

March 26, 2012

David Godfrey, State Medicaid Director
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983

RE: MN 11-010

Dear Mr. Godfrey:

This letter is being sent as a companion to our approval of Minnesota State plan amendment (SPA) 11-010 submitted June 30, 2011 by the Minnesota Department of Human Services and effective July 1, 2011. This SPA proposes to implement a new rate methodology for Consolidated Chemical Dependency and Treatment Fund (CCDTF) program services by replacing county and tribal negotiated rates with statewide payment rates that include statewide graduated rate and complexity standards to address client need.

In order to assure that the State plan is a comprehensive document, we reviewed the entire contents of the submitted reimbursement pages. The CMS review of SPA 11-010 included an analysis of the contents for Item 13.d Rehabilitative services on the submitted Attachment 4.19-B, page 45d describing the new rate methodology for CCDTF services. As a result of our same page review, we have several comments regarding provider travel time and school based services. Based on your response, we may have further questions.

1. Provider travel time.
 - a. Regulations at 42 CFR 430.10 which implement section 1902(a), subsection 1902(a)(30)(A), of the Social Security Act (the Act), require that the State plan be a comprehensive written statement containing "all information necessary for CMS to determine whether the plan can be approved as a basis for Federal Financial Participation (FFP) in the State program." In order for the effective date of the provider time travel to be a comprehensive description, we require the State to revise the language in paragraph 1 from "Effective January 1, 2002" to "Effective for services provided on or after January 1, 2002".
2. Payment for EPSDT rehabilitative services identified in IFSPs/IEPS under the Individuals with Disabilities Education Act (IDEA).
 - a. Section 1902(a)(2) of the Act requires us to assure that the non-Federal share of claimed expenditures from state or local sources for the amount, duration, scope and quality of