



Minnesota Department of **Human Services**

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**DATE:** June 18, 2014

**TO:** County Human Services Agencies  
**Attention: Fiscal Supervisors and other interested staff**

**FROM:** Chris Ricker  
Director of Health & Human Service Fiscal Operations  
Financial Operations Division

**SUBJECT:** Second Quarter 2014 Fiscal Memo

The 2014 AMSSA summer conference begins next Monday. My staff and I have been busy putting together our materials and are looking forward to visiting with you during the conference. Please remember that there is no “official” Resource Session this year so if you have questions that you normally ask during that designated time block, please be sure to seek out the staff person in-between the sessions. The conference committee has put together a great agenda and has increased the break times to 30 minutes between sessions to help with facilitating time for you to ask your questions. Below are thirteen topics for your review regarding human service fiscal and reporting issues.

**1. Impact of the Newly Eligible Medical Assistance Recipient Claims on Counties**

Under the Affordable Care Act, Adults without children between the ages of 21 and 65 who meet income guidelines are eligible for Medical Assistance. This group is sometimes referred to as the AX eligibility group or the Expanded MA recipients or as Newly Eligible. The MA AX group was eligible for MA in Minnesota before January 1, 2014 as part of Minnesota’s expansion of MA and until January 1, 2014, this group was eligible for 50% federal funding. After 1/1/14, this same group, MA AX, is eligible for 100% federal funding for eligible claims. This group is referred to as newly eligible because this group was not eligible for federally funded Medical Assistance in 2009 when the Affordable Care Act went into law.

How does Minnesota getting 100% Federal funding for the Newly Eligible MA AX group impact county finances?

For eligible claims paid after January 1, 2014:

- County cutbacks on Mental Health Targeted Case Management (MH-TCM) and Vulnerable Adult and Developmentally Delayed (VADD-TCM) claims will be zero
- County share of contracted vendors claims for TCM will be zero
- County share of Long Term Care claims will be zero

- County share of MA recoveries will be zero

If you have questions regarding Newly Eligible county claims issues, please contact Becky Path at (651) 431-3771 or [rebecca.path@state.mn.us](mailto:rebecca.path@state.mn.us)

## **2. Alternative Care**

Claims for Alternative Care (AC) provider services were processed with only state funds between November 1, 2013 and April 1, 2014. DHS received federal funding approval for the Alternative Care Program. MHCP did a mass adjustment to these claims on May 20, 2014, with the correct funding code allowing for partial federal funding. The reprocessed claims will not affect the reimbursement amount on the original claim.

If you have any questions regarding the Alternative Care Program, please contact Becky Path at (651) 431-3771 or [rebecca.path@state.mn.us](mailto:rebecca.path@state.mn.us)

## **3. Emergency General Assistance (EGA) Allocation Update**

The allocation period for EGA is coming to a close. EGA is a state fiscal year allocation which means it ends on June 30<sup>th</sup>. Payments from MAXIS must be approved and issued before July 1<sup>st</sup> and any refunds must be deposited at MN DHS by end of business day, June 30<sup>th</sup>. Please check your allocation utilization summary for the balance of EGA funds for your county. You may view the most recent version on CountyLink (click on Fiscal Reporting & Accounting tab, then scroll down to Allocation utilization summaries, and click on EGA Allocation Summary SFY2014). State Fiscal Year (SFY) 2015 allocations will also be posted on CountyLink as soon as they are available.

If you have any questions or concerns with your EGA allocation or the expenditures related to it, please contact Rick Hallanger at (651) 431-3756 or [richard.hallanger@state.mn.us](mailto:richard.hallanger@state.mn.us)

## **4. Revised Allocations for CY2014**

The Basic Sliding Fee allocation has been undated to include the carry-over of funds from CY 2013. Counties who spend at least 90% of their allocated fund have the unspent funds added to the next year's allocation.

Additional state funds were made available for the Vulnerable Children and Adult (VCA) grant. These funds were appropriated as part of the Reform 2020 initiatives related to vulnerable adults. The federal Title-XX grant saw a decrease as the full impact of sequestration was applied to this grant in Federal Fiscal Year 2014. Overall, the funds for the VCA grant increased three percent.

