

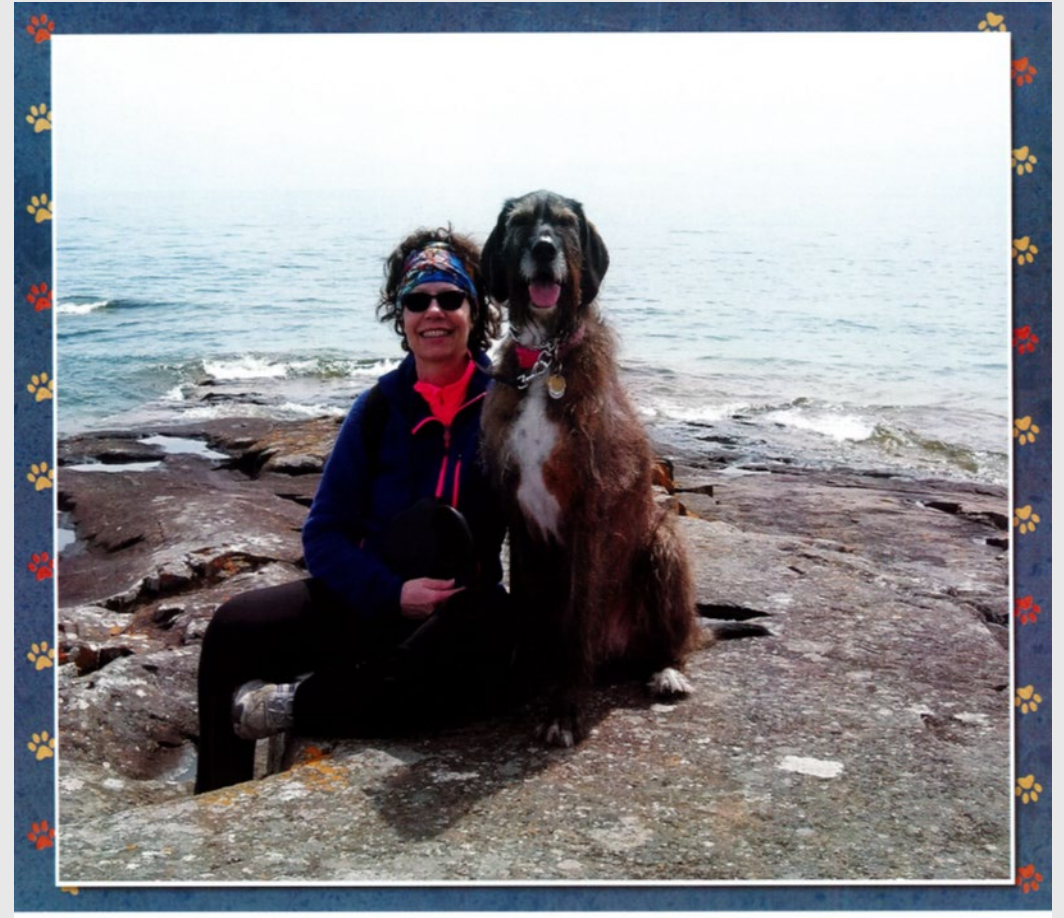


# Disability Waiver Fiscal Updates: DWRS, Legislation, and Waiver Reimagine

Jan Buck and Meghan Lindblom  
Room O, Lake Superior Ballroom, City Side  
August 1, 2019

# Agenda

- Disability Waiver Rate System (DWRS)
  - Background of Disability Waiver Rate System (DWRS)
  - End of Banding
  - Overview of exception process
- Legislative Update
  - 2020 legislative changes
  - Competitive Workforce Factor
  - Service and Framework Changes
- Waiver Reimagine
  - 2018 Recommendations
  - What's next



# Disability Waiver Rate System (DWRS)

# DWRS background

In 2007, the federal Centers for Medicare & Medicaid Services (CMS) informed DHS that Minnesota's four disability waivers (BI, CAC, CADI, DD) were out of compliance with federal requirements for uniform rate determination methods and standards.

In January 2014, DHS established the Disability Waiver Rate System (DWRS).

Rate stabilization adjustments, commonly referred to as “banding”, were authorized in Minnesota Statute 256B.4913 during the 2013 legislative session.

Banding limits changes in historic rates for all authorizations that existed in December 2013.

For people with rates for services in December 2013, and select providers with rates for services in December 2013, a rate stabilization or “band” is applied.

The protection of banding ensures ongoing service access, limits impacts to service providers and county and state budgets during DWRS implementation, allows time for comprehensive research and analysis, and provides time for businesses to adapt to new rate structure.

