

Human Services Research Institute

Brief Update on Waiver Reimagine Recalibration: Individual Support Waiver

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Key Terms

Support range: The amount and type of support a person needs. It is based on their assessed needs from MnCHOICES. People with similar needs will have similar levels of support.

Budget range: The amount of money available to plan and pay for in-budget services for the year. Budget ranges are based on people's support range, age and living setting. It is one part of the funding for a person's support plan.

In-budget services: The services a person pays for using funds from their budget range. The cost of all relevant services must fit within the budget range. The list of in-budget services is included in this document.

Out-of-budget services: Services paid for separately and not using funds from a person's budget range. These services are included in the support plan alongside in-budget services. The list of out-of-budget services is noted within the budget range tables included in this document.

Budget exception: The process for a person with extraordinary needs to request additional funding for in-budget services if their needs cannot be met within their budget range. Budget ranges are designed to meet the needs of most people currently on a disability waiver. Some people with needs greater than others in the same support range may not be able to meet those needs within their budget range. Each request will be reviewed and must meet specific requirements.

Support Plan Funding: Support plan funding is the total funding available to pay for the services and supports identified in your support plan. It may include funding from your budget range, approved budget exceptions, and out-of-budget services.

Terminology note: *This document uses the terms people are familiar with today. DHS is developing and testing new plain-language terms and will shift to those once they are finalized and ready for use.*



Purpose

This document provides a brief update on Waiver Reimagine budget ranges under the proposed Individual Support Waiver. These budget ranges have been recalibrated since they were last published, and the recalibrated budget ranges are included here. These ranges may need to be further updated depending on when the Minnesota Department of Human Services (DHS) implements the next phase of Waiver Reimagine. The document also summarizes how and why the disability waivers will change, defines key terms and provides context for understanding the budget ranges. Because of the impact of recent legislation, Residential Support Waiver budget ranges will continue to be recalibrated and updated. They will be made available when they are ready.



Overview of planned changes

Minnesota's Department of Human Services (DHS) plans to evolve its disability waivers to make them more equitable, less complex and promote individual choice. Human Services Research Institute (HSRI) and partner Burns & Associates, a Division of Health Management Associates, have been supporting this initiative since 2018 through research as well as data and policy analysis. Since DHS published the first budget ranges in 2019 and recalibrated budget ranges in 2021, the use and cost of disability waiver services have increased significantly. As a result, the state wants to promote sustainable cost growth and protect future access to services. Additionally, DHS wants to provide people consistent budgets and experience regardless of where they live in the state.

Growth in Minnesota Disability Waivers from fiscal years 2019 to 2025:

- More people started receiving services (increased **43%**)
- Cost to support people grew (per-person costs went up **60%**)
- Total disability waiver spending increased **129%**

The first phase of Waiver Reimagine focused on aligning services across Minnesota's disability waivers. This work created a more consistent service array

and laid the foundation for moving from four diagnosis and level-of-care-based waivers to two service-based waivers: the Individual Support Waiver for people who live independently and with family and the Residential Support Waiver for people who live in a structured (residential) setting. We anticipate that about two-thirds of people served in the disability waivers today will be on the Individual Support Waiver.

