

# Bulletin

July 2, 2008

Minnesota Department of Human Services □ P.O. Box 64976 □ St. Paul, MN 55164-0976

## OF INTEREST TO

- County Social Services Directors
- County Public Health Agency Directors
- Tribal Chairpersons
- Alternative Care Program Administrative Contacts
- Social Services Supervisors and Staff
- County Fiscal Administrative Staff
- Community Health Services Administration
- Tribal Health Directors
- Area Agencies on Aging

## ACTION/DUE DATE

Please complete local AC program plan and budget for FY09 by July 31, 2008

## EXPERATION DATE

The policies in this bulletin are effective through July 31, 2009

## Alternative Care Program Allocates Funds for FY 2009

### TOPIC

Alternative Care (AC) Program apportions state funds for fiscal year (FY) 2009, requires local AC program plan and budget submission, requires renewal of AC Discretionary Services budgets for participating agencies, and issues optional application for targeted funds.

### PURPOSE

Notify lead agencies of state fiscal year 2009 changes to program appropriation. Allocate funds to support local AC access and service delivery. Provide information about requirements related to local AC program administration.

### CONTACT

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TDD through Minnesota Relay Services at 1 (800) 627-3529, or 711, or 1 (877) 627-3848 (speech-to-speech relay service).

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### SIGNED

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LOREN COLMAN  
Assistant Commissioner  
Continuing Care Administration

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## **I. INTRODUCTION**

Minnesota's 2008 State Legislature has approved Alternative Care (AC) Program funds for the state's 2009 fiscal year (FY), effective July 1, 2008. Local AC program administrators are responsible to actively and effectively ensure continued program access and service delivery throughout the FY 2008-09 biennium.

## **II. LOCAL AC PROGRAM ADMINISTRATION**

AC program funds are authorized in the state's budget as a major program appropriation and are then apportioned annually to local lead agencies (county social service, contracted public health agencies, or contracted tribal governments) in the form of a base allocation amount. AC funds are retained by the state in separate lead agency program accounts which are utilized to support payment for authorized AC covered services delivered to eligible persons. Therefore, funds for AC services are accessed through lead agency accounts maintained within the state's Medicaid Management Information System (MMIS) and are distributed in the form of payments to AC service providers contracted under those lead agencies.

Each local lead agency is responsible for administering the local AC program to ensure program access and service delivery for eligible seniors in their communities. Local lead agency activities occur under an AC program plan that ensures compliance with program policies and procedures, and a budget worksheet that estimates program expenditures for managing access and service delivery within the lead agency's base allocation amount for the fiscal year. The local AC program administrator (director) signs the completed AC program plan and budget worksheet on an annual basis to coincide with the allocation of funds for the lead agency. The local AC administrator is responsible for tracking, monitoring, and effectively managing the local AC program within the lead agency's base allocation amount throughout the fiscal year.

For resource needs beyond the base allocation, the Minnesota Department of Human Services (DHS) has the authority and flexibility to approve targeted funds for those local AC programs that require access to additional funds under certain circumstances. The level of projected targeted funds available for FY 2009 is a result of the program funds remaining following the statewide allocation process and the level of program revenue generated through client fees paid to the state between July 1, 2008 and June 30, 2009. Local lead agencies are responsible to determine, assess, and monitor the payment of fees and program access across the local AC client population. Technical resources to support the local administration of the program are listed on p. 6.

## **III. ALTERNATIVE CARE PROGRAM APPROPRIATION FOR FISCAL YEAR 2009**

<b>Budget Line Item</b>	<b>Amount</b>
FY 2008 Base Funds - Direct Appropriation	\$ 51,560,000
[Total Base Allocations for Local AC Programs]	\$ 31,137,050
[Targeted Funds]	\$ 20,422,950
Projected Revenue from Monthly Fees	\$ 1,986,000
<b>Total</b>	<b>\$ 53,546,000</b>

*2007 Legislative Session - Health and Human Services Omnibus Bill, 2008 Legislative Session, State Government Omnibus Bill*

*FY 2008-09 Biennial Budget – Health and Human Services Fiscal Tracking Document, May 27, 2008*

AC funds allocated for AC lead agencies are known as the “base allocation amount” and are made available on July 1 of each state fiscal year. Base allocation amounts for lead agencies are calculated according to a formula authorized in the statute governing the AC program. The formula for FY 09 applies each local AC program’s service utilization history equal to the total amount of provider claims paid by June 1, 2008 for services delivered during dates April 1, 2007 through March 31, 2008.

AC lead agencies that demonstrated service utilization at or above 95% of their revised base allocation amount for FY 08 receive base allocation amounts for FY 09 that are equivalent to 100% of the adjusted base amount plus any inflation factors. AC lead agencies that demonstrated a service utilization below 95% of their revised base allocation amount for FY 08 receive base allocation amounts for FY 09 that are adjusted beneath the FY 08 base allocation amount by the amount of unexpended program funds remaining below the 95% plus any inflation factors.

