

**CENTERS FOR MEDICARE AND MEDICAID SERVICES
WAIVER AND EXPENDITURE AUTHORITIES
Amended July 2011**

NUMBER: 11-W-00039/5

TITLE: Minnesota Prepaid Medical Assistance Project Plus (PMAP+)

AWARDEE: Minnesota Department of Human Services

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived in this list, shall apply to the Demonstration project beginning July 1, 2011 through December 31, 2013.

Under the authority of section 1115(a)(1) of the Social Security Act (the Act), the following waivers of State Plan requirements contained in section 1902 of the Act are in effect to enable Minnesota to carry out the PMAP+ demonstration:

Title XIX Waivers

1. Statewideness/Uniformity **Section 1902(a)(1) as implemented by
42 CFR 431.50**

To the extent necessary to enable the State to provide managed care plans or certain types of managed care plans, including provider-sponsored networks, only in certain geographical areas of the State.

2. Freedom of Choice **Section 1902(a)(23)(A) as
implemented by 42 CFR 431.51**

To the extent necessary to enable the State to restrict the freedom of choice of providers for demonstration participants who are made eligible through the State plan in order to enroll the participants into managed care.

3. Amount, Duration, and Scope **Section 1902(a)(10)(B) of the Act as
implemented by 42 CFR 440.240(b)**

To the extent necessary to enable the State to vary the services offered to individuals, within eligibility groups or within the categorical eligible population, based on differing managed care arrangements or in the absence of managed care arrangements, and to enable the State to provide a different benefit package to persons who elect to participate in MinnesotaCare than is being offered to the traditional Medicaid population.

4. Coverage /Benefits for Pregnant Women **Section 1902(a)(10)(A)(i)(IV) in the
matter after 1902(a)(10)(G)(VII)**

To the extent necessary to exempt the State from the requirement that it limit medical

assistance to certain pregnant women for services related to pregnancy and conditions that may complicate pregnancy.

5. Comparability of Eligibility Standards Section 1902(a)(17)

To the extent necessary to permit the State to apply different eligibility standards across populations. Specifically, this waiver enables the State to perform annual income reviews for certain medically needy recipients who have only unvarying unearned income or whose sole income is from a source excluded by law, whereas other medically needy recipients are subject to 6-month income reviews. This waiver also allows the State to impose an exclusion on certain assets for applicants and enrollees who are engaged in a trade or business.

**6. Resource Methodologies Section 1902(r)(2)(A) as
implemented by 42 CFR 435.601**

To the extent necessary to permit the State to exclude up to \$200,000 capital or operating assets of a trade or business during the eligibility determination process, provided that the individual's bank accounts contain no personal income, or are not used to pay personal expenses.

Expenditure Authorities

Under the authority of section 1115(a)(2) of the Act, expenditures made by the State for the items identified below (which are not otherwise included as expenditures under section 1903) will be regarded as expenditures under the State's title XIX plan for the period of this extension.

The following expenditure authorities shall enable Minnesota to operate its section 1115 demonstration.

1. Population 1: Expenditures for Medicaid coverage to children age 12 to 23 months with family incomes at or below 275 percent of the Federal poverty level (FPL) who would not be otherwise eligible for Medicaid.
2. Population 2: Expenditures for MinnesotaCare coverage for pregnant women with incomes at or below 275 percent of the FPL, who would not otherwise be eligible for Medicaid or who would be eligible under the State plan but who have elected not to apply under the State plan.
3. Expenditures for Medicaid coverage for pregnant women described in section 1902(a)(10)(A)(i)(IV) of the Act, to the extent that services are provided that are in addition to services related to pregnancy and conditions which may complicate pregnancy.
4. Expenditures for Medicaid coverage for pregnant women with incomes at or below 275 percent of the FPL who would not otherwise be eligible for Medicaid.
5. Population 3: Expenditures for MinnesotaCare coverage for children through age 20

at or below 200 percent of the FPL who (a) either would not be otherwise eligible for Medicaid under the State Plan or would be eligible under the State plan but who have elected not to apply under the State plan and (b) are not entitled to Medicare.