Banding began with the implementation of the DWRS in 2014 and will end December 31, 2019

# What does the end of banding mean?

For DWRS framework services with a start date of Jan. 1, 2020 or later, rates will **not** be banded to an individual or weighed average historic rate. All rates will be at the Rate Management System framework rate for the service.

This change will occur on a **rolling** basis as service authorizations either renew or change.

DHS will include the changes in the Rate Management System within the MnCHOICES Support Plan.

# Implementation example #1

Mary is on the CADI waiver and has lived in a corporate foster care setting and attended Prevocational Services (pre-voc) since 2005 and is banded. Mary has a 5/1/20 renewal.

**Q:** What rates will calculate in the Rate Management System (RMS) tool when I enter the inputs in to Foster Care and Pre-Voc?

**A:** The framework rate for both services.

**Q:** Does Mary continue to have a “historic rate”?

**A:** No.

**Q:** What rate do I authorize in MMIS?

**A:** The framework rate that has been calculated in RMS.



# Implementation example #2

Clark is on the DD waiver and has a renewal date of August 1, 2020. He has resided in a corporate Supported Living Services (SLS) setting since January 2013, at which time his rate was authorized as a ½ month rate. In December 2013, a rate translation converted the ½ month rate to a daily rate without impact on funding to the provider.

**Q:** What rate will be calculated based on the inputs I enter in the MnCHOICES Support Plan rate tool?

**A:** The RMS framework rate.

**Q:** How many days do I authorize when Clark has a service renewal effective August 1, 2020 and a framework rate is calculated?

**A:** Federal and state waiver law and policy require provision of services based on assessment of individual need and as specified in the individual's support plan. If an individual's support plan indicates a need for 365 days of service, it is appropriate to authorize 365 days on the service agreement.

Note: The SLS/Foster Care framework contains 14.24 leave days.

- Updated documents
- FAQ information on the DWRS page
- [DSD.Rates@state.mn.us](mailto:DSD.Rates@state.mn.us) for questions
- Let us know what do you need

# DWRS Exceptions

## What is a DWRS rate exception?

An exception is approval from DHS to authorize a rate other than the rate produced by RMS for people with exceptional needs that cannot be met by the framework rate.

## How do I submit an exception?

A provider must work with a lead agency (county or tribal nation) to identify a person whose needs cannot be met by DWRS. The lead agency must submit the exception to DHS using the [DWRS Exception Request Application, DHS-5820 \(PDF\)](#).

# Who does What?

## Lead Agency

- Work with provider to gather need and cost information within 30 days of request
- Determine if they support or deny the request
- Submit information via the DHS 5820 eDoc
- Consider how this may affect their county budget

## DHS

- Review information (cost drivers and documentation that substantiates the extraordinary needs of the client).
- Contact lead agency if further clarification is needed.
- DHS will make a determination to approve or deny the request within 30 days

## Providers

- Work with lead agency to identify individuals with extraordinary need
- Submit relevant documentation to lead agency
- Work with lead agency to reach agreed upon request components

# Basic principles of an exception

- Must be related to the specific person's needs.
- Must meet criteria related to rate establishment: provider must have costs that relate to the person's needs that are not already compensated through the RMS values.
- Costs must be documented and attributable to the extraordinary needs of the person and the extraordinary service-based response.
- Cost drivers must equate to the rate tool: speak the language of the rate tool.

# Lead agency/ provider tool for DWRS exceptions: Categories

- RMS category: Component value
- Relevant to an exception? Likely or not likely
- RMS component value: % or \$
- Program's cost driver specific to meeting the needs of the person
- Notes

# Lead agency/provider tool

## Day/unit

RMS category	Relevant to an exception?	RMS component value	Program's cost driver specific to meeting the needs of the person	Notes
Average direct care	Highly likely	\$15.30 (day services)  Employment: \$22.38 development \$18.30 exploration \$18.30 support		Why are staff members paid a higher amount? <ul style="list-style-type: none"> <li>• Experience?</li> <li>• Training above 245D requirements specific to needs of the person?</li> <li>• Credentials necessary to meet needs of the person?</li> <li>• Complex behaviors or health of person requiring a more experienced or seasoned staff?</li> </ul>



# Exception request application: 5820 Instructions

There is a **NEW** button on the 5820 that will bring you to the 5820 instructions! Review this **BEFORE** completing the form. Some of the guidance includes:

- General instructions
- Step by step instructions
- Consumer information
- Summary of extraordinary need
- Cost driver information
- Provider information

