

1 Department of Human Services

2

3 Adopted Permanent Rules Relating to Title IV-E Funding

4 Allocation

5

6 Rules as Adopted

7 9550.0300 PURPOSE.

8 The purpose of parts 9550.0300 to 9550.0370 is to establish  
9 the methods to be used in distributing to local agencies the  
10 dollars received by the Department of Human Services from the  
11 federal government for administrative and training costs  
12 incurred in providing social services under Title IV-E and Title  
13 XIX.

14 9550.0310 DEFINITIONS.

15 Subpart 1. **Scope.** For the purpose of parts 9550.0300 to  
16 9550.0370, the following terms have the meanings given them.

17 Subp. 2. **Commissioner.** "Commissioner" means the  
18 commissioner of the Minnesota Department of Human Services or  
19 the commissioner's designated representative.

20 Subp. 3. **County board.** "County board" means the county  
21 board of commissioners in each county. When a human services  
22 board or welfare board has been established under Minnesota  
23 Statutes, sections 402.02 to 402.10, it shall be considered to  
24 be the county board for the purposes of parts 9550.0300 to  
25 9550.0370.

26 Subp. 4. **Department.** "Department" means the Minnesota  
27 Department of Human Services.

28 Subp. 5. **Local agency.** "Local agency" means the social  
29 services agency authorized by the county board to provide  
30 community social services.

31 Subp. 6. **Social service cost pool.** "Social service cost  
32 pool" means all direct and indirect costs incurred by local  
33 agencies in providing community social services as defined in  
34 part 9550.0010, subpart 4, except costs that are not allocated  
35 through the use of the social service time study.

1 Subp. 7. **Social service time study.** "Social service time  
2 study" means the study conducted by the department that measures  
3 the portion of local agency staff time spent on various social  
4 service activities for the purpose of determining the percentage  
5 of administrative costs attributable to social service  
6 expenditures that are federally reimburseable.

7 Subp. 8. **Substitute care.** "Substitute care" means  
8 placement in a group home, family foster home, or other publicly  
9 supported out-of-home residential facility, including any  
10 out-of-home residential facility under contract with the state,  
11 county, other political subdivision, or any of their agencies,  
12 to provide those services.

13 Subp. 9. **Title IV-E.** "Title IV-E" means the federal  
14 program that reimburses administrative and training costs  
15 incurred in providing services under Public Law Number 96-272 as  
16 amended through June 17, 1980.

17 Subp. 10. **Title IV-E money.** "Title IV-E money" means the  
18 federal dollars claimed and received by the department as  
19 reimbursement for administrative and training costs incurred by  
20 the local agencies under Title IV-E.

21 Subp. 11. **Title XIX.** "Title XIX" means the federal  
22 program that reimburses the costs incurred in providing health  
23 care to eligible persons under United States Code, title 42,  
24 sections 1396 to 1396p.

25 Subp. 12. **Title XIX money.** "Title XIX money" means the  
26 federal dollars claimed and received by the department under  
27 Title XIX as reimbursement for administrative costs incurred by  
28 the local agencies in providing social services to medical  
29 assistance program recipients.

30 9550.0320 TITLE IV-E REIMBURSEMENT.

31 The following equation shall be used to calculate the local  
32 agency's share of the Title IV-E money received by the  
33 department each quarter of the federal fiscal year:

$$A_i = B \frac{C_i \left( \frac{D_i + F}{E_i + 10} \right)}{\sum_{i=1}^{87} C_i \left( \frac{D_i + F}{E_i + 10} \right)}$$

where

$A_i$  = the  $i$ th local agency's share of Title IV-E money received by the department

$B$  = the total amount of Title IV-E money received by the department to be distributed for the quarter

$C_i$  = the social service cost pool reported by the  $i$ th local agency during the quarter

$D_i$  = the average monthly number of IV-E eligible children on the  $i$ th local agency's caseload for the quarter

$E_i$  = the average monthly number of children in substitute care on the  $i$ th local agency's caseload for the quarter

$F$  = a stabilizing factor, equal to the statewide ratio of children eligible under Title IV-E to all children in substitute care, multiplied by ten

9550.0330 TITLE XIX REIMBURSEMENT.

The following equation shall be used to calculate the local agency's share of the Title XIX money received by the department:

$$A_i = B \frac{\sqrt{C_i * D_i}}{\sum_{i=1}^{87} \sqrt{C_i * D_i}}$$

where

$A_i$  = the  $i$ th local agency's share of the Title XIX money to be distributed by the department

$B$  = the total amount of Title XIX money received for distribution by the department

$C_i$  = the social service cost pool reported by the  $i$ th local agency for the quarter

$D_i$  = the average monthly number of persons receiving medical assistance in the  $i$ th local agency during the quarter for whom the local agency is financially responsible

1 9550.0340 REPORTING REQUIREMENTS.

