



## Minnesota Department of Human Services

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January 19, 2011

To: Chair and committee members of the Senate Health and Human Services Committee  
Chair and committee members of the House Health and Human Services Committee

From: Alex Bartolic, Director *Alex Bartolic*  
Department of Human Services, Disabilities Services Division

RE: 2010 Legislative Directive to Seek Federal Financial Participation (FFP) to Accompany Grants to Advocating Change Together (ACT)

The 2010 legislature passed First Special Session, Chapter 1, Article 17, Sec 16<sup>1</sup>, which requires the Commissioner of the Department of Human Services to seek authority to consider activities completed by Advocating Change Together as administrative in nature for the purposes of collecting federal match in addition to the legislatively-appropriated grant funding.

The Disability Services Division and the Financial Operations Management Division of the Department of Human Services has worked with ACT over the last 18 months and identified an option that may receive consideration by Centers for Medicare and Medicaid Services (CMS). This option involves ACT participating in a time study and performing other reporting tasks. It is a significant undertaking for this small grant and ACT has expressed some concern about the level of effort required.

There have been numerous contacts between DHS and ACT by phone, e-mail, letters, and face-to-face meetings. There has been extensive research completed by the Disability Services Division, the Financial Management Division and Advocating Change Together which has only produced this one option for administrative funding for ACT to consider.

The department has consistently stressed to ACT, and interested legislators, that even if the work is completed, there is little chance that CMS would approve our request for federal match. In the event that federal match were authorized, the anticipated result is that there would be limited benefit directly for the intended work of ACT, due to the cost associated with administering the process, which would reimburse DHS to cover the cost of the activities necessary to obtain federal funding. This was the agreement reached between ACT and the

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<sup>1</sup> 2010 Laws of Minnesota, 1<sup>st</sup> special session, chapter 1, article 17, section 16.

Sec. 16. **COMMISSIONER TO SEEK FEDERAL MATCH.**

(a) The commissioner of human services shall seek federal financial participation for eligible activity related to fiscal years 2010 and 2011 grants to Advocating Change Together to establish a statewide self-advocacy network for persons with developmental disabilities and for eligible activities under any future grants to the organization.

(b) The commissioner shall report to the chairs and ranking minority members of the senate Health and Human Services Budget Division and the house of representatives Health Care and Human Services Finance Division by December 15, 2010, with the results of the application for federal matching funds.

department to avoid a fiscal note on the bill that was passed by the legislature requiring the commissioner to seek federal match for ACT.

DHS and ACT have exhausted all other possible options of federal administrative match for this grant. To date, DHS has not received necessary information from ACT to pursue federal administrative match under the time study and corresponding functions. Upon such time that ACT completes the activities that have been identified for this purpose and provides the department with requested information, DHS would pursue seeking FFP.

Another option for ACT is Medicaid reimbursement as an enrolled Developmental Disabilities (DD) Waiver provider; some of their activities qualify as a billable waiver service for persons on the DD Waiver. This would generate new revenue in addition to grant funds.

As required by law, DHS is providing this advisory to the chairs of the human services committees as to the disposition of this effort. Please contact me should you have further questions.