#### **Lead Agency Base Allocation Amounts**

Each lead agency’s base allocation amount for state fiscal year 2009 is listed in ***Attachment A: Alternative Care Program / Lead Agency Base Allocation Amounts - FY 2009***. The allocation amounts listed in the column “FY 2009 Adjusted Base Allocation” includes a provider rate increase adjustment as described in Section IV below.

#### **IV. PROVIDER RATE INCREASE (COLA)**

In addition to the AC program’s base allocation funds, the 2007 State Legislature approved a 2.0 % rate increase (inflation factor) for home and community-based services in FY 09. The 2008 legislature delayed the implementation of the cost of living adjustment (COLA) to October 1, 2008. The fiscal capability of local AC programs to implement provider service rate increases is accounted for in the base allocation amount through a 2.0% adjustment. Funds for provider rate increases must be applied in the manner specified in the authorizing statute.

For instructions on implementing the increase, administrators should refer to the DHS bulletin 08-69-02, which will be released at the end of July 2008. This is a department wide bulletin, and has specific instructions applicable to the AC Program. There will be more information on the DHS website, including a question and answer section, rate sheets and helplines available for questions related to the provider rate increase.

#### **V. LOCAL AC PROGRAM PLAN AND BUDGET WORKSHEET**

The purpose of the Alternative Care Program is to meet the long term community-based care needs of eligible seniors by funding the delivery of home and community-based services. Providing access to AC services enables eligible seniors to live independently in the community and extends needed support to informal care givers in their efforts to provide community-based care. Further, the outcomes related to assisting seniors in the community includes reducing Medical Assistance expenditures for nursing facility care and maintaining the moratorium on the new construction of nursing facility beds.

The AC program plan and budget are submitted annually to DHS at the beginning of the state fiscal year. The budget worksheet is used by local AC program administrators to evaluate the resources available to meet AC service needs in their communities by examining overall program

expenditures and the number of clients served in FY 2008, estimating the number of clients lead agencies believe they will serve in FY 2009 and the average costs during the budget period.

The local AC program administrator (director) of the lead agency must sign the completed ***Attachment B: Alternative Care Program Local Program Plan and Budget - FY 2009***, and submit it to DHS by July 31, 2008.

## **VI. LOCAL PROGRAMS PROVIDING AC DISCRETIONARY SERVICES OPTION**

Discretionary services allow lead agencies to address special or unmet needs of a client or family caregiver that are not otherwise defined in the AC service menu. These services may be used to improve access, choice and/or cost effectiveness of the AC program in order to address chronic care needs of the client and does not duplicate other funding streams. Discretionary services, as with other AC services, are necessary to delay or prevent nursing facility admission and are identified in the individual service plan. Up to 25% of a lead agency's annual base allocation may be used for discretionary services. Lead agencies who wish to use the discretionary services option must fill out ***Attachment E: AC Discretionary Services Application*** and submit it to the Department of Human Services in care of Susan Wenberg.

Lead agencies that have already been approved to administer AC discretionary services need to complete ***Part D: AC Discretionary Services*** of the budget worksheet. The agency must enter the amount of total estimated annual expenditures for this service category, not to exceed the cap amount. The designation of funds for AC discretionary services creates an upper payment limit within the MMIS for payment of lead agency service claims, but does not remove funds from the total allocation amount supporting payments for all AC services the agency provides.

## **VII. IMPORTANT DATES-FY 2009**

Local AC program administrators need to be aware of certain dates during the fiscal year that represent important timelines for managing the service provider payments within the local AC base allocation amount. These include:

July 31, 2008	Annual plan and budget due for FY 09
March 31, 2009	Final date of service; determines AC expenditure history to calculate the AC base allocation amount for FY10
June 1, 2009	Last date of payment; determines AC expenditure history to determine the AC base allocation amount in FY 10
June 6, 2009	Last date to submit a request for AC targeted funds in FY 09
June 18, 2009	Last date for electronic claim cut-off (11:59 p.m.) in AC FY 09
June 23, 2009	Last warrant payment in the AC FY 09
July 1, 2009	New fiscal year begins (unpaid or future provider claims will be deducted from FY 10 base allocation amount).

## VIII. TECHNICAL RESOURCES for ADMINISTRATORS of LEAD AGENCIES

Information is available to assist administrators in tracking and monitoring AC activity. Data such as the total amount of local AC services authorized for payment and the status of the lead agency's AC base allocation are readily available through the MMIS InfoPac reports (listed below) and provider file. Local administrators can submit report questions and request access to local agency-specific reports, through the local agency's Infopac liaison. For reference, the MMIS payment and claim calendar can be found on the DHS website. The MMIS provider file, on the PFIN screen, provides each lead agency with a current status of its AC allocation USED amount to routinely monitor the rate of program expenditures, level of provider payment, and status of the lead agency's allocation amount. The AC allocation USED amount is updated every two weeks following the MMIS warrant payment. Each of these resources is used to complete the technical portions of *Attachments B and D*.