If you have any questions on these revised allocations, please contact David Hanson at (651) 431-3737 or [david.m.hanson@state.mn.us](mailto:david.m.hanson@state.mn.us)

## **5. Calendar Year 2015 Allocations**

The Calendar Year 2015 allocations for MFIP Consolidated Fund, Basic Sliding Fee Child Care, Parental Support Outreach, Family Response, DD-SILS, Family Support Grant, Adult Mental Health and Children's Mental Health Grants are available of CountyLink. Please visit CountyLink for the most current allocation information.

The adult mental health grant does not include amounts for Intensive Community Rehabilitation Services (ICRS). Funds for ICRS is only appropriated through SFY 2015. The Department is working to determine the amounts for Calendar Year 2015.

If you have any questions on calendar year 2015 allocations please contact David Hanson at (651) 431-3737 or [david.m.hanson@state.mn.us](mailto:david.m.hanson@state.mn.us)

## **6. Day Training and Habilitation Funding**

The legislature passed funding for a rate increase for Day Training and Habilitation (DT&H) services. Historically these increases had been added to the former Children and Community Services Act (CCSA) Grant. The CCSA grant was repurposed into the Vulnerable Children and Adult (VCA) grant which no longer covers DT&H services. This reimbursement is only intended to cover the costs of the rate increase.

The DHS will proportionally distribute a quarterly allotment based on counties reported DT&H costs reported through SEAGR BRASS code 566x. The quarterly allotments are \$25,000 for Quarter Ending June 30, 2014 and \$160,500 a quarter beginning July 1, 2014. This amount may increase with future rate increases. Counties can estimate their reimbursement by comparing their total expenditures for BRASS code 566x to the statewide total expenditures for BRASS code 566x. The statewide total can be found in the SEAGR reports on CountyLink.

Payments will be made with the invoice field code: 75.DAYTRAINHABL41.XXXX.X.STATE

If you have any questions on Day Training and Habilitation, please contact David Hanson at (651) 431-3737 or [david.m.hanson@state.mn.us](mailto:david.m.hanson@state.mn.us)

## **7. Long Term Services & Supports (LTSS) and MA Administration**

Related to the implementation of MnCHOICES—both the Social Service Time Study (SSTS) and the Local Collaborative Time Study (LCTS) were revised October 1, 2013. Per your request, the payments related to the LTSS activity are being paid under invoice field codes separate from MA administration. Although the LTSS portion of the SSTS and LCTS payments are made separately—they are technically “MA administration”.

If you are a county who has experienced a decrease in the MA ADMINISTRATION portion of your SSTS and/or LCTS payments, there are a number of reasons the time study results related to MA administration have changed.

- **Some of the former MA administrative activity was moved to LTSS**
  - When the former fee-for-service LTSS activities were “unbundled” – the activities that the feds consider to be “administrative” in nature were removed from the fee-for-service payment methodology, grouped together with related MA administrative activities on the time studies and separated into “LTSS” categories. All the activity is now correctly being paid as LTSS administration under the time studies.
  
- **New staff was added to both time studies (SSTS & LCTS)**
  - Whenever new staff is added to the time studies, it is bound to affect the time study results because it changes the mix and proportion of reimbursable versus non-reimbursable activity.
  
- **Activity codes changed October 1, 2013**
  - Historically speaking—each time we’ve made a major change to the activity codes in a time study, there has been a temporary fluctuation for the first quarter or two. In other words, the results are a little wonky until things settle down and level off. Until things level off, we are in a “wait and see” mode before we can determine the overall effect of the change. This happens for a number of reasons. When mandatory training is required, it serves as a refresher for staff. Also, there is initial uncertainty in the selection of new activity codes. It takes a couple quarters for staff to become confident in selecting a new code and/or deepen their understanding of where their activity best fits given the changes.
  
