

July 9, 2012

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

Dear Mr. Godfrey:

This letter is being sent as a companion to our approval of State plan amendment (SPA) 11-030b submitted December 22, 2011 by the Minnesota Department of Human Services and effective October 1, 2011. This SPA changes the distribution date for graduate medical education payments to rural health clinics (RHC), federally qualified health centers (FQHC), physicians, chiropractors, clinics, dentists, and pharmacies. This letter contains our corresponding page questions and concerns related to RHCs and FQHCs found on Attachments 3.1-A/3.1-B of SPA MN 11-030b.

Attachment 3.1-A, pages 13 and 14; Attachment 3.1-B, pages 12 and 13

1. Please identify specific limitations provided in RHC and FQHC services. It appears that the pages refer to the limitations of covered services elsewhere in the State plan. Please clarify whether that indicates that limitations specified elsewhere apply to RHCs and FQHCs also. If that is the case, CMS views this as combining limitations, which isn't allowable.
2. What practitioners are providing services in these settings?

The State has 90 days from the date of this letter to address the issues described above. Within that period the State may submit SPAs to address the inconsistencies or submit a corrective action plan describing in detail how the State will resolve the issues identified above in a timely manner. Failure to respond may result in the initiation of a formal compliance process. During the 90 days, CMS will provide any required technical assistance. If you have any additional questions, please have a member of your staff contact Courtenay Savage at (312) 353-3721 or via e-mail at Courtenay.Savage@cms.hhs.gov.

Sincerely,



Verlon Johnson
Associate Regional Administrator
Division of Medicaid and Children's Health Operations

cc: Ann Berg, MDHS