Children's Defense Fund
MINNESOTA

Summary of FINAL Health and Human Services (HHS) Budget and Estimated Number of Minnesota Children and Families Impacted[1]

Updated July 26, 2011

Proposal[2]	Included in FINAL BUDGET?	FINAL BUDGET: Amount Cut FY 12-13	FINAL BUDGET: Estimated Number of Children or Families Impacted in FY 12-13[3]	Notes
PREVENTION AND INTERVENTION SERVICES				
Cut Children and Community Services Act (CCSA) grants	**YES**	$22 million	51,000 children per year	CCSA grants fund supportive services for children, adolescents and adults who are experiencing, or are at-risk of experiencing, abuse, neglect, poverty, disability, dependency or chronic health conditions. Over 70% of grant funds are used to protect children and provide mental health services for uninsured and underinsured children.
Cut Home Visiting grants	**NO**			
Cut Child Welfare Reform and Early Intervention grants	**NO**			
Cut Indian Child Welfare Act Transfer to R21 grants	**NO**			
Cut Children's Mental Health Screening grants	**NO**			
Cut Children's Mental Health Cultural Competence Provider Capacity grants	**NO**			
Cut Adult Mental Health grants	**YES**	$13.6 million	--	Thousands of adults, including many parents, will be impacted.

[1] This table assumes that the number of children served remains constant based on data available from the most recent year. Some children and families may be affected by cuts to multiple programs.
[2] These proposals were included in Senate File 760, the Omnibus Health and Human Services Finance bill, which the Legislature presented to Governor Mark Dayton on May 21, 2011. Governor Dayton vetoed SF 760 on May 24, 2011.
[3] The biennial impact is likely double the estimated number of impacted children and families depending on the average length of stay in the program.

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FAMILY SUPPORT				
Increase Adoption Assistance (AA) and Relative Custody Assistance (RCA)	**YES**	($6.2 million funding *increase*)		
WORK SUPPORTS (MFIP and CHILD CARE)				
Cut MFIP[4] assistance for families with a disabled parent (MFIP SSI penalty)	**NO**			
Cut MFIP Consolidated Fund	**YES**	$20 million	*40,000 families per month receive MFIP assistance. Many of these families will be impacted by this cut.*	This block grant funds emergency assistance for families, job counseling services for parents on the welfare-to-work program and the State's portion of county public assistance workers' salaries.
MFIP training and education restrictions	**NO**			
Child care: reimbursement rate cut for <u>all</u> providers	**YES**	$6.6 million (2.5% rate cut)	18,000 families per year	Minnesota's Child Care Assistance Program (CCAP) helps to make quality child care affordable for income-eligible families. CCAP is available to families participating in MFIP, families that had an MFIP case close within the last 12 months, and low-income families who may be eligible for the Basic Sliding Fee (BSF) program. This rate cut will affect working families and impact the financial health of many child care providers. SF 760 included a 5% rate cut, compared to the final 2.5% rate cut. CCAP already experienced major funding cuts in previous legislative sessions.

[4] MFIP, the Minnesota Family Investment Program, is Minnesota's welfare to work program.

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WORK SUPPORTS CONTINUED				
Child care: reimbursement rate cut for legally, non-licensed providers (Family, Friend & Neighbor - FFN)	**YES**	$6.5 million (12% rate cut)	4,000 families per year	Cutting child care rates means that the providers who care for our children will be underpaid. Rate cuts will likely make it more difficult for working parents to find quality child care for their children. Centers may close, and FFN providers may be forced to sacrifice quality care in order to make ends meet for themselves and the children in their care. SF 760 included a 16% rate cut, compared to the final 12% rate cut.
Child care: program change limiting time adult family member who is not in an authorized work or education activity can be temporarily absent from home	**YES**	$6.8 million	19 families per month	
Child care: program change prohibiting CCAP payments for child care provided by someone who resides in child's home	**YES**		170 families per month	
Child care: program change restricting CCAP payments for child care provided in child's home	**YES**		900 families per month	
Child care: program change eliminating payments to providers for activity fees	**YES**		155 families per month	
Child care: program change eliminating absent day payments for FFN child care providers, and limiting absent day payments to 10 days per calendar year for licensed providers & license-exempt centers	**YES**		*19,000 families, including 34,000 children, receive child care assistance each month. These program changes could impact any family receiving assistance*	
Child care: program change prohibiting payments that exceed daily and weekly maximum rates for centers and licensed family providers, and limiting payments to legally, non-licensed providers to no more than 50 hours per week	**YES**		810 families per month	