- [DWRS Public Webpage](#) – “DWRS Exceptions” tab includes:
  - Information on post-banding rate exceptions
  - [lead agency/provider residential exception tool](#)
  - [lead agency/provider day/unit-based exception tool](#)
- [DWRS Exception Requests CBSM page](#) includes:
  - Links to other helpful resources
  - [DWRS Frequently Asked Questions Webpage](#)

# Fiscal Policy Legislative Updates

# Legislative Updates

- Prevocational Services changed from hourly to 15 min units; January 2020 Implementation
- SILS County share reduced to 15%; July 2019
- Family Support Grants age extended to 25 and transition-age supports; October 2019
- Family Foster Care Rate Study
  - Legislative report due January 2020
- Value-based Model Study
  - Legislative report due October 2020
- DWRS Annual Labor Market Reporting
  - Legislative report due February 2020

# Competitive Workforce Factor

- Competitive Workforce Factor of 4.7%
- Added to Direct Care Wages
  - Excludes asleep overnight, RNs/LPNs, supervisors, and Customized Living
- Implemented on a rolling basis over service agreement renewals in 2020

# Changes to the Service Menu

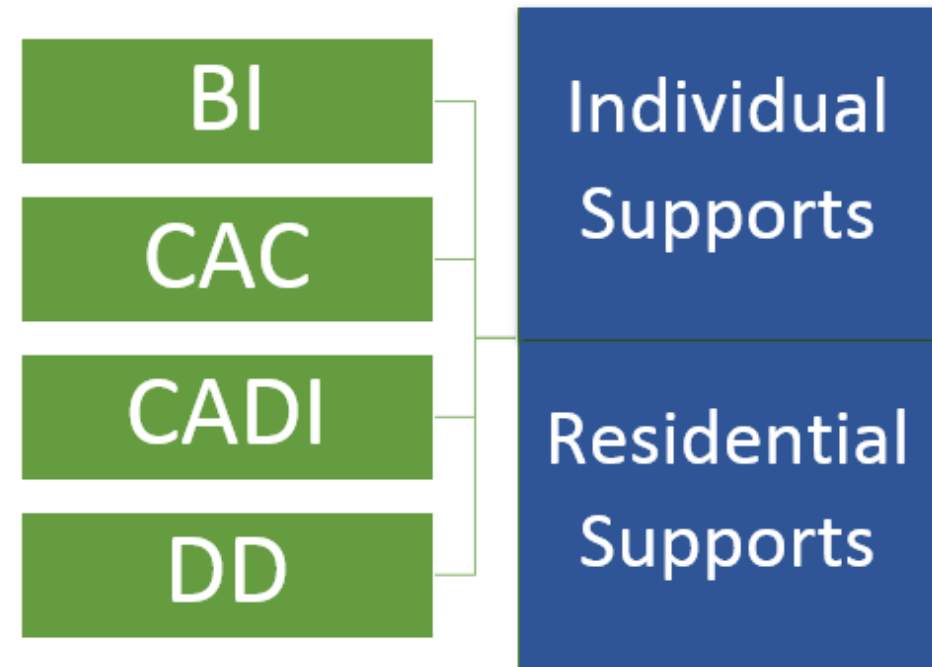
Current Services	New Services (2021)	DWRS Framework Used
24-Hour Customized Living	Customized Living	Customized Living/24-Hour Customized Living
Customized Living		
Corporate Foster Care	Community Residential Services	Foster Care/Supported Living Service Corporate
SLS Corporate		
Family Foster Care	Family Residential Services	Foster Care/Supported Living Service Family
SLS Family		
Adult Day (& FADS)	Adult Day Services	<i>New Framework Values</i>
Personal Support	Individualized Home Supports	Individualized Home Supports
Adult Companion		
Independent Living Skills, Training	Individualized Home Supports with Training	Independent Living Skills Training
Supported Living Services (15 min unit)		
Individualized Home Supports		
In-Home Family Supports	Individualized Home Supports with Family Training	In-home Family Support
Day Training & Habilitation	Day Support Services	Day Training and Habilitation Services
Structured Day Program		

# Waiver Reimagine

<https://mn.gov/dhs/waiver-reimagine/>

# Waiver Reimagine Recommendations

- Consolidate DD, CADI, CAC, and BI waivers into two waivers:
  - **Individual Support Waiver:** A waiver that serves people living independently or at home with family
  - **Residential Support Waiver:** A waiver that serves people living in paid residential settings
- Adopt an individual budget method that uses support ranges to replace lead agency-based budgets.





