



July 2nd, 2019

Senator Michelle Benson, Chair
Senate Health & Human Services Finance and Policy
Committee
3109 Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Tina Liebling, Chair
House Health & Human Services Finance Cttee.
477 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator Jim Ablner, Chair
Senate Human Services Reform Finance & Policy
Committee
3215 Minnesota Senate Bldg.
St. Paul, MN 55155

Representative Rena Moran, Chair
House Health & Human Services Policy Cttee.
575 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator Jeff Hayden, Ranking Minority Member
Senate Human Services Reform Finance and Policy
Committee
2209 Minnesota Senate Building
St. Paul, MN 55155-1206

Rep. Joe Schomacker, Ranking Minority Member
House Health & Human Services Finance Cttee.
209 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator John Marty, Ranking Minority Member
Senate Health & Human Services Finance and Policy
Committee
2401 Minnesota Senate Building
St. Paul, MN 55155

Rep. Debra Kiel, Ranking Minority Member
House Health & Human Services Policy Cttee.
255 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Senators and Representatives:

This letter is to notify you of direct appropriation transfers approved by Minnesota Management & Budget (MMB) in the quarter that ended March 31, 2019. All transfers are general fund, unless otherwise noted.

This letter is notification as required by Laws 2017, First Special Session, chapter 6, article 18, section 16. This notification also complies with the requirement for the Department to report transfers in Minn. Stat. §256.01, Subdivision 41, clause (2).

You can find the legal authority and accounting detail for each transfer itemized in this letter by the corresponding reference item number in the **Summary of Accounting Detail for Approved Direct Appropriation Transfers** attached to this letter. Service level and interagency agreements that were authorized between January and March 2018 are conveyed under a separate required quarterly report to the Legislature.

FY 2019 Transfers – 3rd Quarter

1. A transfer of \$40,000 was made to the Department of Administration's Office of Sustainability as part of an interagency agreement to pay for our share of the costs for the Enterprise Sustainability Initiative.
2. We annually transfer MinnesotaCare premiums within the Health Care Access Fund (HCAF) in order to disperse funds from the appropriate appropriation IDs (APIDs). Health care premiums received from MinnesotaCare participants are deposited in separate MinnesotaCare premium appropriation ID (APID) accounts – one APID for Basic Health Plan (BHP) participants and one APID for Non-Basic Health Plan (Non-BHP) participants. These premiums funds are then transferred to their respective appropriation expenditure accounts. In addition, all MinnesotaCare appropriations are placed in an expenditure account for BHP participants. A portion of these funds needs to be transferred to the expenditure account for non-BHP participants. This quarter we transferred \$10 million from MinnesotaCare Premiums/BHP to Minnesota Care Non-BHP.
3. We transferred general fund medical assistance (MA) funds to a special revenue fund to manage the Money Follows the Person (MFP) federal grant. The MFP program works toward the goal of increasing the use of home and community-based services (HCBS).
 - \$794,459 is the non-federal share of MFP administrative expenses
 - \$794,459 is the non-federal share of MFP MA funded disabilities grants
4. We received a transfer of \$348,095 from the Department of Corrections as reimbursement for the non-federal share of Medical Assistance (MA) costs for inmates. We transferred this funding into the MA account in the General Fund.
5. A series of transfers totaling approximately \$9 million were made from Direct Care and Treatment (DCT) programs to DCT Operations. A \$7 million transfer was then made from DCT Operations to Minnesota State Operated Community Services (MSOCS) to cover projected shortfalls.
 - \$5,344,000 from State Operated Services – Adult Mental Health Services to DCT Operations
 - \$1,633,000 from State Operated Services – Forensic Services to DCT Operations
 - \$2,101,000 from Minnesota Sex Offender Program to DCT Operations
 - \$7,000,000 from DCT Operations to MSOCS

Please contact me with any questions on the transfers reported in this letter.

Sincerely,

Dave Greeman, Director
Budget Analysis Division

CC: Dennis Albrecht, Senate Counsel, Research and Fiscal Analysis
Doug Berg, House Fiscal Analysis
Travis Bunch, MMB
Ahna Minge, MMB



**Summary of Accounting Detail for Approved Direct Appropriation Transfers
3rd Quarter FY19 - January 1, 2018 through March 31, 2019**

Reference Item #	FROM (Fund and APFD-APID Appropriation)				TO (Fund and APFD-APID Appropriation)				SFY 2019
	Fund #	Fund Name	APFD / APID	Name	Fund #	Fund Name	APFD / APID	Name	
	SFY 2019 Q3 Transfers								
1	1000	GF	11132/1052	Central Office Operations (BACT 11)	2001	Other Misc. Special Revenue	G021ADMN/G027203	Department of Administration	\$40,000
Authority = MS 16B.04									
2	2360	HCAF	11164/1619	Minnesotacare Premiums/BHP (BACT 31)	2360	HCAF	11164/1288	Minnesotacare/Non-BHP (BACT 31)	\$10,000,000
Authority = Laws 2017, Chapter 6, Article 18, Section 16, Subd. 1									
3	1000	GF	11078/1309	Medical Assistance Grants (BACT 33)	2000	Restricted Misc. Special Revenue Fund	11252/1553	MFP-Rebalancing Admin (BACT 52)	\$794,459
3	1000	GF	11078/1309	Medical Assistance Grants (BACT 33)	2000	Restricted Misc. Special Revenue Fund	11252/1554	MFP-Rebalancing Admin (BACT 52)	\$794,459
Authority = MS 256B.04 Subd. 20									
4	1000	GF	P7810000/P784110	Department of Corrections	1000	GF	11078/1309	Medical Assistance Grants (BACT 33)	\$348,095
Authority = MS 256B.04, Subd. 23.									
5	1000	GF	16016/6016	SOS-Adult Mental Hlth Svcs (BACT 61)	1000	GF	16065/6065	DCT Operations (BACT 65)	\$5,344,000
5	1000	GF	16005/6005	SOS-Forensic Services (BACT 63)	1000	GF	16065/6065	DCT Operations (BACT 65)	\$1,633,000
5	1000	GF	10003/0003	MSOP (BACT 64)	1000	GF	16065/6065	DCT Operations (BACT 65)	\$2,101,000
5	1000	GF	16065/6065	DCT Operations (BACT 65)	4350	MN State Operated Comm. Svcs.	16009/6009	Waivered Services (MSOCS) (BACT 62)	\$7,000,000
Authority = Laws 2017, 1st Special Session, Chapter 6, Article 18, Section 2, Subd. 33 (a)									