
FEB 11 2016

Ms. Marie Zimmerman
Medicaid Director
Minnesota Department of Human Services
540 Cedar St, PO Box 64983
St. Paul, MN 55167-0983

Dear Ms. Zimmerman:

This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS) has approved your request to extend Minnesota's section 1115 demonstration, Prepaid Medical Assistance Project Plus (PMAP+) (Project No. 11-W-00039/5). This approval is effective through December 31, 2020. This extension is granted under the authority of section 1115(a) of the Social Security Act. This five-year extension allows the state to continue:

- Medicaid coverage for one-year olds with incomes above 275 percent of the federal poverty level (FPL) and at or below 283 percent of the FPL;
- Waiver of requirements to redetermine the basis for eligibility for Medicaid Caretaker adults with incomes at or below 133 percent of the FPL living with child (ren) age 18 who are not full time secondary school students;
- Full Medical assistance benefits for pregnant women during their hospital presumptive eligibility period; and,
- Graduate Medical Education (GME) payments through the Medical Education and Research Costs (MERC) trust fund.

The demonstration no longer contains authority related to:

- American Indians, as defined in 25 U.S.C. 1603(c), who would not otherwise be mandatorily enrolled in managed care;
- Children under age 19 who are in state-subsidized foster care or other out-of-home placement; and
- Children under age 19 who are receiving foster care under title IV-E.

CMS's approval of the PMAP+ extension includes the following changes to the Special Terms and Conditions (STCs):

- Additional MERC evaluation and reporting requirements; and
- Deletion of the Comprehensive State Quality Strategy requirements.

CMS's approval of the PMAP+ extension is conditioned upon continued compliance with the enclosed special terms and conditions (STCs) defining the nature, character, and extent of anticipated federal involvement in the project. The award is also subject to receipt of your written acknowledgement of the award and acceptance of the STCs within 30 days of the date of this letter.

Please send your written acceptance and any communications or official correspondence concerning the demonstration to your project officer, Ms. Dina Payne. Ms. Payne can be reached at (410) 786-3574, dina.payne1@cms.hhs.gov or at the following address:

Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services
Mail Stop: S2-01-16
7500 Security Boulevard
Mailstop: S2-01-16
Baltimore, MD 21244-1850

Please send official communications regarding program matters simultaneously to Ms. Payne and to Ms. Ruth Hughes, Acting Associate Regional Administrator for the Division of Medicaid and Children's Health in our Chicago Regional Office. Ms. Hughes' contact information is:

Ms. Ruth Hughes
Acting Associate Regional Administrator
Division of Medicaid and Children's Health Operations Program
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519

If you have questions regarding this approval, please contact Mr. Eliot Fishman, Director, State Demonstrations Group, Center for Medicaid & CHIP Services, at (410) 786-9535.

We look forward to continuing to work with you and your staff.

Sincerely,

A handwritten signature in black ink, appearing to read 'Vikki Wachino', is written over a circular stamp. The stamp contains some illegible text or a logo.

Vikki Wachino
Director

Enclosures

cc: Ruth Hughes, Associate Regional Administrator, CMS Region V

**CENTERS FOR MEDICARE & MEDICAID SERVICES
EXPENDITURE AUTHORITIES**

NUMBER: 11-W-0039/5

TITLE Minnesota Prepaid Medical Assistance Project Plus (PMAP+)

AWARDEE: Minnesota Department of Human Services

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

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 expenditure authorities listed below promote the objectives of title XIX by: increasing overall coverage of low-income individuals in the state, improving health outcomes for Medicaid and other low-income populations in the state, and increasing access to, stabilizing, and strengthening the availability of provider and provider networks to serve Medicaid and low-income individuals in the state.

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

1. Population 1: Expenditures for Medicaid coverage for children from ages 12 months through 23 months, who would not otherwise be eligible for Medicaid, with income above 275 percent and at or below 283 percent of the federal poverty level (FPL).
2. Expenditures for Medicaid coverage for pregnant women described in section 1902(a)(47) of the Act, to the extent that services are provided during a hospital presumptive eligibility period, that are in addition to ambulatory prenatal care services.
3. 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 federal financial participation (FFP) under this demonstration as MERC expenditures for state fiscal year (SFY) 2009. Except as specifically authorized in 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 as of January 1, 2016 through December 31, 2020.

1. 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 GME and other medical education through the MERC trust fund.

**CENTERS FOR MEDICARE & MEDICAID SERVICES
WAIVER AUTHORITIES**

NUMBER: 11-W-00039/5

TITLE: Minnesota Prepaid Medical Assistance Project Plus

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 from January 1, 2016 through December 31, 2020.

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

Redeterminations for Caretaker Adults Section 1902(a)(17)

To the extent necessary to enable the state to not perform a redetermination of the basis of eligibility for caretaker adults with income at or below 133 percent of FPL because they assume responsibility for and live with a child age 18 who is not a full time student in secondary school.