

**From:** [Schubel, Jessica \(CMS/CMCS\)](#)  
**To:** [Sheer, Jennifer L. \(CMS/CMCS\)](#)  
**Date:** \* No Date \*  
**Subject:** FW: Additional Budget Neutrality Idea  
**Attachment(s):** 1

FYI

From: Godfrey, David W (DHS) [mailto:████████████████████]  
Sent: Wednesday, May 18, 2011 5:37 PM  
To: Wachino, Victoria A. (CMS/CMCS)  
Cc: Ulbee, Gretchen (DHS); R5MNMD (CMS contact); Schubel, Jessica (CMS/CMCS)  
Subject: Additional Budget Neutrality Idea

Vikki,

We would like to add an additional budget neutrality approach for you to consider for the MinnesotaCare adults without children population between 133%–250% of poverty. Sorry we didn't mention it on the phone. We think this may be among one of the more viable strategies we have shared with you thus far.

Over the course of the PMAP waiver, we have never included premium revenue in our budget neutrality reporting. The return of premium revenue is not reported on the PMAP+ waiver pages in the CMS-64. However, Minnesota is able to isolate the amounts received. The federal share of the premium revenue collected under the MinnesotaCare waiver since SFY 1999 is \$135 million. Over the course of SFY 11 to SFY 13 we are projecting another \$55 million. These amounts would be sufficient to cover the federal share of our projected costs for the adults without children population 133–250% FPG for the period July 1, 2011 through

December 31, 2014. Please see the attached file which shows the historic and projected value of the program's premium revenue.

While we believe that the income disregard is the best approach, we think that using savings generated by premiums over the course of the waiver may be a more expeditious route for you to consider. If you need any more information about this approach, please contact Gretchen Ulbee at [REDACTED] Thank you.

David Godfrey

State Medicaid Director

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