

Overview of Federal Medicaid Funding and Enhanced Medicaid Funding for COVID-19		
What is FMAP	<ul style="list-style-type: none"> 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. Each state's FMAP is determined according to a formula that relates to the state's per capita income. Each state establishes Medicaid eligibility criteria, covered services, and payment rates within federal guidelines. The FMAP is applied to eligible state expenditures. The minimum FMAP is 50% (Minnesota receives the minimum FMAP) 	
Enhanced FMAP for COVID-19	<ul style="list-style-type: none"> Congress enacted a 6.2 percentage point enhanced FMAP in Public Law 116-127, the Families First Coronavirus Response Act. 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. 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. States must meet certain requirements to receive the enhanced FMAP for COVID-19 (see notes) 	
Amount of Enhanced FMAP	<ul style="list-style-type: none"> Estimated \$324 million (see notes). The next forecast will reflect reduced general fund expenditures for MA during period that the enhanced FMAP applies. 	
Minnesota FMAP & Enhanced FMAP	<ul style="list-style-type: none"> The state FMAP is determined for specified categories of MA expenditures 	
	FMAP	Enhanced FMAP for COVID-19
Medicaid Expenditure Category		
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>		