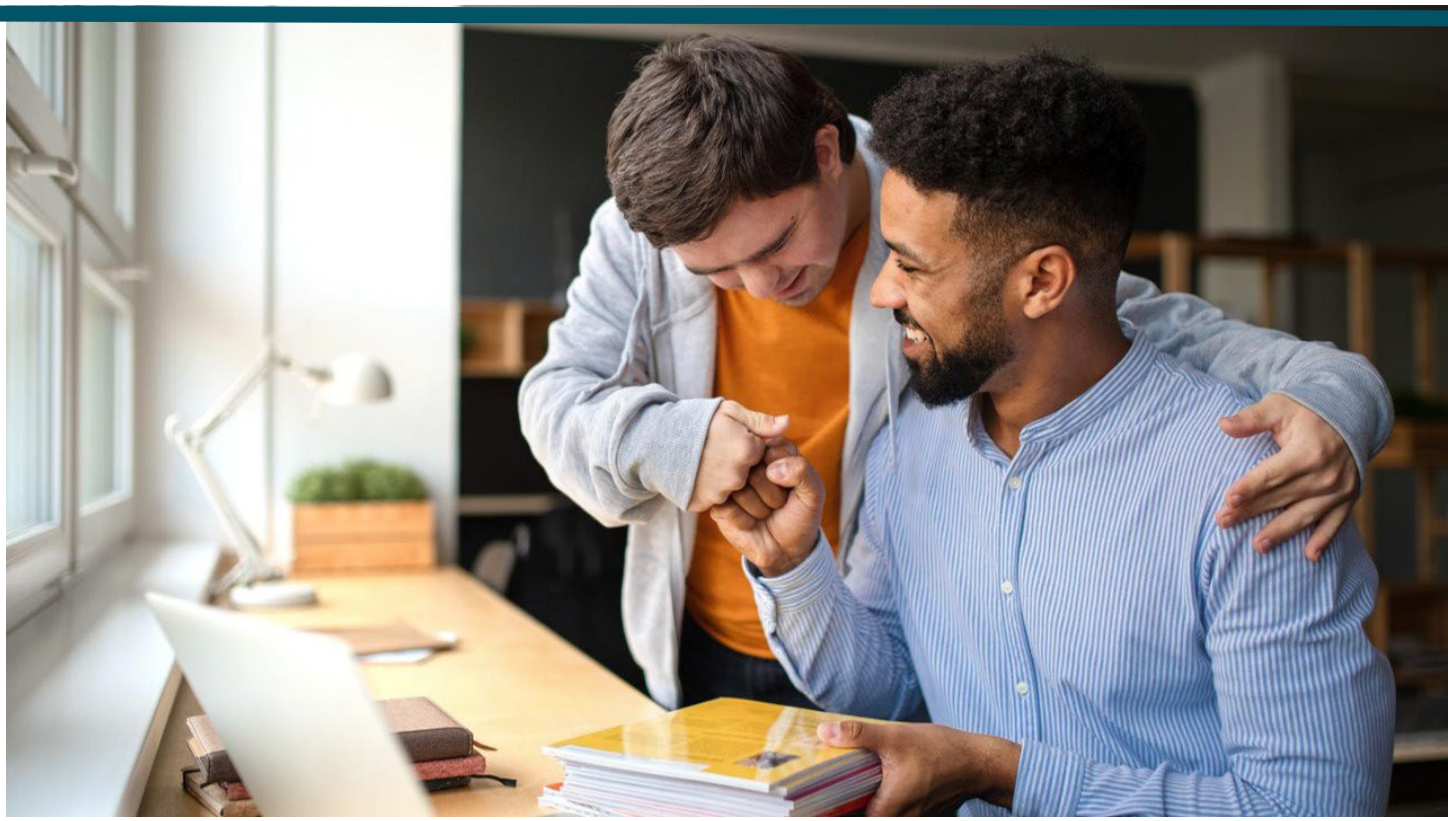
Under this new structure, a person receives funding using a "budget range" based on their age, assessed needs, and living setting. Instead of a specific budget number, a person will have a range of available funding and can spend up to the top of the range if needed. The person can use these funds to choose services they want and need according to their person-centered plan. These ranges cannot be directly compared to those published in 2021 because they are based on the updated MnCHOICES assessment, reflect current service use patterns and include current provider payment rates.

Most people on the Individual Support Waiver will have similar or higher funding

- **About 85% of adults and children** will have budget ranges that match or exceed what they currently spend on in-budget services.
- **Nearly all CDCS users** will have the same or higher budget ranges. Overall, 93% of all CDCS users will have budget ranges that match or exceed their current funding.

These budget ranges are used for most services people might choose when accessing the Individual Support Waiver, including in-home, day habilitation, waiver personal care, and respite services. However, they can be supplemented with more services that will not count against the budget range to create a comprehensive support plan. Under the Individual Support Waiver, people will have the same budget ranges whether they choose traditional services, self-directed services through Consumer Directed Community Supports (CDCS) or a combination of both. Budget ranges will be based on assessed support needs, not how a person chooses to receive their services.