- **Some participants could have been selecting MA administration codes when doing LTSS activities that were formerly paid as a fee for service**
  - We cannot rule out the possibility that time study participants were inadvertently selecting reimbursable MA administrative codes (in the past) when they were doing LTSS activities that were formerly paid as a fee for service. If this was the case, and they are now selecting the LTSS codes, that would result in a net decrease to the (non-LTSS) MA administrative reimbursement.

Time study results are the one factor of a federal claim calculation that cannot be “verified” – as opposed to reported costs and/or client counts. The time study participants themselves are solely responsible for the outcome of the time study results. Therefore—while impossible for anyone to say with certainty why the time study results changed and affected MA administration as they did, I am fairly confident that the explanations above—in some combination and/or proportion—serve as the reason why. I hope this is helpful information as you attempt to understand and explain the fluctuations in time study reimbursement, as we all navigate the changes required related to long term services and supports (LTSS).

We have two breakout sessions this year at the summer AMSSA conference related to MnCHOICES and this topic. Please join us there for additional information and updates on hot topics. For questions related to LTSS, please contact DiAnn Robinson at (651) 431-3739 or [diann.robinson@state.mn.us](mailto:diann.robinson@state.mn.us)

## 8. Invoice Field Code Changes

DHS Financial Operations (FOD) has been working with Minnesota Management & Budget (MMB) and Olmsted County in creating a better interface with state payments to counties. It was discovered that some of our invoice field codes were not translating to your agencies correctly – specifically, invoice field codes that have asterisks in them. Please refer to the table below for the changes.

Current	Revised	Description
00SNAPCWIADMIN**	00SNAPCWIDEADMIN	SNAP County-Wide Indirect - Income Maintenance
65MAINCENTIVEST*	65MAINCENTIVESTA	MA Medical Support State Incentive
70LTSS*SSTS*ST57	70LTSS_SSTS_ST57	Medical Assistance LTSS Administration - Social Services (SSTS) - State Share
70MA*LTSS*STSS67	70MA_LTSS_STSS67	Medical Assistance LTSS Administration - Social Services (SSTS)
70MAADMIN*SSTS54	70MAADMIN_SSTS54	Medical Assistance Administration - Social Services (SSTS)
60MXINVRFDAPRE*	60MAXINVRFDAPRE	MAXIS Invoice Credit Balance, AFDC Pre-TANF Recoveries
60MXINVRFDMFPRE*	60MAXINVRFDMFPRE	MAXIS Invoice Credit Balance, MFIP Pre-TANF Recoveries
65MA*FLTSS*MATTS	65MA_FLTSS_MATTS	Federal LTSS for MATTS
65MA*SLTSS*MATTS	65MA_SLTSS_MATTS	State LTSS for MATTS
65MA*LTSS*SSATTS	65MA_LTSS_SSATTS	Federal LTSS for SSATTS
65MA*LTSS*SSATTS	65MA_LTSS_SSATTS	State LTSS for SSATTS

71IVEFCAA*SSTS02	71IVEFCAA_SSTS02	Title IV-E Administration - Training Social Services (SSTS)
71IVEFCMAINT**01	71IVEFCMAINTEN01	Title IV-E Foster Care Maintenance (Other than Rule 5 Facilities)
71MAADMIN*LCTS07	71MAADMIN_LCTS07	Medical Assistance Administration - Local Collaborative Time Study (LCTS)
71MA*FELTSS*LCTS	71MA_FELTSS_LCTS	Federal Local Collaborative Time Study (LCTS)
71MA*STLTSS*LCTS	71MA_STLTSS_LCTS	State Local Collaborative Time Study (LCTS)
73CDSTS#####*21	73CDSTA#####S21	State CD Programs - Contract No. in numerals represented here by #
74MHHOMELESS*S30	74MHHOMELESGRS30	Mental Health Homeless Grant - State
74MHISOARPROJ*31	74MHISOARPROJS31	Mental Health Initiative - State - SOAR Project
74PATH*HOMLSMH30	74PATHHOMELSMH30	Mental Health Homeless Grant - Federal PATH

These revised invoice field codes are effective immediately and will be updated in the calendar year 2015 invoice field code bulletin that will be published in late December 2014 or early January 2015. If you have any questions on invoice field codes, please contact Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

## 9. Now on CountyLink

Five items have been added to our tab (Fiscal Reporting & Accounting) on the CountyLink website.

