Minnesota Department of **Human Services**

Memo

DATE: June 17, 2016

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

FROM: Chris Ricker
Health & Human Service Finance Manager
Financial Operations Division

SUBJECT: Second Quarter 2016 Fiscal Memo

The annual AMSSA conference is right around the corner. Due to prior commitments, I will not be attending the conference this year. My supervisors, David Hanson, Becky Path, DiAnn Robinson and Shawn Tobias will be in attendance and will be following up with me on any questions that you might have. Like last year, I will send out a conference follow up memo if necessary to address your questions and/or concerns. So until then, below are 7 topics covering human service fiscal and reporting items. I am pleased to announce the inclusion of another article (number 6) from the Agency and Performance Management Systems Division.

1. Periodic Data Match Allocation – Update

In my March 2016 memo, I announced the 2015 Legislature appropriated monies to assist counties with their costs associated with the Periodic Data Matching (PDM) effort. The legislation further specified the funds be allocated between counties in proportion to each county's number of cases (Medicaid + MinnesotaCare) from the prior year. The amounts to be allocated are as follows:

SFY16 - $26,000
SFY17 - $1,276,000
SFY18 - $2,166,000
SFY19 - $2,212,000

The first disbursement, which will combine the SFY16 & SFY17 appropriations ($1,302,000), will occur in July of 2016.

We've also received some questions regarding PDM and linkages to the Income Maintenance Random Moment Time Study (IMRMS). Please see our responses below:

Q - What type of PDM expenditures are to be reported on the 2550?

A - All expenditures related to PDM should be reported on the 2550. We anticipate the majority of costs, if not all, will be made up of eligibility worker staff time to perform the verification required. How are we to report them? The current reporting structure is already in place to pick up these costs. For example – the cost of employing your eligibility workers is reported on the 2550 in *Section A – IMRMS Time Study Expenditures*.

Q - Will the report be revised to accommodate PDM?
A - As stated above, the current reporting structure is currently in place to pick up the costs so no changes are necessary.

Q - Are we required to track PDM expenditures separately?
A - At this time, we don't believe that is necessary.

Q - Is there also FFP?
A - Yes. Based on our understanding, PDM activity is closely related to initial eligibility determination activity. When this type of work is done by eligibility workers, they record it on the IMRMS then reimbursement is determined by the time study and cost allocation process. Reimbursement for PDM activity will work the same way.

Q - Will there be training? Guidance?
A - FOD is committed to providing technical assistance and guidance related to the time study and cost reporting. For now, we don't anticipate any changes to the IMRMS or the 2550, so our current IMRMS/IMCA training held on March 23, 2016 still applies.

Q - Do we have to track eligibility worker time separately for PDM, and if so how will this affect the time study?
A - At this time, we don't believe that separate activity codes will be necessary to specifically track PDM related activity.

Additional questions on how to report expenditures funded by PDM dollars on the 2550 can be directed to Heide Moris at (651) 431-3774 or heide.moris@state.mn.us

2. Invoicing for DHS Central Office Expenses related to TCM, Rule 5 and LCTS

Once again, invoices will be sent out this summer for SFY16 central office expenses related to each of the respective funding streams. **When your county pays the invoice** (not the date of the invoice or when you receive it) you must report the amount paid as a **reduction of revenue** on the SEAGR Report. Do not claim the amount paid as an expenditure under any BRASS code on SEAGR.

Invoice for CW-TCM – Reduce your revenue reported in **F05** on SEAGR by the amount paid to DHS for central office expenditures related to CW-TCM.

Invoice for CMH-TCM – reduce your revenue reported in **F64** on SEAGR by the amount paid to DHS for central office expenditures related to CMH-TCM.

Invoice for AMH-TCM – reduce your revenue reported in **F31** on SEAGR by the amount paid to DHS for central office expenditures related to AMH-TCM.

Invoice for VA/DD-TCM – reduce your revenue reported in **F42** on SEAGR by the amount paid to DHS for central office expenditures related to VA/DD-TCM.

Invoice for Rule 5 – reduce your revenue reported in **F66** on SEAGR by the amount paid to DHS for central office expenditures related to Rule 5.

Invoice for LCTS – reduce your revenue reported in **F07** on SEAGR by the amount paid to DHS for central office expenditures related to LCTS.

If you have questions related to SEAGR reporting of the invoices please contact Julie Spurgeon at (651) 431- 3782 or *julie.spurgeon@state.mn.us*

3. Policy Change Regarding Child Support Application Fee

Due to legislative changes, the child support application fee will be eliminated for applicants effective July 1, 2016.

The application fee will be reduced from $25 to $.01 and the state will pay the application fee.