DHS delayed the implementation of the new waivers and budget ranges. The new waiver plans, including the budget methodology that informs the budget ranges, must be approved by Centers for Medicare & Medicaid Services (CMS), including ensuring cost effectiveness, before Waiver Reimagine launches.



Recalibrated budget ranges: Individual Support Waiver

Budget range development approach

One of our guiding principles for calculating and updating budget ranges is to maintain service access for most people. For the ranges shown in this document, most people (about 85% of adults and children) would receive a budget range that matches or exceeds their current spending on in-budget services.

The budget ranges that we share here were developed specifically for Minnesota. However, the methodology is a common one used by many states and has been approved by CMS for many HCBS waivers.

An expert panel of 39 community members helped refine and test the budget model and identified changes that were needed.

Our rigorous methods include:

- Statistical analysis of assessed needs in the current MnCHOICES assessment for each person on disability waivers (assessments from April 2025-March 2026).
- Service use and spending analysis using statewide authorizations and claims data for fiscal year 2025.
- Review of current provider payment rates from the Disability Waiver Rate System (DWRS) and those paid in fiscal year 2025.

An expert panel of 39 community members including people receiving services, family members, lead agency staff, providers and disability advocates supported this effort. They all contributed to testing and refining the model, including providing feedback.

A Budget Range Is Only Part of a Person's Support Plan Funding

A budget range is only one part of the funding available to pay for the services and supports in a person's support plan.

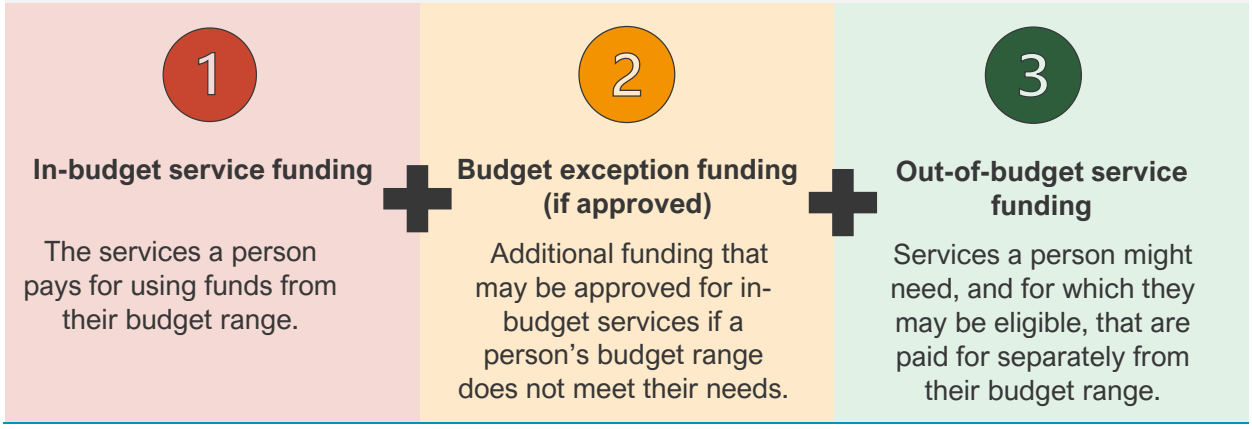
In addition to a budget range, support plan funding may include:

- Approved budget exception funding, if eligible
- Funding for out-of-budget services

Together, this funding covers the services and supports in a person's support plan.

Support Plan Funding Includes More than the Budget Range

A budget range is one source of funding used to pay for the services and supports in a person's plan. Support Plan Funding may include:



Recalibrated budget ranges

Budget ranges are different by waiver and based on the costs of services. Below we show budget ranges for adults and children on the Individual Support Waiver. On the Individual Support Wavier we estimate that half of adults (51%) currently on a disability waiver would be in the first two support ranges (Levels 1 and 2) for people with low to moderate support needs. About 40% of teens and 35% of children 5-12 years old would be in Support Range 1 (low to moderate support needs). In contrast, most children under 5 years old (85%) would be Support Range H or E for people with high to extraordinary support needs.