The following reports are available through the state's MMIS InfoPac:

MMIS InfoPac Report No. & Title	Data Available
<b>R2208</b> AC Cumulative Service Encumbrance And Payment (Using Date of Payment)	Data by CFR and tribal agency; by procedure code, unduplicated recipient, total units encumbered, total units used, total amount encumbered, total amount used, total days SA, total days eligible, lead agency average cost per recipient, lead agency average cost per unit, lead agency average units per recipient. Updated monthly.
<b>R2239</b> Alternative Care Allocations by fiscal year	Data by lead agency and provider, warrant date, current AC allocation cap, amount currently used, remaining funds and percent used. Updated with each warrant cycle.
<b>R2457</b> AC Cumulative Service Encumbrance And Payments (Using Date of Service)	Data by CFR and tribal agency; by procedure code, unduplicated recipient, total units encumbered, total units used, total amount encumbered, total amount used, total days SA, total days eligible, lead agency average cost per recipient, lead agency average cost per unit, lead agency average units per recipient. Updated monthly.
<b>R2460</b> AC Cumulative Service Encumbrance And Payments (Using Date of Service)	Data by CFR and tribal agency; per person amount encumbered, amount paid, remaining balance, total days on SA, average monthly encumbered, average monthly paid. Updated monthly.
<b>R2488</b> AC Cumulative Service Encumbrance And Payments (Using Date of Payment By Provider Number)	Data by CFR and tribal agency; by procedure code, unduplicated recipient, total units encumbered, total units used, total amount encumbered, total amount used, total days SA, total days eligible, lead agency average cost per recipient, lead agency average cost per unit, lead agency average units per recipient, by provider number. Updated bi-weekly.
<b>R193</b> AC Client Fee Account Billing	Data on monthly client fee billing by PMI#, SRU invoice #, name, address, month of service, monthly fee amount.
<b>R190</b> AC Overdue Client Fee Accounts	Data on monthly overdue client fee accounts by name, fee due date, monthly fee amount, total account balance due, PMI#.

Note: AC eligibility forms are being updated and will be available on the DHS website under e-docs in July 2008.

## **IX. AC TARGETED FUNDS FOR FY 2009**

Each fiscal year, AC targeted funds are made available to lead agencies who strive to improve outcomes for eligible seniors. The cumulative effects of legislative changes to the AC Program over the past few years reduced allocations for many lead agencies in FY 2009. However, lead agencies can apply for targeted funds to expand and improve the AC program in FY 2009. The amount of targeted funds available for FY 09 beginning on July 1, 2008 is approximately **\$20.4 million**, but is projected to increase by **\$2.0 million** through June 30, 2009, depending on the level of state revenue generated from client fees paid through June 30, 2009. The local AC administrator (director) may submit a request or revised request for targeted funds at any time throughout the fiscal year when a local AC program need has been identified through a local program analysis and the request meets certain criteria and requirements.

### **Criteria for AC Targeted Funds**

Certain local activities that strive to make progress toward improving outcomes for eligible seniors will receive priority status for AC targeted funds. Local AC programs requesting AC targeted funds may fit into any of these categories. Priority status and criteria include the following:

**A. AC programs that propose local projects to divert community-based seniors from nursing home admission or to relocate NF senior residents to community-based services.**

Lead agencies requesting targeted funds need to submit plans on local project activities, time lines, and the estimated impact on the local need for AC services.

**B. AC programs experiencing growth due to demographic changes or unmet community needs.** Lead agencies requesting targeted funds need to submit plans that address local demographic changes or unmet needs affecting the local AC eligible population and need for services. Local administration of the AC program should not be utilizing a waiting list strategy when targeted funds are available.

**C. AC programs that received FY 91 base allocation amounts below FY 90 base allocation amounts.** A limited number of local AC programs are affected and retain this priority status until the program's base allocation is equivalent to the FY 90 base amount. Programs that retain this priority status through FY 09 include: Cook County and Koochiching County.

**D. AC programs that experienced underutilization of funds in the previous fiscal year.** AC programs attain this priority status when the FY 09 base allocation amount is lower than the FY 08 base allocation amount due to lower than estimated expenditures recorded by June 1, 2008. Programs that submit a request for targeted funds must document the degree of provider billing, including a summation of the impact on the local program and a plan to resolve the provider discrepancies or delay in billing.

**E Funds for new AC program contracts with tribal governments.** Payment for AC services that are delivered under a new contract issued during the state fiscal year will be funded through the use of targeted funds. The base allocation amount will be specified in the contract document.

**F. AC programs participating in or affected by DHS' long term care (LTC) reform efforts.**

DHS is engaging in reform measures to "rebalance" Minnesota's long term care from institutional to home and community-based service delivery models. Continued focus of this reform is to develop capacity to provide in-home service options for AC clients and their families. Lead agencies submitting requests for targeted funds should indicate local project involvement, plans for developing AC service capacity, and interagency collaboration.