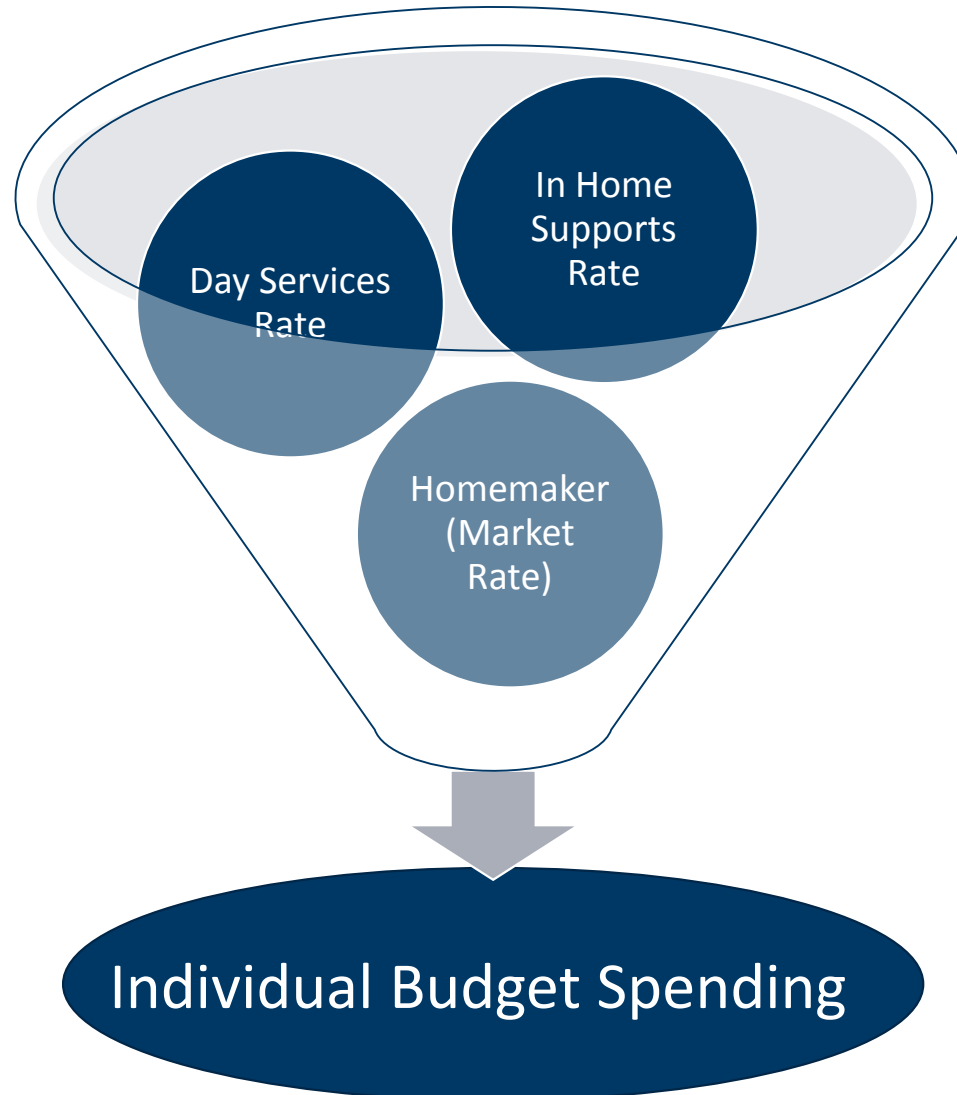
# Moving forward with Waiver Reimagine

In 2019, the Minnesota legislature authorized the Department of Human Services (DHS), to make system-level improvements to Minnesota's disability waiver programs (BI, CAC, CADI, DD). The Waiver Reimagine project will:

- Ensure equal access and benefits across disability waiver programs. The programs will be responsive to a person's needs, circumstances and preferences
- Align benefits across waiver programs for people with disabilities, including consistent limits and allowable services
- Offer flexible and predictable benefit changes that recognize life changes and an increased use of technology
- Simplify administration that make waivers easier to understand for people receiving services, county and tribal administrators and service providers

- **Phase 1 (2019-2020):** Consolidate services and create singular service definitions for all waiver services
- **Phase 2 (2021):** Consolidate waivers and seek federal authority to implement
- **Phase 3 (2020-2021):** Develop individual budget methodologies that include support ranges and service mixes values
- **Phase 4 (2022-2023):** Implement transition process for people to move from current waiver to new waiver

# Waiver Reimagine and DWRS





Disability Service Division - Fiscal Policy