

# Bulletin

March 31, 2006

Minnesota Department of Human Services □ 444 Lafayette Rd. □ St. Paul, MN 55155

**OF INTEREST TO**

- County Directors
- County Fiscal Supervisors
- County Social Service Supervisors

**ACTION**

Please review and note changes for 2006.

**DUE DATE**

None.

## DHS Summarizes 2006 Mental Health Grant Fiscal Reporting Requirements

**TOPIC**

Mental Health Grants fiscal information for 2006.

**PURPOSE**

- Provide an overall summary of 2006 mental health grants fiscal reporting requirements
- Replaces Bulletin #05-32-04 (May 9, 2005)

**CONTACT**

Ray Truelson, Financial Operations Division, (651) 431-3780,  
[ray.truelson@state.mn.us](mailto:ray.truelson@state.mn.us)

**SIGNED**

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DENNIS W. ERICKSON  
Assistant Commissioner  
Finance and Management Operations

## **Introduction**

This calendar year (CY) 2006 bulletin is an overall guide to fiscal reporting of both adult and children's mental health (MH) grants awarded by DHS. It includes the general fiscal reporting requirements for ongoing MH grants. In addition to these general requirements, there may be additional fiscal reporting requirements specified in the grant award letters. Please check the grant award letters for any specific reporting requirements.

For one-time grant awards, fiscal reporting requirements will be provided in the grant award letter or a subsequent letter from DHS.

This bulletin also updates any changes to BRASS-based reporting requirements for Mental Health Grants. Included are three attachments: Attachment A is a fiscal summary for adult mental health; Attachment B is a fiscal summary for children's mental health; and Attachment C is a copy of the BRASS-Based Grant Fiscal Report (DHS-2895).

## **BRASS-Based Grant Fiscal Report (DHS-2895)**

A copy of the BRASS-Based Fiscal Report (DHS-2895) is included as Attachment C to this bulletin. This form is used for fiscal reporting of all MH grants. The instructions for its completion are included on the report.

## **Mental Health Grants Fiscal Summary**

Attachments A and B provide fiscal summaries of the adult mental health grants and the children's mental health grants. Please note that these summaries include only those mental health grants accounted for in the Social Service Fund - see DHS Bulletin No. 05-32-02 dated March 21, 2005, for further information on what is included in the Social Service Fund.

Please review the fiscal summaries of each grant your county receives. Fiscal information for each grant is shown in a separate column. The fiscal information includes:

1. SEAGR Revenue Schedule entries
2. Number of counties receiving the grant
3. Reference to DHS Social Service Allocations Bulletin
4. Grant award period
5. Funding source
6. Fiscal report process
7. Payment process
8. Eligible BRASS service codes

Note: In some cases, eligible BRASS service codes are limited by your approved grant application budget.

## **Grant Award Updates**

### **A. Grant Award Letters**

Grant award letters for CY 2006 were sent to all counties by the Adult and Children's Mental Health Divisions in December of 2005 and January of 2006. Amended grant awards for individual counties may be sent throughout the calendar year.

Most MH grants were also included in the "DHS ANNOUNCES THE 2006 HUMAN SERVICE ALLOCATIONS" Bulletin No. 05-32-07 (September 29, 2005), and the "Revised Allocations for MFIP-Consolidated Fund, Family Support Grant, and Children's Mental Health Grants" Bulletin No. 05-32-15 (December 23, 2005). Note that the allocations bulletin did not reflect the fact that most counties chose to delay the implementation of the legislatively approved COLA until CY 2006. This resulted in a carryover of the CY 2005 COLA amount. Given this and other factors, counties should regard their award letters as the most up-to-date information relating to their grants.

### **B. Mental Health – Targeted Case Management (MH-TCM)**

In accordance with MH-TCM statute, counties receive the former state share of medical assistance for child and adult mental health case management. This amount is included as part of your county's Children's Mental Health Combined Grant and either your Adult Rule 78 Community Support Program (CSP) or Adult Integrated Fund Grant. Legislation requires an annual adjustment of MH grants based on numbers of clients receiving MH Targeted Case Management Services, see Bulletin No. 00-53-02. The annual adjustment of the MH-TCM grants took place as part of the CY 2006 grant award process. Counties were notified of changes by letter in December 2005 and January 2006.

### **C. Children's Mental Health Combined Grant**

The Children's Mental Health (CMH) Combined Grant includes awards from both competitive and non-competitive categorical grant programs to the county as a single grant, simplifying fiscal reporting and monitoring of grant funds. Quarterly reporting for all expenditures attributable to grants contributing to the Children's Mental Health Combined Grant is done on a single form DHS 2895.

The CMH Combined Grant includes the MH-TCM Local Share Transfer for each county and the appropriated funds to support mental health screening, assessment and services to children in the child welfare and juvenile justice systems. Special project grants awarded to counties are also administered through the CMH Combined Grant.

Eligible expenditures for this grant are outlined by BRASS code in Attachment B.