**Instructions for Submitting Request for Targeted Funds**

All requests must be signed by the director of the lead agency administering the AC program. Requests should be submitted to DHS when a lead agency has a fiscal need. Local AC administrators should note that approved targeted funds are added to the identified base allocation amount and is then incorporated into the calculations for the base allocation amount for the following fiscal year. A lead agency may request targeted funds more than once during a fiscal year as needed.

The request must include a rationale for the targeted funds request based on the above criteria, and a brief summary of the current status of the local AC program and how it has changed from the initial fiscal year plan and budget. Relevant summary information specific to the local program may include noting the impact of belated service expenditures from the previous fiscal year, the level of service authorizations encumbered for AC provider payment, and the rate of provider payment that has occurred in relation to encumbered funds. In addition, changes in client access, average cost per client, provider capacity, or specific service expenditures may also be relevant to summarize the local program's status and resource needs. Information submitted should also include any statewide program changes and their impact on the local AC program.

Local AC administrators must submit Parts I and II of *Attachment D: Alternative Care Program / Request for Targeted Funds and Budget - FY 2009*.

**X. CONTRACTS WITH TRIBAL GOVERNMENTS FOR LOCAL AC ADMINISTRATION**

The 2001 Minnesota Legislature granted authority to the commissioner of the Minnesota Department of Human Services to contract with federally recognized Indian tribes with a reservation in Minnesota to serve as the lead agency responsible for the local administration of the Alternative Care Program. DHS staff is available to work collaboratively with tribal governments and their health related and community-based service providers that express an interest in pursuing a contract agreement to begin administering the AC program in their communities.

The contracting process will include steps to ensure tribal capacity for the administration and delivery of AC covered services. Contracts will specify the lead agency duties, including the program assurances that other locally administered AC programs are required to provide, and the mechanism for payment of AC covered services. In support of the process for tribal governments to become a lead agency, technical assistance will be available through DHS' tribal liaison, the AC program administrator under the Aging and Adult Services Division and other staff as needed.

For planning and budgeting activities, tribal governments can contact DHS for general information and data about current local AC program participation. Information about AC service delivery access is available and includes, but is not limited to, service utilization data, average cost



per client, and average level of need per client. In addition, DHS will be available to assist with technical needs related to building information technology (IT) systems capacity and providing IT systems training.

Tribal governments that are interested in participating as a lead agency for the program should contact Jolene Kohn, Aging and Adult Services at [Jolene.Kohn@state.mn.us](mailto:Jolene.Kohn@state.mn.us) or 651-431-2579.

***Attachment C: Alternative Care Program / Letter of Interest for Tribal Governments*** is an optional form that tribes can use as well as part of planning with DHS.

## **XI. ANNUAL LEAD AGENCY QUALITY ASSURANCE PLAN**

The lead agency is responsible to carry out delegated quality assurance activity related to all home and community based services programs, including the AC Program. These responsibilities are outlined in the Annual Lead Agency Quality Assurance Plan. This plan, submitted to DHS via a web-based tool, will be available on-line in September 2008 for calendar year (CY) 2009.

## **SUBMITTING REPLIES AND REQUESTS**

All replies and requests should be sent to DHS at the following address:

TO: Gail Carlson  
Alternative Care Program, Aging and Adult Services Division,  
Minnesota Department of Human Services  
Elmer L. Anderson Human Services Building  
540 Cedar Street, P.O. Box 64976  
St. Paul, MN 55164-0976

## **AUTHORITY**

Laws of Minnesota 2008, Chapter 363, Article 15, Section 17

Laws of Minnesota 2007, Chapter 147, Article 7, Section 71

Minnesota Statutes 2006, Chapter 256B.0913.

## **SPECIAL NEEDS**

This information is available in other forms to people with disabilities by contacting us at 651-461-2500 (voice), or toll free at 1-800-882-6262, or through the Minnesota Relay Service at 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).

## **ATTACHMENTS**

*Attachment A: Alternative Care Program / Lead Agency Base Allocation Amounts - FY 2009*

*Attachment B: Alternative Care Program / Local Program Plan and Budget Worksheet FY 2009*

*Attachment C: Alternative Care Program / Letter of Interest for Tribal Governments*

*Attachment D: Alternative Care Program / Request for Targeted Funds and Budget - FY 2009*