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WORK SUPPORTS CONTINUED				
Child care: program changes increasing registration requirements for legally, non-licensed providers to include First Aid and CPR and additional training every two years	**YES**	(cont. from above)	3,500 families per month	
Cut Child Care Service Development grants	**YES**	$500,000	--	These grants help build and improve the capacity of the child care system.
Cut Child Care Resource and Referral grants	**YES**	$600,000	--	These grants help support the child care infrastructure by providing parents with information, offering supports and training resources for child care providers, coordinating local services and collecting data used to inform community planning. SF 760 included a $1.5 million cut.
Cut Child Care Facility grants	**YES**	$326,000	--	These grants improve child care and early education facilities, and help plan, design, construct or expand sites to increase the availability of child care and early education.
Cut Migrant Child Care grants	**NO**			
Reallocate Basic Sliding Fee (BSF) Child Care Assistance grants	**YES**	$5 million	500 families per year	BSF provides financial subsidies to help low-income families pay for child care. Under current law, unspent funds are to be redistributed to counties with families on child care waiting lists. Currently, 4,000 Minnesota families remain on the waiting list for child care.
ECONOMIC SUPPORT				
Eliminate General Assistance	**NO**			*SF 760 proposal would have impacted 68 homeless, unaccompanied youth.*
HEALTH CARE				
Create Minnesota Defined Contribution Program	**YES** Different from original proposal	$9.4 million	Does not impact children or parents	This new program moves childless adults with incomes above 200% FPG off of MinnesotaCare and into the private market. Participants will receive a sliding fee subsidy based on income to purchase health insurance through the private market. SF 760 proposed moving childless adults with incomes above 125% FPG and parents above 133% FPG off of MinnesotaCare and into the private market.

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HEALTH CARE CONTINUED				
Repeal Medical Assistance (MA) Bridge Program	**YES**	$23.3 million	13,500 children per month	Would have provided two months of extended MA eligibility followed by automatic MinnesotaCare eligibility until renewal for children ages 2-18 whose income exceeds 150% FPG. This proposal had not been implemented and was awaiting federal approval in Minnesota's PMAP+ waiver.
Repeal MinnesotaCare premium grace month and renewal rolling month	**YES**	$7 million	1,900 families per month	Would have permitted enrollees to pay their premiums up to the last day of the coverage month, thereby giving enrollees an extra month to pay their premiums before disenrollment. Also would have permitted enrollees who fail to submit their renewal forms in a timely manner to remain eligible for an additional month before disenrollment. This proposal had not been implemented and was awaiting federal approval in Minnesota's PMAP+ waiver.
Repeal policy exempting children from MinnesotaCare income limit	**NO**			
Repeal automatic MinnesotaCare eligibility for children exiting foster care	**NO**			
Change MinnesotaCare eligibility reviews from 12 months to 6 months	**NO**			
Eliminate automatic renewal for MinnesotaCare children	**YES**	$2.4 million	1,700 children per month	Would have exempted children with household income equal to or below 275% FPG from disenrollment for failure to renew coverage annually. This proposal had not been implemented and was awaiting federal approval in Minnesota's PMAP+ waiver.
Eliminate Outreach grants	**NO/YES** Grants were cut, not eliminated	$88,000	--	These grants fund outreach activities, such as providing information, application forms, and assistance in obtaining coverage through Minnesota health care programs. SF 760 proposed eliminating these grants ($180,000).