being reviewed by CMS and were previously forwarded to the Federal Review Team (FRT) in October 2009. The State provided responses in March 2010 and the responses were shared with the FRT. In May 2010 CMS held a call with the State to clarify some of the eligibility changes being requested. The chart below provides a description of the proposed amendment, status updates and location of the amendment in the State’s renewal request:

#	Amendment Request	Status Update
1 Pg 43	Rebase - The State is requesting to rebase the current PMPM costs in the budget neutrality agreement for all MEGS to reflect actual waiver expenditures for year 2008-2009	Under review
2 Pg 45 & 47	Coverage of adults without children (21 to 64 yrs with income at or below 250 % of the FPL) using unspent DSH – The State is requesting waiver and expenditure authority allowing the State to access unspent DSH allotment to matching funds for prepaid capitation health care expenditures in the MinnesotaCare program up to the amount the unspent DSH allotment after the State Plan DSH obligations have been satisfied. The State is anticipating low-income adults without children will be enrolling into the State funded portion of MinnesotaCare.	The State had explored State plan option but did not secure Legislative authority to pursue the state plan option so the State is requesting this amendment under the demonstration. <i>See March 2010 document pg 9-11.</i>

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3 Pg 21	<p>Two month extended Medical Assistance eligibility for children under 19 and automatic MNCare eligibility for former Medical Assistance Children Provides for two month extended Medical Assistance eligibility for children under age 19 who become ineligible due to excess income. The child is deemed automatically eligible for MNCare until their next renewal, but must pay the MNCare premium in order to be enrolled.</p>	Under review – State wants to expand eligibility for Medicaid children under the demonstration.
4 Pg 15	<p>Elimination of MinnesotaCare Farm Depreciation Income Add-back The commissioner must resubmit for federal approval the elimination of the add-back of depreciation to income for self-employed farmers</p>	Under review- Previously disapproved in 2008 renewal request due to preferential treatment being afforded to farmers over other self-employed persons.
5 Pg 20	<p>MinnesotaCare Rolling Month Eligibility Allows MinnesotaCare enrollees who fail to submit renewal forms to remain eligible for an additional month before being disenrolled. The enrollee remains responsible for the MinnesotaCare premium for the rolling month.</p>	State views this as administrative amendment to assist in more efficient processing of eligibility to reduce the number of disenrollment due to late paperwork submission.
6 Pg 21	<p>Automatic MinnesotaCare Eligibility for Children Residing in Foster Care or Juvenile Residential Correctional Facility Upon completion of an initial application, provides “automatic” MinnesotaCare for any child who was residing in foster care or a juvenile residential correctional facility on the child’s 18th birthday (No income limit, insurance barriers or premiums.) MinnesotaCare coverage begins the first day of the month following the date of termination from foster care or release from a juvenile residential correctional facility. Individuals must be contacted annually to ensure that they continue to reside in the state and are interested in continuing MinnesotaCare coverage. The first period of renewal begins the month the enrollee turns 21.</p>	Under review- expand eligibility for these groups of children after they are moved out of foster care or juvenile residential facility. The State does not currently cover these groups under the State plan.

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7 Pg	Elimination of Minnesota Comprehensive Health Association (MCHA) Exclusion Eliminates MCHA exclusion. Children with incomes over 275 % FPG may purchase health care coverage through a state-funded program. to simplify operations, the provision allowing certain children with family incomes over 275 % FPG to remain enrolled in federally –funded MinnesotaCare under this waiver is eliminated.	Potential ARRA and ACA MOE violations due to change in eligibility method. Under review <i>Note-the current special terms and conditions contain the MCHA exclusion for children above 275 % of the FPL.</i>
8 Pg 19	Income Verification and Renewals for MinnesotaCare Children MinnesotaCare children in families with income equal to or below 275 percent of FPG who fail to submit renewal forms and related documentation necessary for verification of continued eligibility in a timely manner shall remain eligible. The commissioner shall use the means in subd. 2 or any other means available to verify family income. If the commissioner determines through other means that there has been a change in income that affects premiums, the commissioner shall notify the family of the new premium payment. If the new premium payment is not received, the children will be disenrolled effective the first day of the calendar month following the calendar month for which the premium is due.	
9 Pg 16	Sponsor Deeming for Qualified Noncitizen PW and Children Eliminates sponsor deeming for qualified noncitizen PW and children for MA & MinnesotaCare	This request may be withdrawn as the State has submitted Medicaid SPA that has addressed this issue.
10 Pg 18	Asset Methodology Relating to Bank Accounts Used to Pay Personal Expenses: Bank accounts that contain personal income or assets, or that are used to pay personal expenses, are not considered a capital or operating asset of a trade or business for the purposes of determining g Medicaid eligibility.	Potential ARRA and ACA MOE violations due to change in eligibility method. Under review
11 Pg 26	MinnesotaCare Grace Month Nonpayment of premiums will result in disenrollment effective the first day of the calendar month following the month the premium was due.	Under review

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12 Pg 20	Elimination of MinnesotaCare (MNCare) Premiums and Insurance Barriers Eliminates premiums and insurance barriers for MinnesotaCare for children in families with income up to 200% FPG	Under review
13 Pg 28	Chiropractic Services Adds medically necessary chiropractic exams to MinnesotaCare benefit set	State informed CMS that this will be pursued through Medicaid SPA process. The STC will reflect benefits same as Medicaid state plan coverage.
14 Pg 20	Exemption from 4-month insurance barrier for recipients of state COBRA subsidy Provides state subsidy equal to 35 percent of the premiums that an individual is required to pay for continuation of healthcare coverage under COBRA Any individual who receives a state subsidy under this provision is exempt from the MinnesotaCare four-month insurance barrier if the individual or the individual’s beneficiaries apply for MinnesotaCare after the individual no longer receives COBRA continuation coverage.	Under review
15 Pg 25	Coverage Effective Date for Newly Adopted Children Codifies MinnesotaCare policy regarding effective date of newly adopted children- Change to first day of the month of placement for purposes of adoption.	Under review
16 Pg 17	Public Assistance Eligibility for Catastrophe Survivors Payments made to victims under the emergency relief fund and the catastrophe survivor compensation fund shall not be counted as income or assets for the purpose of determining eligibility for state health care [MA, MNCARE, GAMC] and maintenance programs [MFIP]. Victims of the I-35 W bridge collapse and their families who would otherwise be eligible for health care programs financed with federal funding shall be eligible for and enrolled in health care programs paid with state funding until and unless federal approval of this exclusion is granted.	Under review
17 Pg 11	Increase Income Limit for MinnesotaCare Caretaker Adults Increases the \$50,000 income limit for MN Care caretaker adults to \$57,500 or 275 % FPG whichever is lower.	Under review