*Part I: Outline for Supporting Information*

*Part II: Revised Budget Worksheet*

*Attachment E: Alternative Care Program Discretionary Services Application*

## Attachment A

Alternative Care Program-Lead Agency Base Allocation Amounts-FY2009					
Lead Agency	FY 2008 Adjusted Base Allocation	FY 2008 Approved Targeted Funds	FY 2008 Revised Base Allocation	Paid Service Claims for 4/01/07 to 3/31/2008	FY 2009 Adjusted Base Allocation (includes 2%COLA)
Aitkin	\$ 99,889	\$ -	\$ 99,889	\$ 67,598.25	\$ 74,045
Anoka	\$ 1,379,618	\$ 181,482	\$ 1,561,100	\$ 1,451,857.20	\$ 1,560,511
Becker	\$ 100,176	\$ 100,000	\$ 200,176	\$ 152,714.07	\$ 165,978
Beltrami	\$ 285,746	\$ 37,499	\$ 323,245	\$ 274,269.19	\$ 296,241
Benton	\$ 364,058	\$ -	\$ 364,058	\$ 344,851.45	\$ 370,316
Big Stone	\$ 76,834	\$ 50,000	\$ 126,834	\$ 106,762.47	\$ 115,367
Blue Earth	\$ 231,425	\$ 43,950	\$ 275,375	\$ 243,245.09	\$ 262,155
Brown	\$ 101,809	\$ 20,000	\$ 121,809	\$ 110,036.52	\$ 118,450
Carlton	\$ 270,507	\$ -	\$ 270,507	\$ 189,660.52	\$ 207,250
Carver	\$ 298,721	\$ 135,000	\$ 433,721	\$ 373,472.62	\$ 403,062
Cass	\$ 201,802	\$ 88,198	\$ 290,000	\$ 233,708.10	\$ 253,173
Chippewa	\$ 113,264	\$ 40,000	\$ 153,264	\$ 123,822.72	\$ 134,116
Chisago	\$ 472,527	\$ -	\$ 472,527	\$ 450,121.73	\$ 481,978
Clay	\$ 304,834	\$ -	\$ 304,834	\$ 270,705.96	\$ 291,667
Clearwater	\$ 215,130	\$ -	\$ 215,130	\$ 149,125.03	\$ 163,080
Cook	\$ 12,491	\$ -	\$ 12,491	\$ 462.10	\$ 12,741
Cottonwood	\$ 53,419	\$ -	\$ 53,419	\$ 48,111.78	\$ 51,799
Crow Wing	\$ 434,484	\$ 212,000	\$ 646,484	\$ 469,297.46	\$ 511,655
Dakota	\$ 1,586,845	\$ 50,000	\$ 1,636,845	\$ 1,527,359.83	\$ 1,641,387
Dodge	\$ 106,934	\$ -	\$ 106,934	\$ 82,472.66	\$ 89,576
Douglas	\$ 167,528	\$ 10,000	\$ 177,528	\$ 164,151.15	\$ 176,489
Faribault	\$ 18,435	\$ 2,500	\$ 20,935	\$ 17,947.80	\$ 19,375
Fillmore	\$ 102,118	\$ 25,000	\$ 127,118	\$ 113,100.98	\$ 121,847
Fond du Lac	\$ -	\$ -	\$ -	\$ -	\$ 20,400
Freeborn	\$ 262,921	\$ 113,000	\$ 375,921	\$ 346,944.00	\$ 373,055
Goodhue	\$ 322,485	\$ -	\$ 322,485	\$ 287,011.54	\$ 309,199
Grant	\$ 37,510	\$ 27,053	\$ 64,563	\$ 54,346.58	\$ 58,727
Hennepin	\$ 6,276,101	\$ -	\$ 6,276,101	\$ 4,876,144.06	\$ 5,293,749
Houston	\$ 128,411	\$ -	\$ 128,411	\$ 77,084.40	\$ 85,176
Hubbard	\$ 315,614	\$ 10,000	\$ 325,614	\$ 287,926.22	\$ 310,292
Isanti	\$ 268,376	\$ -	\$ 268,376	\$ 242,446.21	\$ 260,983
Itasca	\$ 574,978	\$ 45,000	\$ 619,978	\$ 563,070.13	\$ 605,951
Jackson	\$ 21,673	\$ -	\$ 21,673	\$ 9,566.15	\$ 10,863
Kanabec	\$ 198,286	\$ -	\$ 198,286	\$ 180,282.66	\$ 194,001
Kandiyohi	\$ 306,828	\$ -	\$ 306,828	\$ 259,747.58	\$ 280,591
Kittson	\$ 21,735	\$ 10,000	\$ 31,735	\$ 20,609.19	\$ 22,640
Koochiching	\$ 44,248	\$ -	\$ 44,248	\$ 5,477.96	\$ 45,133
Lac Qui Parle	\$ 85,112	\$ 30,000	\$ 115,112	\$ 99,750.39	\$ 107,617
Lake	\$ 206,557	\$ 50,000	\$ 256,557	\$ 208,972.69	\$ 226,237
Lake of the Woods	\$ 139,014	\$ -	\$ 139,014	\$ 106,759.43	\$ 115,985
Leech Lake Tribe	\$ 20,000	\$ -	\$ 20,000	\$ 3,255.39	\$ 20,400
LeSueur	\$ 237,069	\$ -	\$ 237,069	\$ 200,024.50	\$ 216,116
Lincoln	\$ 54,442	\$ 17,834	\$ 72,276	\$ 55,455.54	\$ 60,251
Lyon	\$ 277,259	\$ 45,400	\$ 322,659	\$ 297,505.18	\$ 319,911
Mahnomen	\$ 46,129	\$ 30,000	\$ 76,129	\$ 64,084.42	\$ 69,249
Marshall	\$ 66,777	\$ 20,000	\$ 86,777	\$ 70,644.09	\$ 76,483