Counties will continue to process incoming applications with an application fee through June 30, 2016. Counties are asked to process as many applications as possible by this deadline so PRISM automatically creates the application fee obligation.

Effective July 1, 2016, counties will begin processing applications with no fee required.

To process applications received **prior to July 1, 2016 with** an application fee, complete a DICR Adjustment Request to build and pay the fee obligation.

To process an application that was received **prior to July 1, 2016 without** an application fee, proceed without the application fee.

For applications older than two months that have not been processed, check with the applicant to verify if they still want services.

If you have questions on the child support application fee, please contact Matt Hanson at (651) 431-3747 or *matthew.hanson@state.mn.us*

4. Uniform Guidance

Under Uniform Guidance (UG), the Department is considered a "pass-through" entity for several federally funded awards. As such, UG requires us to ensure every subaward distributed to local entities is clearly identified to those who receive such funds (subrecipients). We have developed a table of most applicable subawards to assist you in the identification and tracking of these funds. The table has been posted on CountyLink. To access, click on the **Fiscal Reporting & Accounting** tab at top of page and then on **Pass-Through Entity Requirements** on the left hand side.

http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=Fiscal_Reporting

We are interested in your comments and feedback on the table so feel free to contact me at (651) 431-3545 or *chris.ricker@state.mn.us* or David Hanson at (651) 431-3737 or *david.m.hanson@state.mn.us*

5. Chemical Dependency Maintenance of Effort

Chemical Dependency (CD) County Maintenance of Effort payments (MOE) is changing starting July 1, 2016. The share that counties pay for chemical dependency services that are not Medical Assistance eligible under Minnesota Statutes 254B.03, subdivision 4 Division of Costs was amended from 22.95 percent to 20.2 percent for July 1, 2016 – June 30, 2017 only.

If you have any questions regarding CD MOE payments, please contact Becky Path at (651) 431-3771 or *rebecca.path@state.mn.us*

6. Financial Operations Division Bulletins Published Since Last Fiscal Memo

Bulletin 16-32-06C (April 14, 2016) Corrected Bulletin #16-32-06C: Northstar Care for Children Maintenance and Supplemental Difficulty of Care Payment Rates. If you have any questions on this bulletin, please contact David M. Hanson at (651) 431-3737 or *david.m.hanson@state.mn.us*

Bulletin 16-32-07 (May 23, 2016) Targeted Case Management (TCM) Client Statistical Report (CSR). If you have any questions on this bulletin, please contact Bridgit Olson at (651) 431-3800 or *bridgit.olson@state.mn.us*

Bulletin 16-32-02C (June 14, 2016). Corrected Bulletin #16-32-02: DHS Publishes Standard Invoice Field Codes for Calendar Year 2016. If you have any questions on this bulletin, please contact at (651) 431-3782 or *Julie.Spurgeon@state.mn.us*

Bulletin 16-32-08 (June 17, 2016). Calendar Year 2017 Participation Rates. If you have any questions on this bulletin, please contact at (651) 431-3782 or *Julie.Spurgeon@state.mn.us*

7. Human Services Performance Management System

During the 2013 legislative session, the Minnesota Legislature established the Human Services Performance Management system to develop outcomes, performance measures, and thresholds around the measures for essential human services. The mission of the system is to improve outcomes for all people.

The performance management system currently has measures for the following program areas: child support, child protection, economic supports, and adult protection. Currently, the DHS Performance Management Team is in the process of developing measures for children's and adult mental health.

The process for developing measures for the Community Supports Mental Health area includes:

- Collaboration with DHS program area experts and county representatives to scope the mental health measures development process.
- The convening of a stakeholder workgroup to discuss high level outcome measures and determine which are both important to measure and feasible to implement (the stakeholder workgroup will include DHS staff, county representatives, advocates, providers, and consumers).
- Recommended measures brought forward to DHS leadership and requiring approval from the Human Services Performance Council and the Commissioner, before being adopted.

The work completed up to this point includes:

- Project planning related to measures development.
- Development of a mental health measures inventory.
- Collaboration and meeting planning with staff from the DHS mental health area and counties.
- Partnering with Minnesota Management and Budget continuous improvement staff to scoping the work around measures development. The first scoping meeting is June 29th and will include both DHS staff and counties.

Once the measures have been developed and adopted by the performance management system, baseline performance data for the new measures will be shared with counties. Per the performance management system's policies and procedures, counties will not be held accountable for their performance around the new measures until the following year (after baseline data is shared).

If you have any questions regarding developing measures for children's and adult mental health, please contact Jessica Cintorino at (651) 431-4688 or Jessica.cintorino@state.mn.us

8. Next Quarterly Memo Publication Date

The publication date of the next quarterly memo is scheduled for Friday, September 30, 2016. If you have any suggestions on quarterly memo 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*