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| LOCAL COMMISSIONERS MEMORANDUM |
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DSS-4037EL (Rev. 9/89)

Transmittal No: 92 LCM-36

Date: February 21, 1992

Division: Administration

TO: Local District Commissioners

SUBJECT: Funding for Refugee Resettlement Program

ATTACHMENTS: NONE

91-LCM-32 informed local districts of the reduction of funds available for Cash/Medical Assistance and Administration under the Refugee/Entrant Assistance Program (R/EAP) for FFY 91. As a result of the shortage of Federal funds, changes have been implemented to the Medicaid Management Information System (MMIS) which will affect the manner in which R/EAP expenditures are funded. Additionally, local districts will be charged their share of Federally related R/EAP Medical Assistance costs, for which no Federal funds are forthcoming.

Prior to 10/1/91, Medicaid costs for R/EAP were initially funded without a local share (e.g. 50% Federal/50% State). When Federal claims for R/EAP were settled by the Federal Department of Health and Human Services, the additional reimbursement was retained by the State with no further need to adjust local claims. Effective 10/1/91, local districts will be charged their share (25% for FP claims and 50% for FNP claims) for R/EAP Medicaid costs via the weekly shares report. The monthly MR-0-30 and MR-0-54 will exhibit a local share for Cuban/Haitian Entrants and Refugees.

For the period 4/1/91 to 9/30/91, Federal funds were not available to reimburse Federally related R/EAP Medical Assistance costs. Due to the manner in which the MMIS funded these costs, the State has funded the local share for this time period. In order to rectify this situation and correct the shares funding, a bottom line adjustment is scheduled to be processed prior to 3/31/92. In order to reduce the effect on each district's cash flow, this adjustment will be processed in concert with an FNP to FP payment. Only those districts with R/EAP Medical Assistance expenditures for the 4/1/91 to 9/30/91 period will be affected.

The proper entry to record this adjustment is:

DR-A-6102 MA (MMIS)

CR. A-200 CASH

For FNP R/EAP expenditures made subsequent to 10/1/91, settlements for local share will be made when Federal funds become available. Local districts are reminded that claims should continue to be submitted for all R/EAP expenditures in order to preserve New York State's rights to future Federal grant awards.

The proper entry to record the receipt of Federal funds is:

DR. A-200 CASH

CR A-4601 MA Federal

The Department is continuing its efforts to identify methods to increase revenues to help offset this shortfall.

Any questions concerning this release should be directed to Roland Levie at 1-800-342-3715, extension 4-7549 or Marvin Gold at (212)804-1108.

Nelson Weinstock
Deputy Commissioner
for Administration