DHS planned to start using the budget ranges that follow on Jan. 1, 2027. However, DHS announced that the implementation is delayed as a new timeline is being developed. Depending on when the new launch date is determined, these budget ranges may need to be updated if MnCHOICES, provider payment rates or other key inputs change.

Recent legislation requires that a person's budget range is available to them one year before it goes into effect. Also, this legislation calls for DHS to phase in the new waivers and budget ranges. This gives people time to think about how they might want to use these funds to focus on services that help build independence and bolster each person's control over their plan and services to align with Minnesota's Olmstead Plan.

These ranges cannot be compared to those published in 2021. They are based on the updated MnCHOICES assessment, reflect current service use patterns and include current provider payment rates and reflect DHSs current priorities. The changes made to MnCHOICES mean that even though the support ranges look the same, they are made up of a different group of people. Therefore, the services that people use and the cost of those services that are used to develop the budget ranges are different than those used in the past. Also, the budget ranges reflect new decisions by DHS, like letting people get employment out-of-budget so that it will not reduce their budget range and having the same budget range for people living independently and with their families.

In-budget services: Individual Support Waiver

Only in-budget services count towards a person's budget range. Below are the in-budget services for the Individual Support Waiver.

In-home and community services

- Personal emergency response systems (PERS)
- Night supervision
- 24-hour emergency assistance
- Individualized home supports with/without training
- Community First Services and Supports (CFSS) extended
- Home-delivered meals
- Homemaker
- Chore services
- Caregiver living expenses
- Respite
- Transportation

Day and employment services

- Adult day services
- Day support services
- Prevocational services

Consumer directed community supports (CDCS)

- Background studies
- Community integration and support
- Financial management services
- Individual directed goods and services
- Personal assistance
- Support planning
- Treatment and training

Specialized services

- Family counseling
- Family training
- Home care nursing, extended
- Home health aide, extended
- Occupational therapy, extended
- Physical therapy, extended
- Respiratory therapy, extended
- Speech therapy, extended

Adults and children on the Individual Support Waiver

Below are the recalibrated budget ranges for adults and children on the Individual Support Waiver.

Budget ranges: Adults on Individual Support Waiver

Important considerations

- A person, with the help of those who support them, still decides which services to use as part of their person-centered plan.
- Budget ranges are for in-budget services only, including CDCS in-budget services, and are just one part of the support plan funding.
- A person can request a budget exception if needs cannot be met with their budget range.
- Out-of-budget services are funded separately and do not count against the budget range.

Support range	Description	Budget range for in-budget services*
1	Low general support need, low/moderate behavioral or health need	$46,059 - $64,483
2	Moderate general support need, low/moderate behavioral or health need	$49,564 - $69,390
L	Low/moderate general support need, high behavioral and/or health need	$58,980 - $82,572
3	High general support need, low/moderate behavioral and/or health need	$65,603 - $91,845
4	Extensive general support need, low/moderate behavioral and/or health need	$72,841 - $101,977
H	High/extensive general support need, high behavioral and/or health need	$78,212 - $109,497
E	Extraordinary behavioral and/or health need	$83,583 - $117,017

Out-of-budget services (do not count against budget range)

- Assistive technology (assessment and equipment)
- Case management
- Case management aide
- Crisis respite
- Employment development
- Employment exploration
- Employment support
- Environmental accessibility adaptations
- Positive supports
- Regular (MA) home care services:
  - Community First Services and Supports
  - Home care nursing
  - Home health aide
  - Skilled nurse visit
- Regular home care therapies:
  - Occupational therapy
  - Physical therapy
  - Respiratory therapy
  - Speech therapy
- Specialist services
- Specialized supplies and equipment
- Transition services

***Cannot be compared to 2021 ranges because of changes in the composition of support ranges and updates to services subject to budget ranges.**

Budget ranges: Teens and children on Individual Support Waiver

Important considerations

- A person, with the help of those who support them, still decides which services to use as part of their person-centered plan.
- Budget ranges are for in-budget services only, including CDCS in-budget services, and are just one part of the support plan funding.
- A person can request a budget exception if needs cannot be met with their budget range.
- Out-of-budget services are funded separately and do not count against the budget range.

