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STATE OF MINNESOTA
DEPARTMENT OF HUMAN SERVICES

May 8, 1992

TO: DD Study Group Members
FROM: Division for Persons with Developmental Disabilities
Department of Human Services
RE: Updated Information for Agenda Item
"What has changed since the report was issued"

The following represents changes that have been made in service areas for which the Department of Human Services is responsible since the time of the Administration reports in the spring of 1991. Also attached for your review is a copy of the executive summary from an independent audit of the Minnesota Home and Community Based Service Program.

Case Management:

- * Revisions to statute have been made during the 1991 and 1992 sessions. Changes include the following:
 - Clarification about administrative versus service duties provided by county case management systems. This was done to assist with federal reimbursement for services provided.
 - Elimination of requirements related to the individual habilitation plan and clarification about the role of the county case manager versus the provider of services.
 - Strengthening of language pertaining to coordinative and monitoring role of case manager.
 - Provisions which allow the waiver of certain assessment activities when information is already available through other sources or when the case manager and consumer feel that assessment is unnecessary.
 - Provisions which allow other service planning activities to replace the development of an ISP, such as when the county is participating in the development and implementation of IFSPs.
 - Provisions which allow the waiver of an ISP when it appears unnecessary. Examples include when a family only wishes to access a single service, such as respite care on an intermittent basis.
 - Clarification about when counties must provide host county concurrence to persons seeking placement in out-of-home-county arrangements.
 - Provisions which require free choice of case management vendor.
 - Provisions which clarify that a host county may

- determine that the placing county must arrange and pay for case management services when it appears that the placing county will be unable to provide adequate levels of case management for an individual due to distance or other factors.
- Provisions allowing pre-placement planning to be reimbursed as a Medicaid service. A state plan amendment is being drafted. This activity is projected to provide additional revenues to county agencies.
 - Provisions to allow demonstration projects related to how case management services are provided. Projects are currently underway.
- * Rule revision (Rule 185) is currently underway. Public forums have been held around the state to solicit input into the new rule. Outcome standards are being pursued for incorporation into the new rule. An advisory committee is continuing work on this rule.
- * A recent study completed by the University of Minnesota and Systemetrics (Division of McGraw Hill) found that in a survey of families, case managers were rated as **excellent** by 48% of families, **good** by 37% of families, and **poor** by 2% of families. Compared to the national average, Minnesota rated higher in 7 of 7 areas measured. These areas included: help in solving problems, review of each aspect of a recipient's program, provision of training or advice on meeting person's needs, arrangements of special training and support when needed, inquiring of the individual if they were experiencing any problems, and assisting service providers and families with applications and other paper work.

Home and Community Based Waivers:

- * Statutory changes were made. These include the following items:
- A system to "capitate" total expenditures for waiver and home care services. This is scheduled to be implemented beginning July 1 this year.
 - Shifts to maximize FFP for all supervision and habilitative costs. Waivered service recipients will have all supervision and habilitative costs paid for under the waiver program. Previously, a combination of waiver and foster care services (MSA) was used for this purpose. This effort will save approximately \$ 4 million of state funds per year.
 - Need determination is no longer applicable to waived services programs (state level review is no longer required).
 - Limitations in the size of service (limits 4

- persons per site) were codified.
- * Funding changes also have included:
 - One time adjustments for "commissioner special projects" and for increases in transportation.
 - Adjustments for wage enhancement.
 - * Special funding
 - Establishment of "enhanced funding" targeted for discharge of individuals from regional treatment centers.
 - * Demonstrations
 - Family choice option
 - Family foster care demonstration
 - * Waiver Amendments
 - Respite care or homemaker as only service now allowed under program.
 - Respite care limits expanded to allow more flexibility.
 - * Waiver Renewal
 - Renewal request has been submitted. This includes increases in number of diversions allowed under the program.
 - Second stage of renewal, which includes major amendments to program, will be submitted immediately after renewal is approved.
 - * Licensing changes
 - Statute was amended to exclude from licensure certain respite care providers.
 - * Rule Amendments
 - Noncontroversial rule amendments have been completed to Rule 41. Controversial amendments are forthcoming.
 - * An independent assessment was completed which looked at existing services and made recommendations for changes to the waiver program.
 - * The Department underwent a federal audit (program and financial) of the waiver program. No major problems were noted.

