

**From:** Ulbee, Gretchen (DHS) [REDACTED]  
**Sent:** Tuesday, May 31, 2011 6:26 PM  
**To:** Schubel, Jessica (CMS/CMCS)  
**Subject:** RE: MN update

**Categories:** Minnesota - 2011 Renewal

Hello Jessica –

Regarding the reference to June -- I believe that David was referring to the Governor's efforts to work with the legislature to come up with a solution to the state budget impasse in June. My understanding is that the Governor will not call a special session until there is agreement on a proposed budget and on an agenda for the special session. So the special session could be called in June, or it could be later.

Regarding your question about separate business and personal accounts for self-employed applicants:

The requirement to separate self-employment business funds from personal funds arose out of the discovery by fraud investigators that wages from other employment were being added to an account that contained self-employment business assets, when the client had not reported a job.

Separating funds of a trade or business in an account different from personal funds avoids the above issue, as well as the challenge that would occur at application or renewal in attempting to identify and separate transactions occurring in a comingled bank account so that a worker can assign them to:

- Self-employment income
- Wage income
- Funds of a trade or business that would be excluded
- Other funds that would not be excluded

The availability of a tax return does not necessarily help with this exercise, since it often represent a point in time different from the evaluation of the account.

The policy proposal is intended to improve upon some of this complexity and a very difficult task for the worker.

Regarding the request for a historical comparison of expenditures on waiver eligibles to state plan groups, this is what we're proposing to provide to you

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- Total PMAP expenditures and total enrollee months for PMAP pregnant women, PMAP parents and PMAP children for waiver years 2006 through 2010 (not broken down by age, gender, geographic region, etc). This could be compared to the budget neutrality figures we provide to you regarding MinnesotaCare pregnant women, MinnesotaCare parents and MinnesotaCare children. We don't have a comparable group for the MA one year olds who are a waiver population. Is this what you are looking for?

*Gretchen Ulbee*  
*Minnesota Department of Human Services*

**From:** Schubel, Jessica (CMS/CMCS) [mailto: [REDACTED]]  
**Sent:** Wednesday, May 25, 2011 10:28 AM  
**To:** Ulbee, Gretchen (DHS)  
**Cc:** Garner, Angela D. (CMS/CMCS); Sheer, Jennifer L. (CMS/CMCS)  
**Subject:** RE: MN update

Gretchen,

Thanks for the update. Let me know if anything changes, although, Vikki mentioned that when she ran into David on Monday, he said that the letter would be very helpful in June. Is that when the Governor plans to call a special session? If not, do you know what David was referring to?

Also, I have an additional question for you re: the State's request to require a separate bank account in order for self-employed applicants to receive the \$200,000 capital exclusion. Could you please elaborate a little more on the State's current process for when an applicant comes in with a comingled account? That is, how are the eligibility workers reviewing the file and making the determination re: what type of funds are excluded? I found some emails from you to Wanda about this issue, but just wanted a little bit more detail on your current process.

And one final request, I know we've recently discussed the historical expenditure data for budget neutrality purposes, but I was wondering if you all were able to finish your analysis in order to send the data to us. We're eager to work with you on expanding coverage to the higher income childless adult population, but I want to make sure we have everything at our disposal given the expedited timeframe we're working under.

Let me know if you want to set up some time to discuss.

Thanks,  
Jessica

**From:** Ulbee, Gretchen (DHS) [mailto: [REDACTED]]  
**Sent:** Wednesday, May 25, 2011 11:16 AM  
**To:** Schubel, Jessica (CMS/CMCS)  
**Subject:** MN update

Jessica-

FYI the MN legislative session is over with no agreement, the budget

bills that were passed have been vetoed, and government shutdown will occur June 30 unless the parties can come to an agreement.

<http://www.startribune.com/politics/statelocal/122545854.html>

**Gretchen Ulbee**

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