MFIP Consolidated Grant Summary March CY2014. If you have any questions on this summary, please contact Jerry Medicott at (651) 431-3781 or [gerald.medlicott@state.mn.us](mailto:gerald.medlicott@state.mn.us)

Net County Admin Report 12-31-2013 New Version and Net County Admin Report 12-31-2013 Old Version. If you have any questions on these Child Support Net County Administrative Cost reports, please contact Matt Hanson at (651) 431-3747 or [matthew.hanson@state.mn.us](mailto:matthew.hanson@state.mn.us)

SEAGR Calendar Year 2014 First Quarter Statewide Data. If you have any questions, please contact Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

Quarterly Fiscal Memo 2014 Quarter 1. If you have any questions regarding the quarterly fiscal memo, please contact Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

If you have suggestions on other Financial Operations content you would like to see on CountyLink, please contact Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

## **10. DHS Bulletin Format has Changed**

On April 1, 2014, the format of official DHS bulletins changed to be in compliance with state and national standards for accessibility. The over-all appearance of the bulletin has not changed – the cover page of all bulletins will still state the topic and purpose of the bulletin and the contact information of the person creating the bulletin. The terminology notice is a new requirement of all DHS bulletins. The new format of the bulletins will ensure that everyone including persons with disabilities will be able to access our bulletins. If you have questions on specific bulletins, please refer to the contact section on the cover page of the bulletin. General bulletin questions can be forwarded to Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

## **11. Financial Operations Division Bulletins Published Since Last Fiscal Memo**

- Bulletin 14-32-07 (June 5, 2014) **Title IV-E Foster Care Per Diem Rates for Children’s Residential Facilities and Child Placing Agencies.** Quarterly list of Title IV-E eligible children’s group residential facilities and Rule 4 child placing agencies. If you have any questions regarding this bulletin, please contact Deb Jensen at (651) 431-3740 or [deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)
- Bulletin 14-32-08 (May 29, 2014) **Relative Custody Assistance Reporting Requirements.** The requirements for the Relative Custody Assistance (RCA) program payments now include completion of the RCA Report on a quarterly basis. If you have any questions regarding this bulletin, please contact Deb Jensen at (651) 431-3740 or [deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)

## **12. Personnel Changes**

Bridgit Olson has been hired to replace Emily Cline, who left for greener pastures, as the Project Manager for some of the various time studies, including the Social Service Time Study (SSTS).

Please refer to the attached Health & Human Service Finance staff listing for complete information on all FOD HHSF staff.

## **13. Next quarterly memo publication date**

The publication date of the next quarterly memo is scheduled for Monday, September 29, 2014. If you have any suggestions on topics, please contact Julie Spurgeon. Also, if you are receiving this memo and would no longer like to receive it, or know someone that you would like to receive it directly from DHS, please contact Julie Spurgeon at (651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

## HEALTH & HUMAN SERVICE FINANCE

### DHS Financial Operations Division

*As of June 18, 2014*

#### **Chris Ricker: Manager of Health & Human Service Finance**

(651) 431-3545 or [chris.ricker@state.mn.us](mailto:chris.ricker@state.mn.us)

Directs the policies, planning, staff, units, and overall operations of Health Care Accounting, Economic Support, Time Studies and Rates, and Grants and Allocations units. Directly supervises the staff in the Program Specialists Unit.

#### **Sara Warner: Administrative Assistant**

(651) 431-3776 or [sara.warner@state.mn.us](mailto:sara.warner@state.mn.us)

Provides administrative support to managers, supervisors and division staff

#### **Julie Spurgeon: County Human Service Accounting and Reporting Fiscal Manager**

(651) 431-3782 or [julie.spurgeon@state.mn.us](mailto:julie.spurgeon@state.mn.us)

Administers fiscal reporting by counties to DHS for human service activity including management of the SEAGR Report (DHS-2557), BRASS, Social Services Fund Report (DHS-2556), MA county confirmation report, standard Invoice Field Codes, and the annual County Human Service Cost Report; Provides technical assistance to counties and DHS staff regarding accounting and fiscal reporting to DHS; Approves county requests for fiscal report deadline extensions.