MMIS II System

- * Numerous changes will be implemented to long term care services such as ICF/MR and Home and Community Based waiver when the MMIS II system is implemented. Many of these changes will streamline the work currently done manually by county agencies, as well as the state agency. Cost accountability will improve tremendously. New edits and system processes have been designed which will reduce error and untimely reimbursement. DPDD has made this a major priority the past year.

ICF/MR Services

- * Statutory provisions include:
 - A moratorium on ICF/MR development has been extended to include "replacement" beds. All new services will be developed through "enriched" home and community based waiver.
 - Statutory provisions were passed in 1991 which identify admission review standards to ICF/MR. This was enacted to assist with county involvement in making admission decisions and to assure that persons were not prevented from admission based upon factors such as current county of residence.
 - Redetermination of need was extended from every two years to every four years.
 - Various changes were made to assist in handling receivership situations or to facilitate the development of alternative services at the end of the receivership period.
- * Case mix reimbursement has been delayed.
- * A number of ICF/MR facilities have been upgraded or "converted" to allow provision of services to more disabled individuals.
- * The ARRM lawsuit has been settled...with the exception of the wage parity provisions.

Semi Independent Living Services:

- * Statutory changes include:
 - Development of a new reimbursement system which provides more flexibility and a streamlined process for allocation of resources. Slots are no longer allocated...counties receive a "floor allocation of money" which may be used for any number of individuals. Additional money is allocated based upon a utilization formula.
 - Eligibility criteria was expanded.
 - Reimbursed services under SILS was expanded to include items such as a housing allowance.
- * The reimbursement system was implemented in January of this year.
- * Limits on per unit cost were implemented by the 1991 Legislature.

Family Support Programs:

- * Family Support Programs have been expanded to include a variety of funding streams. The division has allocated a full time staff person for the purpose of focusing upon those services which will provide support to families in maintaining children at home. Previously, the division had only a third time position devoted to this effort.
- * Family Support Grant funding was increased, thus allowing us to provide grants to all families on the waiting list at the beginning of the fiscal year. However,

restrictions were placed on the use of grants for some families who received other services through either medical assistance or waiver. The grant structure was also changed to allow ONE TIME grants to families for special purchases.

- * The **Family Choice Option** was implemented. This option provides some additional independence for the family when they use in home support services funded through the waiver program. Families may choose to provide much of their own case management, and may complete their own individual service plan. Additional changes are being investigated. For instance, we will be seeking approval from the federal government to allow direct payment to families. This is currently approved in the state of Rhode Island for some medicaid recipients.
- * Increased coordination among the various departments in the area of Early Childhood Intervention has occurred in an attempt to streamline the process for families and local agencies. Proposed legislation did not pass in several areas related to the implementation of Part H.

Day Program Services:

- * Legislative proposals were introduced and a compromise package was approved which allows for alternative services (retirement) to persons 65 or older. Language includes provisions for funding to follow the person.
- * An advisory committee has been meeting since November to review and make recommendations pertaining to long term policy changes in this area. It has been anticipated that a policy package would be forwarded in the 1993 session.

Other Related Activities:

- * The Department chaired a task force on **regulatory reduction**. Legislation which exempts certain portions of Rule 34 for ICF/MR providers was passed in the 1992 session. The Department is scheduled to begin work on a **consolidated licensing rule** in September of this year. This effort will include rules 20, 34, 38, and 42.
- * The Department competed with 28 states for CSLA. This would have allowed medical assistance funding in Minnesota for SILS eligible clients. Eight states were selected, Minnesota not being one. Legislation was introduced this year again to allow the transfer of funding in the event CSLA was again opened to additional states. The legislature did not approve the request.
- * OBRA activities continue to increase, as requests for nursing home placement become more common.