**D. Adult Integrated Fund**

For many years the Department of Human Services has had the authority to allow counties to integrate their Adult Mental Health Funding. A number of counties have requested to do so and this has given them additional flexibility in how they use their grant funding. If you have questions about the advantages or disadvantages to having an integrated fund, or would like to know how you could request to have your funding integrated, please contact the Mental Health Program Consultant assigned to your area.

**E. Rule 78 Adult Community Support Program (CSP)**

Counties not receiving an Adult Integrated Fund allocation receive their CSP funding through the Rule 78 Adult Community Support Grant. As in previous years, counties that did not report enough expenditures to meet the ten percent match requirement and earn all of their grant will be given an opportunity to report matching fund expenditures from their provider(s). This will allow these counties to maximize their grant earnings. Forms will be mailed to the affected counties. Direct any questions to Ray Truelson at (651) 431-3780 or [ray.truelson@state.mn.us](mailto:ray.truelson@state.mn.us).

**F. Rule 12 and Integrated Fund Transfers for MA Coverage of IRT and ACT**

In CY 2005, we saw the emergence of two newly funded MA services for adults with mental illness. These services are known as Intensive Residential Treatment (IRT) and Assertive Community Treatment (ACT) Services. State Mental Health Grants formerly used to pay for Rule 36 services were used as the local match to leverage the federal share of Medicaid for these services. To allow for program startup, the initial grant adjustment was 10/12 for the first year. In CY 2006 the full local match will be required. As part of the CY 2006 MH Grant Application process, the Mental Health Division allowed counties and Adult Mental Health Initiatives to revise their IRTS and ACT budgets to adjust for a cost of living increase, changes in program expenditures and service utilization. In some situations the revised budgets resulted in changes to match amounts. It should be noted that the MH Division will be reviewing the actual expenditures and utilization of ACT and IRTS programs in the upcoming year. This may result in additional adjustments to the local match.

**Program Summaries**

Counties receiving MH grants will continue receiving a Program Summary of Mental Health Grants. This summary lists the county's MH grant awards, reported expenditures, grant earnings and payments. It will be mailed shortly after the quarterly advance/reimbursement is made.

## **Delay in Second Quarter Payment for CY 2006**

Pursuant to legislation enacted in 2002, the full value of mental health payments for the second calendar quarter made in May 2006 will be paid in July of 2006.

## **Questions**

Please direct any fiscal questions concerning mental health grants to:

Ray Truelson  
DHS Financial Operations Division  
Human Services Building  
444 Lafayette Road  
St. Paul, MN 55164-0940  
Telephone: (651) 431-3780  
Email: [ray.truelson@state.mn.us](mailto:ray.truelson@state.mn.us)

## **Special Needs**

Upon request, this bulletin will be made available in an alternative format such as Braille, large print, or audiotape.

For TDD, contact the Minnesota Relay Service at 1-800-627-3529.

# Attachment A

<b>CY 2006 Adult Mental Health Grants Fiscal Summary Table (01/06 version)</b> Grants* ----->	Rule 78 Adult CSP	Adult Integrated Fund	Adult MH Initiative
CY06 SEAGR Revenue Schedule entries	S25	S30 F62	S59 F35
Number of counties receiving grant (Multi-county consortiums counted as one.)	44	36	15
Reference to DHS Bulletin (2006 Social Service Allocations) (Grant award letters are issued for each grant establishing the actual county funding level.)	Attach.C	Attach. C	Attach. C
Grant award period	calendar year	calendar year	calendar year
Funding source(s) (Federal CFDA number is shown in parenthesis.)	state	state & fed (93.958) (93.150)	state & federal (93.958)
Fiscal report (All reports are CY quarterly reports, due 30 days following end of quarter. See instructions provided with each report. Submit to the address below.)	DHS 2895	DHS- 2895	DHS- 2895
Grant earnings calculation (Expressed as a percentage of eligible expend- itures. Eligible expenditures corresponds to expenditures approved in the grant application budget and reported in an eligible BRASS code.)	90%	100%	100%
Payments	quarterly advance/ year-end settlement	quarterly advance/ year-end settlement	quarterly advance/ year-end settlement

<b>MH BRASS service codes (eligible codes x'c</b>			
401 Information and Referral		x	x
402 Comm. Education and Prevention	x	x	x
403 Client Outreach-CSP	x	x	x
408 Adult Outpatient Diagnostic Assessment	x	x	x
416 Adult Transportation	x	x	x
431 Adult MH Crisis Assessment & Intervention S	x	x	x
434 Other Community Support Program Services	x	x	x
436 Adult Crisis Stabilization	x	x	x
438 Assertive Community Treatment (ACT)	x	x	x
443 Housing Subsidy	x	x	x
451 Adult Emergency Service		x	x
452 Adult Outpatient Psychotherapy		x	x
454 Adult Outpatient Medication Mgmt.		x	x
458 Approved Pilot Projects	x	x	x
466 Basic Living/Social Skills and Community Inte	x	x	x
468 Adult Day Treatment Services	x	x	x
469 Partial Hospitalization	x	x	x
474 Adult Residential Treatment - MH		x	x
491 Adult Rule 79 Case Management	x	x	x
493 Adult General Case Management		<b>PATH Only</b>	