6. Population 4: Expenditures for MinnesotaCare coverage for children through age 20 above 200 and at or below 275 percent of the FPL who (a) either would not be otherwise eligible for Medicaid under the State Plan or would be eligible under the State plan but who have elected not to apply under the State plan, (b) are not entitled to Medicare, and (c) meet other eligibility criteria described in paragraphs 19 and 20 of the STCs.
7. Population 5: Expenditures for MinnesotaCare coverage for caretaker adults of children who are eligible for Medicaid, CHIP or MinnesotaCare with family incomes at or below 275 percent of the FPL or \$57,500 per year (whichever is lower), and who (a) either would themselves not be otherwise eligible for Medicaid under the State Plan or who would be eligible under the State plan but who have elected not to apply under the State plan, (b) are not eligible for Medicare, and (c) meet other eligibility criteria described in paragraphs 19 and 20 of the STCs.
8. Expenditures for Medicaid coverage for medically needy individuals who have unvarying unearned income or whose sole income is from a source excluded from consideration by law, to the extent that they would be ineligible under the State plan using a 6-month budget period instead of a 12-month budget period.
9. Population 6: Expenditures for MinnesotaCare coverage for individuals under the age of 21 who, on their 18th birthday, reside in a foster care placement and who have completed an initial application for MinnesotaCare, regardless of whether other MinnesotaCare requirements are met, beginning the first day of the month following the date of termination of foster care.
10. Population 7: Expenditures for MinnesotaCare coverage for individuals under the age of 21 who on their 18th birthday reside in a juvenile residential correctional facility, who have completed an initial application for MinnesotaCare, regardless of whether other MinnesotaCare requirements are met, beginning on the first day of the month following release from a juvenile residential correctional facility.
11. Population 8: Expenditures for MinnesotaCare coverage for adults age 21 to 64 years old, without children with family incomes above 75 percent and at or below 133 percent of the FPL, and who (a) would not be otherwise eligible for Medicaid under the State Plan, (b) are not entitled to Medicare, and (c) meet other eligibility criteria described in STC 19 and 22.
12. Population 9: Expenditures for MinnesotaCare coverage for adults age 21 to 64 years old, without children with family incomes above 133 percent and at or below 250 percent of the FPL, and who (a) would not be otherwise eligible for Medicaid under the State Plan, (b) are not entitled to Medicare, and (c) meet other eligibility criteria described in STC 19 and 22.

13. Expenditures for payments made directly to medical education institutions or medical providers and restricted for use to fund graduate medical education (GME) of the recipient institution or entity through the Medical Education and Research Costs (MERC) Trust Fund. In each Demonstration Year, payments made under this provision are limited to the amount claimed for FFP under this demonstration as MERC expenditures for SFY 2009. Except as specifically authorized in paragraph 36 of the STCs, the State may not include GME as a component of capitation rates or as the basis for other direct payment under the State plan. This expenditure authority will be subject to changes in Federal law or regulation that may restrict the availability of Federal financial participation for GME expenditures.

Requirements Not Applicable to the Expenditure Authorities

All requirements of the Medicaid program expressed in law, regulation, and policy statement, not expressly waived or identified as not applicable in the list below, shall apply to the expenditure authorities beginning July 1, 2011 through December 31, 2013. The list below is applicable to demonstration participants receiving MinnesotaCare coverage who would not otherwise be eligible for Medicaid or who would be eligible under the State plan but who have elected not to apply under the State plan. This list does not pertain to MA One Year Olds.

1. Cost Sharing **Sections 1902(a)(14) insofar as it incorporates 1916**

To enable the State to impose premiums and cost sharing that are above the limits in current Medicaid statutes.

2. Financial Responsibility/Deeming **Section 1902(a)(17)(D)**

To exempt the State from the limits on whose income and resources may be used in determining the eligibility of family members.

3. Methods of Administration: Transportation **Section 1902(a)(4), insofar as it incorporates 42 CFR 431.53**

To the extent necessary to enable the State to not assure transportation to and from providers for non-pregnant adults ages 21-64.

4. Reasonable Promptness **Section 1902(a)(8)**

To the extent necessary to allow the State not to provide coverage until the first day of the month following an individual's first premium payment.

To the extent necessary to allow the State to impose a period of ineligibility on applicants who currently have other health insurance coverage or had other health insurance coverage during the 4 months immediately preceding the effective date of MinnesotaCare coverage.

5. Retroactive Eligibility

Section 1902(a)(34)

To the extent necessary to allow the State to not provide coverage for any time prior to the first of the month following an individual's first premium payment.

6. Managed Care Payment

Section 1903(m)(2)(A)(ii)
Section 1902(a)(4)

To the extent necessary to allow the State to make payments directly to providers, outside of the capitation rate, for graduate medical education through the Medical Education and Research Costs (MERC) Trust Fund.

7. Income Disregard

Section 1902(r)(2)

To the extent necessary to allow the State to apply an income disregard to Population 9 adults without children applicants who have family income above 133 and up to and including 250 percent of the FPL.