Support range	Description	Budget range for in-budget services* Teens (13-17 years old)	Budget range for in-budget services* Children (5-12 years old)
1	Low/moderate general support need, low/moderate behavioral and health need	$39,249 - $63,402	$35,847 - $57,907
L	Low/moderate general support need, high behavioral and/or health need	$44,887 - $72,509	$41,485 - $67,014
2	Moderate/extensive general support need, low/moderate behavioral or health need	$50,357 - $81,346	$45,337 - $73,237
H	High/extensive general support need, high behavioral and/or health need	$54,210 - $87,569	$49,190 - $79,461
E	Extraordinary behavioral and/or health need	$61,464 - $99,289	$56,445 - $91,181

Out-of-budget services (do not count against budget range)

- Assistive technology (assessment and equipment)
- Case management
- Case management aide
- Crisis respite
- Employment development
- Employment exploration
- Employment support
- Environmental accessibility adaptations
- Positive supports
- Regular (MA) home care services:
  - Community First Services and Supports
  - Home care nursing
  - Home health aide
  - Skilled nurse visit
- Regular home care therapies:
  - Occupational therapy
  - Physical therapy
  - Respiratory therapy
  - Speech therapy
- Specialist services
- Specialized supplies and equipment

***Cannot be compared to 2021 ranges because of changes in the composition of support ranges and updates to services subject to budget ranges.**

Budget ranges: Young children on the Individual Support Waiver

Important considerations

- A person, with the help of those who support them, still decides which services to use as part of their person-centered plan.
- Budget ranges are for in-budget services only, including CDCS in-budget services, and are just one part of the support plan funding.
- A person can request a budget exception if needs cannot be met with their budget range.
- Out-of-budget services are funded separately and do not count against the budget range.

Support range	Description	Budget range for in-budget services* Young children (0-4 years old)
L	Low/moderate general support need, low/moderate behavioral and/or health need	$34,062 - $55,023
H	High/extensive general support need, high behavioral and/or health need	$41,729 - $67,409
E	Extraordinary behavioral and/or health need	$51,014 - $82,407

Out-of-budget services (do not count against budget range)

- Assistive technology (assessment and equipment)
- Case management
- Case management aide
- Crisis respite
- Environmental accessibility adaptations
- Positive supports
- Regular (MA) home care services:
  - Community First Services and Supports
  - Home care nursing
  - Home health aide
  - Skilled nurse visit
- Regular home care therapies:
  - Occupational therapy
  - Physical therapy
  - Respiratory therapy
  - Speech therapy
- Specialist services
- Specialized supplies and equipment

***Cannot be compared to 2021 ranges because of changes in the composition of the support ranges and updates to services subject to budget ranges.**

Key takeaways

The HSRI team used statistical and other analyses and worked with an expert panel to develop and test the proposed budget ranges. When reviewing these budget ranges, please remember:

- The budget range is only one part of a person's support plan funding. It pays for in-budget services. These ranges are the same for a person if they direct some, all, or none of their services through CDCS. A person may also receive out-of-budget services, which are funded separately and do not count against the budget range.
- Budget ranges are not expected to work for 100% of people receiving services. People can request a budget exception if their needs cannot be reasonably met within their budget range.
- DHS delayed the implementation of Waiver Reimagine. This gives DHS more time to create safeguards for people whose needs cannot be met within their budget range and figure out the best way to phase in the new budget model.
- People will receive information about their support range and budget range 12 months before developing their support plan. This gives people, families, and others who support them time to understand available funding and plan for the future.
- Budget ranges cannot be compared to those published in 2021 because the support ranges are different in addition to different services and costs.
- DHS will update budget ranges if or when key inputs change before they are implemented.

People receiving waiver services do not need to make any changes now. DHS will continue sharing information as the new program is developed and will provide advanced notice and education before people transition to the new program. People will also receive their projected individual budgets one year before implementation to help them understand what to expect and plan for the transition.