#### **Becky Path: Health Care Accounting Supervisor**

(651) 431-3771 or [rebecca.path@state.mn.us](mailto:rebecca.path@state.mn.us)

Supervises the Health Care Accounting staff responsible for submission of federal quarterly reports for Medicaid and CHIP (CMS 64/21), 1099s, tax liens on MMIS providers, and county MMIS billings.

#### **Sarah Britten: Accounting Officer Senior**

(651) 431- 3753 or [sarah.e.britten@state.mn.us](mailto:sarah.e.britten@state.mn.us)

Fund accountant for Moving Home Minnesota, Consolidated Chemical Dependency Treatment Fund (CCDTF), and manages 1099 process for MMIS providers who receive a paper warrant.

#### **Robyn Hietpas: Fund Accountant for MA and CHIP**

(651) 431-3768 or [robyn.j.hietpas@state.mn.us](mailto:robyn.j.hietpas@state.mn.us)

Fund accountant for Medicaid and CHIP and responsible for submission of CMS 64/21. Also acts as fund accountant for Consumer Support Grant and Alternative Care Program.

**Ermias Kifle: Fund Accountant for MA Administration**

(651) 431-3755 or [ermias.kifle@state.mn.us](mailto:ermias.kifle@state.mn.us)

Fund accountant for Medical Assistance Administration and Health Information Technology and coordinates county invoices and advances.

**Jim Schorey: Accounting Officer Senior**

(651) 431- 3754 or [jim.schorey@state.mn.us](mailto:jim.schorey@state.mn.us)

Develops reporting and structures to support most of the unit operations. Compiles, calculates, and validates the Accounts Payable (IBNR) report to federal and state agencies.

**Shawn Tobias: Economic Support Unit Supervisor**

(651) 431-3727 or [shawn.tobias@state.mn.us](mailto:shawn.tobias@state.mn.us)

Supervises the fiscal policy, operations and staff involved in the fiscal management of Economic Support, Interim Assistance and Child Care programs and systems.

**Cindy Barnier: Economic Support Accounting Technician**

(651) 431-3752 or [cindy.barnier@state.mn.us](mailto:cindy.barnier@state.mn.us)

Performs Interim Assistance Payment Program accounting functions; Complete and submit federal Social Security Administration (SSA) forms; research and resolve client and SSA inquiries; and review, code, and process payments to clients and SSI providers. Responds to requests for copies of redeemed state warrants (includes MAXIS & MEC<sup>2</sup>). Process and report on MAXIS Miscellaneous refunds. Provides additional accounting support for Economic Support Unit.

**Rick Hallanger: MAXIS Operations Accountant**

(651) 431-3756 or [richard.hallanger@state.mn.us](mailto:richard.hallanger@state.mn.us)

Responsible for MAXIS and MEC<sup>2</sup> operations and drawing of federal funding and submission of wire transfers for MAXIS and MEC<sup>2</sup> daily activity in various accounts.

**Matt Hanson: Child Support and SNAP Fiscal Manager**

(651) 431-3747 or [matthew.hanson@state.mn.us](mailto:matthew.hanson@state.mn.us)

Responsible for Child Support and SNAP administrative reimbursement, federal fiscal reporting, and FSET fiscal activities.

**Peter Stahley: TANF and Child Care Fiscal Manager**

(651) 431-3748 or [peter.l.stahley@state.mn.us](mailto:peter.l.stahley@state.mn.us)

Responsible for overall TANF and Child Care activity including preparation of TANF and Child Care federal fiscal reports; Responsible for MAXIS benefit issuance and MAXIS county invoices.

## **David Hanson: Grants & Allocations Unit Supervisor**

(651) 431-3737 or [david.m.hanson@state.mn.us](mailto:david.m.hanson@state.mn.us)

Supervises the fiscal policy, operations, and staff involved with the fiscal management of social service grants and allocations.