Submit fiscal reports to: DHS Financial Operations Divisor  
Attention: Ray Truelson  
Human Services Building  
444 Lafayette Road  
St. Paul, MN 55164-0940

Program Accountant:  
Ray Truelson (651) 431-3780  
Mental Health Division Contacts:  
Sharon Autio (651)-431-2228  
John Zakelj (651) 431-2231

# Attachment B

<b>CY 2006 Children's Mental Health Grants Fiscal Summary Table (01/06 version)</b> Grants* ----->	<b>CMH Combined Grant</b>
CY06 SEAGR Revenue Schedule entries	S63 F60
Number of counties receiving grant (Multi-county consortiums counted as one.)	84
Reference to DHS Bulletin (2006 Social Service Allocations) (Grant award letters are issued for each grant establishing the actual county funding level.)	Attach. D (partial listing)
Grant award period	calendar year
Funding source(s) (Federal CFDA number is shown in parenthesis.)	State & Federal
Fiscal report (All reports are CY quarterly reports, due 30 days following end of quarter. See instructions provided with each report. Submit to the address below.)	DHS- 2895
Grant earnings calculation (Expressed as a percentage of eligible expend- itures. Eligible expenditures correspond to expenditures approved in the grant application budget and reported in an eligible BRASS code.)	100%
Payments	quarterly advance/ year-end settlement

<b>Eligible BRASS service codes: (eligible codes x'd)</b>		
197 Local Collab. Unique Services - Child		x
401 Information and Referral		x
402 Comm. Education and Prevention		x
404 Client Outreach-FCSS		x
405 Outpatient Diagnostic Assessment Child		x
407 Early ID & Intervention		x
417 Transportation Child		x
430 Other Family FCSS		x
432 Child MH Crisis Services		x
435 Therapeutic Support for Foster Care		x
451 Emergency Response Service		x
453 Child Outpatient Psychotherapy		x
455 Outpatient Medication Mgmt. Child.		x
462 Family-Based Services-MH		x
467 Child Day Treatment Services		x
489 MH - Respite Care		x
490 Child Rule 79 Case Management		x

\* only includes grants accounted for in the Social Services Fund

Submit fiscal reports to: DHS Financial Operations Division  
Attention: Ray Truelson  
Human Services Building  
444 Lafayette Road  
St. Paul, MN 55164-0940

Program Accountant  
Ray Truelson (651) 431-378  
CMH Division Contact  
Gary Cox (651) 431-232

# Attachment C

## BRASS-Based Grant Fiscal Report

DHS-2895  
08/27/98

Grant Award Name		Quarter Ending (MM/DD/YY)	
County No.		Grant Period (MM/DD/YY-MM/DD/YY)	

  

(A)	(B)	(C)	(D)	(E)
ELIGIBLE BRASS CODES	BUDGETED EXPENDITURES FROM GRANT APPLICATION	CURRENT QUARTER GRANT EXPENDITURES	CUMULATIVE GRANT PERIOD EXPENDITURES	CURRENT QUARTER COUNTY TOTAL FROM SEAGR REPORT
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
<b>TOTAL</b>	0	0	0	

**General Instructions:**

1. This report is to be completed for each grant specified by DHS.
2. Enter the grant name, county name and number, quarter-ending date, and the period covered by the grant (usually twelve months).
3. Unless specified otherwise, this report covers a calendar quarter. It is due 30 days after the end of the quarter.
4. Amounts entered should be rounded to the nearest dollar.
5. Use the cash basis for this report. Report only expenditures actually paid by the county during the quarter, not expenses accrued.
6. The DHS-2895 must be signed by the director of a county or a county official authorized to sign in his or her absence.
7. Using lines 1 - 15 in Column A, enter the BRASS service code(s) eligible for this grant.
8. In Column B, enter the budgeted amount from your approved grant application budget for each BRASS service code(s). Unless there is a required match, budgeted amounts must not exceed grant award amount. (Complete column B only if grant application required BRASS-based budget.)
9. In Column C, for each eligible BRASS service code, enter the actual expenditures made from the grant in the current quarter that were approved by DHS in your grant application. Unless there is a match requirement, do not include expenditures funded from sources other than the grant. Do not include expenditures billed to Medical Assistance (MA).
10. In Column D, for each eligible BRASS service code, enter the cumulative actual expenditures made for the grant in the grant period that were approved by DHS in your grant application. Unless there is a match requirement, do not include expenditures funded from sources other than the grant. Do not include expenditures billed to Medical Assistance (MA).
11. In Column E, for each eligible BRASS service code, enter the total countywide expenditures for the quarter (from SEAGR Report). The amount in Column C must not exceed the amount in Column E.

There may be specific instructions for some grants. These specific instructions, if any, would be included in the grant award letter.

Director's Signature	Date
Prepared By	(       ) Phone Number