DWRS Quarterly Webinar

June 28th, 2023

Agenda

1. 2023 Legislative Session outcomes (Colin Stemper)
2. DWRS Resources (Jan Buck)

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2023 Legislative Session Outcomes - Rates

Colin Stemper | Fiscal Policy

How are DWRS rates updated?

- DWRS rates can be changed in two ways:
  - “Automatic” updates that are already in the law
  - Changes in the law made by the Legislature
- The Legislature can make changes to the automatic updates
- The Legislature can modify any DWRS component value
- Some changes may require approval from the federal government

Session context

- Lack of outcomes from 2022 legislative session
- New legislature and committee chairs for 2023
- Historic surplus
- Passage of the Human Services Omnibus budget bill in May
- Many changes in the bill – today we're focused on disability waiver rate changes

High-level DWRS changes

- BLS/CPI updates will occur sooner, and with more current data:
  - January 2024, instead of November 2024. BLS data published March 2022, instead of March 2021.
  - January 2026, instead of July 2026. BLS data published March 2024, instead of March 2023.
- Increased competitive workforce factor from 4.7% to 6.7% (Jan. 2024).
- DWRS provider compensation thresholds (Jan. 2025).
- Increase in DWRS spending of about 6.63% in FY 24-25 and 5.28% in FY 26-27.

Residential services

- Update of customized living component rates – roughly a 12% increase (Jan. 2024).
- Creation of a distinct Life Sharing service, separate from Family Residential Services (Jan. 2026).
- Use of a tiered rate, based on a person's assessed need for Family Residential Services and Life Sharing (Jan. 2026).
  - The tiered rate will replace the current FRS framework.
  - The rate tiers will be 10% higher for Life Sharing than FRS.
  - Rate tiers will be updated regularly for inflation.

Day & employment services

- Alignment of wage component values for employment exploration and employment development services (Jan. 2024).

Unit-based services

- IHS with family training, with training, and without training available at a 1:3 staffing ratio (Jan. 2024).
- Night supervision available at a 1:2 staffing ratio (Jan. 2024).
- Respite (15-minute unit) moved from a framework to market rate (Jan. 2024).

Non-framework rate changes

- CDCS COLAs: 8.49% in Jan. 2024; 4.53% in Jan. 2025.
- PCA/CFSS rate increases: $5.95/1:1 unit in Jan. 2024; $6.21/1:1 unit in Jan. 2025.
  - A component is added to increase payments for PCAs with more experience (Jan. 2025).
- Specialized equipment and supplies limit increased to $10,000 (Jan. 2024).
- Alignment of homemaker rates between disability and older adult programs.
- Home-delivered meals COLA of 14.99% (Jan. 2024).
- Homemaker and chore shared staffing option.

2023 Legislation Session Rate Questions?

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Disability Waiver Rate System (DWRS) Resources

Jan Buck| Fiscal Policy

Disability Waiver Rate System

Disability Waiver Rate System / Minnesota Department of Human Services (mn.gov)

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How do I

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Partners and providers

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Disability Waiver Rate System

The Disability Waiver Rate System moved to a more centralized mode of operation in 2014. Please see Rate Management System in the Community-Based Services Manual for current policy information. DHS will continue to update this page in addition to the policy manual.

Background | News | Cost reporting | Frameworks | Exceptions | Evaluation | Links

In 2007, the federal Centers for Medicare & Medicaid Services informed Minnesota that its four disability waivers were out of compliance with federal requirements for uniform rate determination methods and standards. The disability waivers are the Brain Injury (BI), Community Alternative Care (CAC), Community Access for Disability Inclusion (CADI) and Developmental Disabilities (DD) waivers.

In January 2014, DHS established what we now call the Disability Waiver Rate System.

Disability Waiver Rate System (DWRS) resources

- Disability Waiver Rate System / Minnesota Department of Human Services (mn.gov)
- The Disability Waiver Rate System moved to a more centralized mode of operation in 2014. Please see Rate Management System in the Community-Based Services Manual for current policy information. DHS will continue to update this page in addition to the policy manual.
- Background
- News

More DWRS Resources

- Cost reporting
- Frameworks
- Exceptions
- Evaluation
- Links

Background

- In 2007, the federal Centers for Medicare & Medicaid Services informed Minnesota that its four disability waivers were out of compliance with federal requirements for uniform rate determination methods and standards. The disability waivers are the Brain Injury (BI), Community Alternative Care (CAC), Community Access for Disability Inclusion (CADI) and Developmental Disabilities (DD) waivers.
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News

- Component value updates
- Effective dates of implementation
- Record of changes to DWRS from the beginning of DWRS to current.

Cost Reporting

- Beginning in 2020 all agencies who provide at least one service with a payment rate determined under the Disability Waiver Rate System (DWRS) will be required to submit documentation of the costs of providing DWRS services at the request of the Department of Human Services. This requirement is commonly known as DWRS cost reporting. Read more on the DWRS cost reporting webpage.

Frameworks

- Rate frameworks are the basis for pricing waiver services within the four disability waivers. All formulas used in the calculation of a rate are visible on the rate framework spreadsheets. The frameworks build upon a consistent structure that:
  - Captures the individualized nature of services and client needs
  - Contains cells that allow data inputs
  - Includes wages, employee and program-related expenses and general and administrative expenses

Exceptions

What is a DWRS rate exception?

- An exception is approval from DHS to authorize a rate other than the rate produced by the Rate Management System for people with exceptional needs that cannot be met by the Disability Waiver Rate System.
- 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 the Disability Waiver Rate System. The lead agency must submit the exception to DHS using the DWRS Exception Request Application, DHS-5820 (PDF). (See the DWRS exception requests page in the CBSM for more information.)

Exceptions cont'd

What tools exist to help?

- The following tools for Residential and Day- or Unit-based services are available to help providers and lead agencies to understand the different component values that are used to calculate an RMS rate:
- Lead agency/provider tool for DWRS exceptions (Residential), DHS-5820C (PDF)
- Lead agency/provider tool for DWRS exceptions (day or unit), DHS-5820D (PDF)
- Lead agency/provider tool for DWRS exceptions (customized living), DHS-5820E (PDF)
- The tools can help providers and lead agencies document costs that are above or not included in the RMS rate.

Exceptions cont'd

What if I still have questions about exceptions?

- Please review the DWRS frequently asked questions page to find answers to common questions regarding exceptions. If you still have questions after reading the FAQ page, submit your questions on the DSD contact form.

DWRS Evaluation

- The Disability Waiver Rate System (DWRS) is a centralized system that calculates rates for home and community- based services provided under the disability waivers. The system is based on research completed on the average costs to deliver home and community based services in Minnesota.
- DHS is dedicated to ongoing research and analysis on DWRS in order to ensure:
  - The Disability Waiver Rate System accurately reflects the cost of providing services
  - The system is implemented fairly and consistently throughout the state
  - People continue to have access to the services they need
- Read more about the evaluation process and results on the Disability Waiver Rates System ongoing evaluation webpage.

Book mark these Links

- Rate Management System information
  - CBSM - Rate Management System
  - Rate Management System (RMS) User Manual
  - RMS User Manual quick reference guides

Contact us

- DHS-6979-ENG (MnCHOICES Help Desk Contact Form)

Q & A

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Thank You!