### **Deb Jensen: Title IV-E Fiscal Management Analyst**

(651) 431-3740 or [deb.jensen@state.mn.us](mailto:deb.jensen@state.mn.us)

Administers overall Title IV-E accounting and claiming including federal reporting and preparation of the quarterly Title IV-E federal claim. Provides fiscal policy expertise and analytical resources for fiscal management of the federal Title IV-E program.

### **Rhonda Lord: Foster Care Maintenance and Adoption Assistance Accountant**

(651) 431-3787 or [rhonda.lord@state.mn.us](mailto:rhonda.lord@state.mn.us)

Administers the Title IV-E foster care maintenance claiming, auditing, and payment system. Provides accounting support for the Relative Custody Assistance and Subsidized Adoption programs.

### **Phyllis Meath: Community Partnerships Fiscal Manager**

(651) 431-3484 or [phyllis.meath@state.mn.us](mailto:phyllis.meath@state.mn.us)

Administers the Children's Trust Fund, Child Care Quality and Availability grants, Family Support Grant, and DD-SILS.

### **Jerry Medicott: Block Grant and Consolidated Fund Fiscal Manager**

(651) 431-3781 or [gerald.medlicott@state.mn.us](mailto:gerald.medlicott@state.mn.us)

Administers the VCA grant which includes Title XX social service block grant, MFIP Consolidated Fund Support Services, and the ICWA grant.

### **Linda Mueller: Refugee Program Fiscal Manager**

(651) 431-3786 or [linda.mueller@state.mn.us](mailto:linda.mueller@state.mn.us)

Responsible for federal fiscal budgets and reports for the Refugee Programs and county activity and vendor contracts used to administer the Refugee Programs in Minnesota.

### **Lynn Nguyen: Children and Family Service Fiscal Manager**

(651) 431-3483 or [lynn.t.nguyen@state.mn.us](mailto:lynn.t.nguyen@state.mn.us)

Administers Title IV-B Parts 1 and 2, Alternative Response grants, SELF grant, and Family Group Decision Making grant.

Lynn also administers the Community Services Block Grant, Emergency Service Grant Program, Supportive Housing Program, Emergency Assistance Food Program, MN Economic Opportunity Grants, Transitional Housing Program Grants, Community Food and Nutrition, and Emergency Food and Shelter.

**Ray Truelson: Mental Health Grants Fiscal Manager**

(651) 431-3780 or [ray.truelson@state.mn.us](mailto:ray.truelson@state.mn.us)

Administers the Children's Mental Health and Adult Mental Health grants.

**DiAnn Robinson: Time Studies & Rates Unit Supervisor**

(651) 431-3739 or [diann.robinson@state.mn.us](mailto:diann.robinson@state.mn.us)

Supervises the fiscal policy, operations, and staff involved in the fiscal management of division time studies and TCM rate setting activity.

**Heide Moris: County Federal Administrative Reimbursement Specialist**

(651) 431-3774 or [heide.moris@state.mn.us](mailto:heide.moris@state.mn.us)

Project manager for the Income Maintenance Cost Allocation (IMCA) system, the Income Maintenance Random Moment Time Study (IMRMS), the associated cost report (DHS-2550), and the associated federal administrative reimbursement.

**Bridgit Olson: Federal Time Studies Program Accountant**

(651) 431-3800 or [bridgit.olson@state.mn.us](mailto:bridgit.olson@state.mn.us)

Project manager for the following time studies: Social Service Time Study (SSTS), Placing Agencies Time Study (PATs), Group Facilities (GRF), Mental Health Certified Facilities (MHC) projects and their associated federal administrative reimbursement, as well as Targeted Case Management rate setting for child welfare (CW-TCM), mental health (MH-TCM) and vulnerable and developmentally disabled adults (VA/DD).

**Danna Reese: Tribal & Collaborative Reimbursement Specialist**

(651) 431-3785 or [danna.reese@state.mn.us](mailto:danna.reese@state.mn.us)

Project manager for the following time studies: Local Collaborative Time Study (LCTS), Medicaid Administrative Tribal Time Study (MATTS), Social Services Administrative Tribal Time Study (SSATTS) and their associated federal administrative reimbursement.