Alternative Care Program-Lead Agency Base Allocation Amounts-FY2009					
Lead Agency	FY 2008 Adjusted Base Allocation	FY 2008 Approved Targeted Funds	FY 2008 Revised Base Allocation	Paid Service Claims for 4/01/07 to 3/31/2008	FY 2009 Adjusted Base Allocation (includes 2%COLA)
Martin	\$ 80,860	\$ 20,000	\$ 100,860	\$ 96,038.36	\$ 102,878
McLeod	\$ 130,462	\$ 92,726	\$ 223,188	\$ 184,949.16	\$ 200,031
Meeker	\$ 160,473	\$ 53,840	\$ 214,313	\$ 177,514.68	\$ 191,995
Mille Lacs	\$ 149,330	\$ 45,000	\$ 194,330	\$ 181,428.21	\$ 194,968
Morrison	\$ 406,980	\$ 42,000	\$ 448,980	\$ 405,650.23	\$ 436,662
Mower	\$ 463,067	\$ 115,000	\$ 578,067	\$ 463,562.35	\$ 502,316
Murray	\$ 34,217	\$ -	\$ 34,217	\$ 16,983.53	\$ 19,069
Nicollet	\$ 65,853	\$ 28,227	\$ 94,080	\$ 75,095.76	\$ 81,396
Nobles	\$ 31,908	\$ 30,000	\$ 61,908	\$ 26,306.13	\$ 29,990
Norman	\$ 75,938	\$ 30,000	\$ 105,938	\$ 65,917.06	\$ 72,639
Olmsted	\$ 328,374	\$ 50,000	\$ 378,374	\$ 315,038.02	\$ 340,636
Otter Tail	\$ 113,360	\$ -	\$ 113,360	\$ 76,569.89	\$ 83,883
Pennington	\$ 224,876	\$ -	\$ 224,876	\$ 153,561.10	\$ 168,101
Pine	\$ 132,202	\$ -	\$ 132,202	\$ 118,912.73	\$ 128,034
Pipestone	\$ 9,536	\$ 3,000	\$ 12,536	\$ 9,002.10	\$ 9,822
Polk	\$ 647,366	\$ 197,000	\$ 844,366	\$ 726,765.02	\$ 784,363
Pope	\$ 102,742	\$ -	\$ 102,742	\$ 97,274.41	\$ 104,460
Ramsey	\$ 3,406,272	\$ 150,000	\$ 3,556,272	\$ 3,287,691.55	\$ 3,534,816
Red Lake	\$ 16,139	\$ 15,000	\$ 31,139	\$ 20,867.61	\$ 22,874
Redwood	\$ 63,901	\$ -	\$ 63,901	\$ 55,084.01	\$ 59,445
Renville	\$ 182,429	\$ 130,000	\$ 312,429	\$ 224,824.11	\$ 245,255
Rice	\$ 512,824	\$ -	\$ 512,824	\$ 459,089.28	\$ 494,426
Rock	\$ 90,277	\$ -	\$ 90,277	\$ 65,491.98	\$ 71,406
Roseau	\$ 150,602	\$ 72,000	\$ 222,602	\$ 167,783.06	\$ 182,492
Scott	\$ 193,212	\$ 90,000	\$ 283,212	\$ 234,840.61	\$ 253,982
Sherburne	\$ 277,885	\$ 37,115	\$ 315,000	\$ 281,563.76	\$ 303,261
Sibley	\$ 113,296	\$ 58,000	\$ 171,296	\$ 163,303.23	\$ 174,722
St. Louis	\$ 2,080,316	\$ -	\$ 2,080,316	\$ 1,908,198.94	\$ 2,052,460
Stearns	\$ 412,553	\$ -	\$ 412,553	\$ 365,847.92	\$ 394,206
Steele	\$ 137,463	\$ 41,702	\$ 179,165	\$ 135,026.11	\$ 146,865
Stevens	\$ 60,952	\$ -	\$ 60,952	\$ 26,609.44	\$ 30,251
Swift	\$ 145,821	\$ 140,000	\$ 285,821	\$ 179,957.19	\$ 198,134
Todd	\$ 177,633	\$ 69,475	\$ 247,108	\$ 215,182.75	\$ 232,089
Traverse	\$ 51,193	\$ -	\$ 51,193	\$ 42,733.02	\$ 46,199
Wabasha	\$ 110,208	\$ -	\$ 110,208	\$ 101,082.34	\$ 108,725
Wadena	\$ 193,682	\$ -	\$ 193,682	\$ 176,852.88	\$ 190,268
Waseca	\$ 40,455	\$ 10,000	\$ 50,455	\$ 39,218.53	\$ 42,577
Washington	\$ 1,039,653	\$ 160,000	\$ 1,199,653	\$ 1,108,866.64	\$ 1,192,227
Watonwan	\$ 78,490	\$ 14,000	\$ 92,490	\$ 68,732.51	\$ 74,825
White Earth*	\$ 21,770	\$ 40,000	\$ 61,770	\$ 48,059.04	\$ 52,171
Wilkin	\$ 31,497	\$ -	\$ 31,497	\$ 27,102.79	\$ 29,252
Winona	\$ 314,206	\$ -	\$ 314,206	\$ 291,726.64	\$ 313,586
Wright	\$ 412,914	\$ 120,000	\$ 532,914	\$ 485,408.04	\$ 522,295
Yellow Medicine	\$ 53,694	\$ 100,000	\$ 153,694	\$ 101,855.12	\$ 111,731
<b>Totals</b>	<b>\$ 30,437,000</b>	<b>\$ 3,348,001</b>	<b>\$ 33,785,001</b>	<b>\$ 28,755,531</b>	<b>\$ 31,137,050</b>

