Increased Federal Medical Assistance Percentages for Titles IV-E and IV-B Agencies

TOPIC
A temporary increase in the Federal Medical Assistance Percentage (FMAP) rate used to determine the federal share of expenditures for assistance payments under Title IV-E Foster Care, Adoption Assistance and Guardianship Assistance programs.

PURPOSE
Announce a temporary increase in the Federal Medical Assistance Percentage rate used to determine the federal share of expenditures for assistance payments under Title IV-E Foster Care, Northstar Adoption Assistance and Kinship Assistance programs.

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TERMINOLOGY NOTICE
The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.
I. Temporary Increased FMAP Rate

BACKGROUND
The Families First Coronavirus Response Act, Public Law Number 116-127, provides a temporary increase in the Federal Medical Assistance Percentage (FMAP) rates used to determine the federal share of expenditures for assistance payments under the Title IV-E Foster Care, Adoption Assistance and Guardianship Assistance programs. The Coronavirus Aid, Relief and Economic Security (CARES) Act, Pub. L. No. 116-136, makes additional appropriations for Title IV-B, subpart 1, of the Act.

A. New FMAP Rates
Section 6008 of Families First Coronavirus Response Act, Public Law Number 116-127, temporarily permits eligible states to increase by 6.2 percentage points the FMAP rate calculated under section 1905(b) of the Social Security Act, used to determine the federal share of expenditures under the Title IV-E Foster Care, Guardianship and Adoption Assistance programs. The increased FMAP rate is available for each calendar quarter occurring during the period beginning the first day of the emergency period (January 27, 2020), ending the last day of the calendar quarter in which the last day of such emergency period occurs. Therefore, the increased FMAP rate was effective beginning January 1, 2020.

For more information about eligibility and FMAP calculations, see Families First Coronavirus Response Act – Increased FMAP FAQs. For purposes of federal financial participation under Title IV-E Foster Care, Northstar Adoption Assistance and Kinship Assistance programs, the increased FMAP rate applies to state, tribal and territory Title IV-E agencies.

Minnesota’s current FMAP rate is 50% for county agencies. The tribal FMAP rate is 83% for four tribes: Leech Lake Band of Ojibwe, Mille Lacs Band of Ojibwe, Red Lake Nation and White Earth Nation, which have Title IV-E agreements.

1. County FMAP Rate
As a result of the temporary 6.2% FMAP increase, the county rate is 56.2%, effective January 1, 2020.

2. Tribal FMAP Rate
As a result of the temporary 6.2% increase, the tribal FMAP rate is 89.2% for Leech Lake, Mille Lacs, Red Lake and White Earth, effective January 1, 2020.

B. Medical Assistance for Children who Receive Title IV-E Foster Care, Northstar Adoption Assistance and Kinship Assistance during the Emergency
To qualify for increased FMAP, county and tribal agencies must maintain Medical Assistance (MA) for children or youth in Title IV-E foster care, Northstar adoption or kinship assistance, enrolled in MA on and after March 18, 2020, throughout the COVID-19 Peacetime emergency.
During the emergency, MA coverage must continue for youth and children who might otherwise have MA coverage terminated after a change in circumstances, including those whose foster care, kinship or adoption assistance ends, or whose whereabouts become unknown. MA coverage must continue, except in circumstances where a youth or child voluntarily requests closure, moves out of state, or passes away.

In accordance with Governor Waltz’s Emergency Executive Orders 20-11 and 20-12, and as federally approved, the Minnesota Department of Human Services (department) has implemented temporary policy changes to ensure MA enrollees, including youth and children receiving foster care, kinship or adoption assistance maintain coverage for the duration of the COVID-19 peacetime emergency. See instructional bulletin #20-21-02, DHS Announces Temporary Policy Changes to Minnesota Health Care Programs during the COVID-19 Peacetime Emergency for more information.

Beginning March 18, 2020, to qualify for the temporary FMAP increase, county and tribal agencies must, through the end of the month when the public health emergency ends, and pertaining to child welfare, maintain Medical Assistance eligibility standards, methodologies, or procedures that are no more restrictive than what were in place as of January 1, 2020.

County, tribal agencies and DHS department staff should submit Medical Assistance and Minnesota Care policy questions via Health Quest.

II. Title IV-E Foster Care Report – Social Service Information System and Fiscal Claiming

The FMAP rate increase will impact the quarter 1, 2020, Child Foster Care report, which required system modifications. Modifications to the FMAP were completed April 16, 2020, reflecting the 6.2% increase for each Title IV-E claim.

The increase will impact the Child Foster Care Report Title IV-E reimbursement calculation and will reflect the increase in each eligible claim and are based on the current warrant effective dates. When the emergency period ends, the Social Service Information System and Financial Operations Division will make necessary changes to the system to reflect the future quarter’s differences.

Resources and References

Families First Coronavirus Response Act, P.L.116-127
Coronavirus Aid, Relief and Economic Security Act, P.L. 116-136
ACYF-CB-IM-20-05, April 6, 2020, Administration for Children Youth and Families
Families First Coronavirus Response Act – Increased FMAP FAQs

Americans with Disabilities Act (ADA) Advisory

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