2 Subpart 1. Information required. To receive reimbursement  
3 under parts 9550.0300 to 9550.0370, the local agency must:

4 A. provide the information required by the department  
5 to conduct the social service time studies on which the state's  
6 federal reimbursement claims for administrative costs under  
7 Title IV-E and Title XIX are based; and

8 B. submit quarterly reports to the department no  
9 later than 20 calendar days after the end of the quarter on  
10 forms specified by the commissioner. The quarterly reports must  
11 provide the information needed to make the calculations  
12 specified in parts 9550.0320 and 9550.0330, including:

13 (1) the local agency's social service cost pool  
14 for the quarter;

15 (2) the average monthly number of children in the  
16 county who are eligible under Title IV-E during the quarter; and

17 (3) the average monthly number of children in  
18 substitute care in the county during the quarter.

19 Subp. 2. Penalty. A local agency shall not receive its  
20 Title IV-E or Title XIX reimbursement until the agency has  
21 provided the information required under subpart 1. If the local  
22 agency does not meet the reporting requirements of subpart 1,  
23 the commissioner shall send a written notice of noncompliance to  
24 the local agency. If a local agency does not comply with  
25 subpart 1 within 30 days of the date written notice was sent,  
26 the commissioner shall certify a reduction in the local agency's  
27 reimbursement by 20 percent for the quarter of noncompliance.  
28 When a local agency is notified of this action, it may make an  
29 appeal under Minnesota Statutes, section 256E.06, subdivision  
30 10. Money received or retained by the department as a result of  
31 the penalty must be distributed to all local agencies that were  
32 not penalized. The percentage of penalty money received by each  
33 local agency must be equal to the percentage of Title IV-E money  
34 received by the local agency for the quarter.

35 9550.0350 DISALLOWANCES.

1 Any disallowances due to audits of federal claims for  
2 administrative reimbursement must be shared by all local  
3 agencies. A local agency's percentage share of a disallowance  
4 must be equal to the percentage of the federal administrative  
5 reimbursement received by the local agency for the quarter and  
6 program to which the disallowance applies. The commissioner  
7 shall notify each county of the action to be taken and the  
8 reasons for the action.

9 9550.0360 HOLD HARMLESS CLAUSE.

10 Subpart 1. **Effect.** For the federal fiscal year 1986, each  
11 county shall receive as reimbursement under part 9550.0320 no  
12 less than the amount of Title IV-E reimbursement received by the  
13 county as of April 1, 1987, for federal fiscal year 1985. The  
14 funds needed to satisfy the requirements of this part must be  
15 obtained by deducting an equal percentage from the federal  
16 fiscal year 1986 Title IV-E allocation to each local agency that  
17 did not submit a Title IV-E claim in federal fiscal year 1985.

18 Subp. 2. **Applicability.** This part applies only to  
19 allocations for federal fiscal year 1986.

20 9550.0370 PRIOR PERIOD ADJUSTMENT.

21 Subpart 1. **Prior adjustments permitted.** A local agency  
22 may provide the department with amended reports to correct  
23 inaccuracies in data provided for previous quarters. Additional  
24 federal revenue obtained as a result of corrections in data for  
25 previous quarters must be distributed to all local agencies in  
26 accordance with the formulas in parts 9550.0320 and 9550.0330.  
27 Any money owed to the federal government because of amended  
28 local agency reports under this part must be billed to all local  
29 agencies in accordance with the formulas in parts 9550.0320 and  
30 9550.0330.

31 Subp. 2. **Limitation on prior adjustments.** An amended  
32 report must be received by the department no later than 12  
33 months after the reporting deadline for the quarter being  
34 amended.