

Overview of Federal Medicaid Funding and Enhanced Medicaid Funding for COVID-19		
What is FMAP	<ul style="list-style-type: none"> <li>Federal Medical Assistance Percentage. A state FMAP is used to determine the amount of federal funding a state receives for Medicaid (Medical Assistance [MA] in Minnesota). It is also a factor in determining the federal funding amount in numerous other federal programs.</li> <li>Each state's FMAP is determined according to a formula that relates to the state's per capita income.</li> <li>Each state establishes Medicaid eligibility criteria, covered services, and payment rates within federal guidelines. The FMAP is applied to eligible state expenditures.</li> <li>The minimum FMAP is 50% (Minnesota receives the minimum FMAP)</li> </ul>	
Enhanced FMAP for COVID-19	<ul style="list-style-type: none"> <li>Congress enacted a 6.2 percentage point enhanced FMAP in Public Law 116-127, the Families First Coronavirus Response Act.</li> <li>The enhanced FMAP for COVID-19 is available for the duration of the public health emergency declared by the Secretary of Health and Human Services effective January 27, 2020.</li> <li>The enhanced FMAP for COVID-19 is available for each calendar quarter that includes a month during which the public health emergency is in effect.</li> <li>States must meet certain requirements to receive the enhanced FMAP for COVID-19 (see notes)</li> </ul>	
Amount of Enhanced FMAP	<ul style="list-style-type: none"> <li>Estimated \$324 million (see notes). The next forecast will reflect reduced general fund expenditures for MA during period that the enhanced FMAP applies.</li> </ul>	
Minnesota FMAP & Enhanced FMAP	<ul style="list-style-type: none"> <li>The state FMAP is determined for specified categories of MA expenditures</li> </ul>	
Medicaid Expenditure Category	FMAP	Enhanced FMAP for COVID-19
Elderly and Disabled Basic Medical Care	50%	56.2%
Disability Waiver Services	50%	56.2%
Families with Children Basic Medical Care	50%	56.2%
Adults without Children and Parents Basic Medical Care	90%	N/A
Medicaid Administration	Various (50% - 90%)	N/A
<p>Notes: The estimated additional federal funding attributable to the enhanced FMAP for COVID-19 is \$162 million per quarter. Currently, MMB and DHS assume that the state will receive the enhanced FMAP for COVID-19 for two quarters, with total additional federal funding of \$324 million.</p> <p>States must meet these requirements to receive enhanced FMAP: (1) cannot establish eligibility criteria that are more restrictive than the requirements on 1-1-2020, (2) cannot increase premiums over those that existed on 1-1-2020, (3) cannot terminate enrollment except by request of the enrollee or if the enrollee moves out of the state, (4) must provide coverage for testing and medical services related to COVID-19, and (5) cannot increase the local government share of nonfederal Medicaid expenditures.</p>		