



August 31, 2020

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 June 30<sup>th</sup>, 2020. All transfers are general fund, unless otherwise noted.

This letter is notification as required by Laws 2019, First Special Session, chapter 9, article 14, section 12. 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 April and June 2020 are conveyed under a separate required quarterly report to the Legislature.

## FY 2020 Transfers – 4th Quarter

1. The Department received \$159,694 from the Department of Corrections during the fourth quarter as reimbursement for the non-federal share of Medical Assistance (MA) expenditures for inmates. The funds were transferred into the Medical Assistance account in the General Fund (BACT 33).
2. Two transfer corrections occurred between Central Office GF Operations (BACT 11) and the Systems Account (BACT 16) to correct the amounts transferred from both the Health Care Access Fund and the General Fund for Fiscal Year 2020.
  - \$5,000,000 from the Health Care Access Fund (BACT 11)
  - \$1,000,000 from the General Fund (BACT 11)
3. A transfer correction of \$10,971,000 occurred between Chemical Dependency Treatment Grants General Fund (BACT 35) and the Consolidated Chemical Dependency Treatment Fund Restricted Misc. Special Revenue Fund (BACT 35) to correct for the forecast adjustment article by lowering the General Fund appropriation to the Special Revenue Fund.
4. Two transfers were made from the Medical Assistance (BACT 33) account to the Consumer Support Grant (BACT 55):
  - \$1,142,181 to reconcile with the 2019 End of Session Forecast
  - \$1,300,000 to ensure sufficient funds for the final payment cycle in Fiscal Year 2020
5. At the end of each fiscal year, the difference between the full amount appropriated for Alternative Care (BACT 34) and the net state share is transferred from the Alternative Care (BACT 34) to Medical Assistance (BACT 33), which reflects the amount of federal financial participation received on Alternative Care spending. This amount totaled \$28,319,439 in Fiscal Year 2020.
6. Direct Care and Treatment (DCT) transferred \$2,500,000 from the Minnesota Sex Offender Program (BACT 64) to the Mental Health Substance Abuse Treatment Services (BACT 61) to account for a projected year-end cash shortfall.
7. Two transfers were made between MinnesotaCare (BACT 31) accounts to allocate premiums between Basic Health Plan (BHP) and non-BHP accounts.
  - \$151,701 was transferred from non-BHP MinnesotaCare Premiums to non-BHP MinnesotaCare
  - \$29,529,180 was transferred from BHP MinnesotaCare Premiums to non-BHP MinnesotaCare
8. A series of administrative transfers were made from Central Office Operations (BACT 11) and DCT Operations (BACT 65) to account for projected year-end shortfalls within other budget activities.
  - \$500,000 from Children and Family Services GF Operations (BACT 12) to Central Office GF Operations (BACT 11)
  - \$1,500,000 Health Care Administration General Funds Operations (BACT 13) to Central Office General Fund Operations (BACT 11)
  - \$1,400,000 from Continuing Care for Older Adults General Funds Operations (BACT 14) to Central Office General Fund Operations (BACT 11)
  - \$2,200,000 from Community Supports Administration General Fund Operations (BACT 15) to Central Office General Fund Operations (BACT 11)
  - \$3,700,000 from Central Office General Fund Operations (BACT 11) to Health Care Access Fund Central Office Operations (BACT 11)
  - \$1,000,000 DCT General Fund Operations (BACT 65) to State Operated Services Adult Mental Health Services (BACT 61)

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

Sincerely,

A handwritten signature in black ink, appearing to read "D. Greeman". The signature is fluid and cursive, with a large initial "D" and a long, sweeping tail.

Dave Greeman, Director  
Budget Analysis Division

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



**Summary of Accounting Detail for Approved Direct Appropriation Transfers  
4th Quarter FY20 - April 1, 2020 through June 30, 2020**

Reference Item #	FROM (Fund and APFD-APID Appropriation)				TO (Fund and APFD-APID Appropriation)				SFY 2020
	Fund #	Fund Name	APFD / APID	Name	Fund #	Fund Name	APFD / APID	Name	Amount
	<b>SFY 2020 Q4 Transfers</b>								
1	1000	GF	P784110	Department of Corrections	1000	GF	H551309	Medical Assistance Grants (BACT 33)	\$159,694
1	<b>Authority = MS 256B.04, Subd. 23</b>								
2	2360	HCAF	H551269	Central Office Operations (BACT 11)	2001	Other Misc. Special Revenue	H5512472	Systems Operations APD (BACT 16)	(\$5,000,000)
2	1000	GF	H551052	Central Office Operations (BACT 11)	2001	Other Misc. Special Revenue	H5512472	Systems Operations APD (BACT 16)	(\$1,000,000)
2	<b>Authority = MS 256.014</b>								
3	1000	GF	H551426	CD Entitlement Grants (BACT 35)	2000	Restricted Misc. Special Revenue Fund	H551130	CCDTF Grants (BACT 35)	(\$10,971,000)
3	<b>Authority = MS 254B.02, Subd. 1</b>								
4	1000	GF	H551309	Medical Assistance Grants (BACT 33)	1000	GF	H551093	Disabilities Grants (BACT 55)	\$1,142,181
4	1000	GF	H551309	Medical Assistance Grants (BACT 33)	1000	GF	H551093	Disabilities Grants (BACT 55)	\$1,300,000
4	<b>Authority = MS 256.476</b>								
5	1000	GF	H551291	Alternative Care Grants (BACT 34)	1000	GF	H551309	Medical Assistance Grants (BACT 33)	\$28,319,439