ALTERNATIVE CARE PROGRAM  
LOCAL AC ADMINISTRATIVE PLAN AND BUDGET - FY 2009

**Attachment B**

**Budget Worksheet**

Lead Agency: \_\_\_\_\_

**A. Evaluating Final AC Expenditures - FY 08**

1. Total AC expenditures for FY 08 (AC-CAP-USED amount displayed in PREV row on the PFIN screen in the Provider File Application of MMIS, June 30, 2008)
2. Base allocation for FY 08 (Attachment A: Alternative Care Program Lead Agency Base Allocation Amounts - FY 2008, DHS Bulletin #07-25-03, issued July 10, 2007)
3. Calculate difference in expenditures (subtract item A.2. from item A.1.)
4. Percent of over expenditure or under expenditure (divide item A.3. by item A.1.)

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_

**B. Evaluating AC Program Access - FY 08**

1. Total AC clients served (Total unduplicated recipients used on InfoPac R2208 for July 1, 2008, or R2457 as of July 1, 2008)
2. Total estimated AC clients to be served (Item C.2., Attachment B: Local AC Administrative Plan and Budget - FY 2008, DHS Bulletin #07-25-03, issued July 10, 2007)
3. Calculate the difference in number of clients accessing the AC program (subtract item B.2. from item B.1.)
4. Percent growth in AC caseload (divide item B.3. by item B.2.)
5. Average expenditure for AC services per client (divide item A.1. by item B.1.)

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

**C. Local AC Program Budget - FY 09**

1. FY 09 base allocation amount (amount from Attachment A)
2. Estimate number of unduplicated AC clients in FY 09 (divide item C1. by item B.5.)

\$ \_\_\_\_\_

**AC Clients:** \_\_\_\_\_

**D. AC Discretionary Services Budget (authorized agencies only)**

1. Enter base allocation amount from Attachment A
2. Multiply item D.1. by .25 (FY 09 cap for discretionary service)
3. Estimate total expenditures for FY 09 AC discretionary services

\$ \_\_\_\_\_

\$ \_\_\_\_\_

\$ \_\_\_\_\_ (X5527)

**E. Local Lead Agency AC Administrator / Contact Information and Authorization**

Staff contact person:

Tel. No: (     )     -

Staff email address:

Fax No: (     )     -

Lead Agency Director:

Email address:

Tel. No: (     )     -

Director signature:

Date:

**ALTERNATIVE CARE PROGRAM  
OPTIONAL TRIBAL GOVERNMENT LETTER OF INTEREST**

Tribal governments that are interested in administering a local AC program can submit this attachment at any time to request information or technical assistance to support a local planning process toward pursuing a contract with the Department or contact the Department directly. Check and complete any items below that apply:

\_\_\_\_\_ General information session                      Requested date: \_\_\_\_\_

\_\_\_\_\_ Information and training session                      Requested date: \_\_\_\_\_

\_\_\_\_\_ Data Request: \_\_\_\_\_

\_\_\_\_\_

Information technology resources needed: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_ Computer Training                                      Requested Date: \_\_\_\_\_

Estimated local need for AC home and community-based services including # of potential consumers: \_\_\_\_\_

\_\_\_\_\_

Estimated funds needed for AC services: \_\_\_\_\_

\_\_\_\_\_

Estimated time lines for implementation: \_\_\_\_\_

Contact people who will be responsible for locally developing the AC programs:

Name: \_\_\_\_\_ Telephone No: \_\_\_\_\_

Name: \_\_\_\_\_ Telephone No: \_\_\_\_\_

Authorizing Signature: \_\_\_\_\_ Date: \_\_\_\_\_

(Tribal Chair or Tribal Health Director)

**ALTERNATIVE CARE PROGRAM  
APPLICATION FOR TARGETED FUNDS - FY 2009**

**Part I: Outline for Supporting Information**

Requests for targeted funds must be submitted with a brief summary of supporting information together with a supplementary budget worksheet (Attachment D, Part II) to demonstrate the level of funds required. Both Parts I and Part II are required prior to department approval for AC targeted funds. Use the following questions as a guide for completing the supporting information.

