

Change Item Title: Reform 2020: Community First Services and Supports

Fiscal Impact (\$000s)	FY 2014	FY 2015	FY 2016	FY 2017
General Fund				
Expenditures	(1,043)	45	(498)	(2,346)
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	(1,043)	45	(498)	(2,346)

Recommendation:

The Governor recommends reforming the Personal Care Assistance (PCA) program to a new service called Community First Services and Supports (CFSS). CFSS will provide assistance with daily living, health-related tasks and skills acquisition, which enable individuals to stay in their homes. CFSS will be more flexible and responsive to persons served to remain at home, facilitate transition out of institutional care, and prevent or delay future admissions. Additionally, this proposal will test innovative models of service coordination across home, school and community for children receiving CFSS. This proposal saves \$998 thousand and requires 7.0 FTEs to implement in the 2014-15 biennium, and saves \$2.844 million in the 2016-17 biennium and requires 7.0 FTEs to implement.

Rationale/Background:

Bipartisan reform enacted by the 2011 Minnesota Legislature seeks to reform the long-term service and support system for seniors and people with disabilities or other complex needs to achieve better health outcomes, increase independence and community integration, reduce reliance on institutional care, and ensure quality, consistency, and long-term sustainability of programs. CFSS is one component of the Reform 2020 strategy to emphasize community settings and promote consumer choice.

Proposal:

Effective January 1, 2014, and upon federal approval, CFSS will take the place of the existing Personal Care Assistance (PCA) program as well as the Consumer Support Grant (CSG) program. The added flexibility of CFSS to cover skills acquisition, assistive technology, environmental modifications, and transitions will lead to greater independence of people with functional needs. Making this service more accessible and flexible will facilitate transition out of institutional care and prevent or delay future admissions. Existing PCA recipients will remain eligible for the new CFSS program and will have access to additional services through this benefit set. An additional 1,450 people are projected to receive the CFSS benefit.

These changes will result in the service meeting more needs, more appropriately, of more people. At the same time this proposal will reduce some pressure on the system as more people use the flexibility within CFSS instead of seeking to access the more expanded service menu of one of the five HCBS waivers, or other available services in an effort to fill the gaps in what they need under current state plan personal care assistance services.

This proposal also redesigns the existing fiscal support entity structure to improve administrative efficiencies if people choose to hire and manage their own staff. Financial management entities will be selected through a competitive request for proposals process and will be limited in number while still offering consumer choice. Consumers across the state will have at least two financial management entities to choose from.

DHS will modify systems, lead agency forms and other administrative processes to accommodate the new option. Additionally, DHS will evaluate the outcomes of the CFSS option as required under federal rules.

The Reform 2020 package contains elements that are contingent upon 1115 waiver approval by the federal government.

Performance Measures:

Reforming the PCA program and testing new models of service coordination will make these services more accessible and flexible, and will facilitate transition out of institutional care and prevent or delay future admissions. Key indicators to measure success include the percent of Long Term Care recipients and Home and Community Based Services recipients served at home.

2014-15 Biennial Budget

Human Services

Statutory Change: M.S. §256B.0625, subd. 19a, subd. 19c; M.S. §256B.0659; M.S. §256B.85; M.S. §256.476

DHS Fiscal Detail for Budget Tracking

Net Impact by Fund (000's)			FY 2014	FY 2015	FY 14-15	FY 2016	FY 2017	FY 16-17
General Fund			(1,043)	45	(998)	(498)	(2,346)	(2,844)
HCAF								
Total All Funds			(1,043)	45	(998)	(498)	(2,346)	(2,844)
Budget Detail	BACT#	Description	FY 2014	FY 2015	FY 14-15	FY 2016	FY 2017	FY 16-17
GF	33	MA-LW	1,303	3,793	5,096	3,176	1,203	4,379
GF	53	Aging Grants	(4,085)	(4,824)	(8,909)	(4,700)	(4,575)	(9,275)
GF	53	Aging Grants	150	125	275	100	100	200
GF	55	Disabilities Grants	150	125	275	100	100	200
GF	11	Oper. MN Choices	450	0	450	0	0	0
GF	11	Operations-MMIS	50	0	50	0	0	0
GF	14	CC Admin.	1,445	1,271	2,716	1,271	1,271	2,542
GF	REV1	FFP @ 35%	(506)	(445)	(951)	(445)	(445)	(890)
Requested FTE's								
GF	14	CC Administration	7	7	7	7	7	7