**A.** Aside from the local program plan of fundamental program components submitted to the department, what additional activities or initiatives is the local program pursuing to further the state's purpose and goals for the AC program in local communities? An example may be that a need for additional access to waiver transportation service has been identified and expanding the capacity for service delivery in this area is being addressed.

**B.** How will additional funds be utilized? Examples (related to the example above) may be to negotiate a contract with a new vendor in the community, or to support higher access to waiver transportation service due to an increasing AC population. Include estimates on the related cost and number of clients that will be affected by this change.

**C.** What local change in the AC program is occurring that necessitate access to additional funds? An example may be that the local AC service population includes a greater number of clients with higher ADL needs, on the average, or the lead agency assisting more nursing facility residents to transition into community-based services. Include estimates on differences or variations in the profile of the local AC population, changes in the average cost per client, and the overall affect on the local AC program compared with the agency's fiscal year budget submitted in July 2008.

**D.** What provider issues are the local program experiencing that necessitate access to additional funds? An example may be that certain providers are exhibiting poor provider billing practices which were unanticipated in the original fiscal year budget. Provide detailed documentation on the impact to the local program's AC funds and the local plan to resolve provider discrepancies.

**E.** Specify whether the local program is involved in planning and development initiatives related to planned nursing facility closures, long term care reform, community capacity or service grants, or care-giver support programs. Indicate the time line, status, and interaction with any other department's approval or funding process. Attach a brief summary of the local planning and development information. Lead agencies are not required to resubmit gaps analysis information currently on file at the department.

**F.** Include other relevant information specific to the local program such as the effect of belated expenditures from the previous fiscal year, the level of encumbered amounts on service authorizations, and the level of provider payment in relation to encumbered amounts. In addition, include noted changes in specific service expenditures or statewide program changes and their impact on the local AC program.

**ALTERNATIVE CARE PROGRAM  
APPLICATION FOR TARGETED FUNDS - FY 2009**

**Part II: Supplementary Budget Worksheet**

A supplementary budget worksheet must be included with the supporting summary information when a request for AC targeted funds is submitted to the Department.

<b>A. Lead Agency:</b>				
<b>B. Revised Local AC Budget - FY 2009</b>	Local AC Base Allocation Amount		\$	
	Requested Targeted Funds Amount		\$	
	Revised Local AC Base Allocation Amount		\$	
<b>C. Lead Agency/Local AC Administrator Contact Information and Authorization:</b>				
AC administrative contact person:			Tel. No: (     )     -	
Email address:			Fax No: (     )     -	
Lead Agency Director:				
Director's Signature:			Date:	
<b>D. Department Approval of Targeted Funds Request</b> (For Central Office Use Only)				
Date Received:				
Approved Allocation Amount (revised):			\$	
Authorizing Signature:			Date:	
Approved Allocation Amount (revised):			\$	
Authorizing Signature:			Date:	
AC Allocation Spreadsheet Revised	Initial:	Date:	Initial:	Date:
Allocation Amount Revised - MMIS	Initial:	Date:	Initial:	Date:
Approval Letter Sent	Initial:	Date:	Initial:	Date:

**Note:** Approved AC targeted funds are added to the lead agency's base allocation amount and affect the determination of the base allocation amount for the following fiscal year.

**ALTERNATIVE CARE PROGRAM  
DISCRETIONARY SERVICES APPLICATION**

Discretionary services allow lead agencies to address special or unmet needs of a client or family caregiver that are not otherwise defined in the AC service menu. These services may be used to improve access, choice and/or cost effectiveness of the AC program in order to address chronic care needs of the client and does not duplicate other funding streams. Discretionary services, as with other AC services, are necessary to delay or prevent NF admission and are identified in the individual service plan. Up to 25% of a lead agency's annual allocation may be used for discretionary services.

Lead Agency: \_\_\_\_\_

Date: \_\_\_\_\_

Desired Outcome: \_\_\_\_ Improves consumer access or choice  
\_\_\_\_ Expedites NF transfer into the community  
\_\_\_\_ Support for family caregiver in providing care

Name of Service(s) to be provided\*: \_\_\_\_\_

\* Please attach service standard

Client(s) Served (please list client by service): \_\_\_\_\_

Provider Name(s)\*: \_\_\_\_\_

\*Please attach provider qualifications.

Payment rate and units of service (by service): \_\_\_\_\_

Total estimated expenditures for FY 09 discretionary services (Attachment B Part D: Local Plan and Budget Worksheet FY 2009)

Effective Date (Lead Agencies must re-apply annually) \_\_\_\_\_

Authorized by: \_\_\_\_\_

Lead Agency Director: \_\_\_\_\_

Please submit to: Alternative Care Program, Department of Human Services,  
PO Box 64976, St. Paul MN 55164-0976 Fax 651-431-7415