Corrected Bulletin 19-25-05:
Increases to Elderly Waiver (EW) and Alternative Care (AC) Monthly Budgets and Limits

TOPIC
Information about increases to monthly case mix budget caps under Elderly Waiver (EW) and Alternative Care (AC), and increases to monthly service rate limits for Customized Living (CL) and 24-hour CL under EW.

PURPOSE
The purpose of this bulletin is to provide new MMIS instructions for the EW and AC Consumer Directed Community Supports (CDCS) service agreements. The corrections occur in page 4, EW and AC CDCS Service Agreements. All other content remains the same as content in Bulletin #19-25-05.

CONTACT
Resources and contacts

SIGNED
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TERMINOLOGY NOTICE
The terminology used to describe people we serve has changed over time. The Minnesota Department of Human Services (DHS) supports the use of "People First" language.
I. Increase to monthly budgets and limits

Minnesota statute establishes a link between the annual average statewide percentage increase in nursing facility operating payment rates and monthly case mix budget caps under the Elderly Waiver (EW) and Alternative Care (AC) program (Minnesota Statutes, section 256S.18, subdivision 6). It also establishes a link between nursing facility operating payment rates and the monthly service rate limits for customized living (Minnesota Statutes, section 256S.202, subdivisions 1 and 2).

This statute requires the limits to increase on January 1, 2020 by the difference between annual average statewide percentage increase in nursing facility operating payment rates (effective January 1, 2019) and any enacted home and community-based provider rate increases that have occurred since January 1, 2019.

Effective January 1, 2020, the following will increase by 5.39%:

- EW and AC monthly case mix budget caps

Effective January 1, 2020, the following will increase by 3.73%:

- EW and AC Consumer Directed Community Supports (CDCS) monthly case mix budget caps

Effective January 1, 2020, the following will increase by 6.14%:

- EW monthly service rate limits for customized living (CL), 24-hour customized living (24-hour CL)

II. Implementation guidelines for lead agencies

General guidelines

These increases to the monthly case-mix budget caps allow case managers/care coordinators to plan for and authorize additional services within a person’s budget. For CL, 24-hour CL, and foster care, the service limit increases will allow case managers/care coordinators to authorize additional component services within a person’s support plan. The rates for component services have not changed.

Any changes to a person’s support plan, including changes in service authorizations, must be based on a person-centered support planning process. The support plan must be based on the person’s assessed needs, preferences, and choices; and the person must be supported to make an informed choice about his or her service options. This planning process typically occurs at the time of a person’s annual reassessment, or if the person has had a change in condition.

Case managers/care coordinators may choose to update a person’s support plan sooner if doing so will better support the person to remain in the community.

Managed Care Organizations

Monthly case mix budget caps for EW, CDCS budgets, and monthly service rate limits for CL will increase under Managed Care organizations (MCO) effective January 1, 2020. Care coordinators should follow MCO instructions regarding service authorizations for MCO enrollees.
Instructions for CDCS

Lead agencies must inform CDCS participants of the 3.73% budget increase and increase individual CDCS budgets accordingly. This increase takes into consideration the 2.41% CDCS budget increase from 7/1/19. CDCS participants must use the CDCS Community Support Plan Addendum to communicate and document the budget and plan change. The lead agency must communicate the budget and plan change results to the Fiscal Management Services (FMS) provider within 60 days of the effective date of the rate increase.

Conversion budget limits for EW or EW/CDCS

Persons who have approved monthly conversion budget limits (which are exceptions to the monthly case-mix budget caps) should be reviewed at reassessment to see if they still need the conversion rates. Compare the authorized service costs for the person to the new case mix budget caps that are effective January 1, 2020. If the implementation of the service plans costs equal to or less than the assigned case mix budget cap, the person no longer requires the monthly conversion budget limit and the person’s service plan can be authorized with no further conversion request documentation required. If the implementation of the service plan continues to exceed the assigned case mix budget cap, the case manager/care coordinator must request continuation of the conversion limit at reassessment. For further information on conversion budgets, please see this page in the Community-Based Services Manual.

MMIS Instructions

Screening Documents

The EW and AC case mix budget cap amounts, including the below budget cap amounts, will not be applied to the existing service agreements that begin prior to 1/1/20 and end on or after 1/1/20, until:

1. A LTC screening document using Activity Type 05 and Assessment Result 98 is entered with an Effective Date of January 1, 2020 or greater; or

2. At the next scheduled reassessment screening document using Activity Type 06 and Assessment Result 13 entered with an Effective Date of January 1, 2020 or greater.

After approving the document, open the service agreement and use the F9 key. The higher case mix budget cap amount applies to those months beginning January, 2020.

The EW and AC case mix budget cap amounts, including the below budget cap amounts, will not be applied to new service agreements that begin on or after 1/1/20 until:

1. An initial opening, reopening, or change to new program screening document entered with an effective date that is on or after 1/1/2020.

Service agreements using the maximum monthly service limits for CL or 24-hour CL line items that begin prior to January 1, 2020 and end after 1/1/2020 can be increased to the higher monthly service limit. If the person requires the increased monthly limit amount to purchase additional component services, complete a new Residential Services (RS) Tool for the person. Then, in MMIS, close the line item to the last day the current rate is used and add a new line item beginning with the first day of the new rate. This will route the service agreement for CL or 24-hour CL to DHS for approval and review against the new Residential Services (RS) Tool.
EW and AC CDCS Service Agreements

Bulletin 19-25-01 instructed a 2.41% rate increase in CDCS budgets for services provided on or after 7/1/19. The AC/EW CDCS budget limits effective 1/1/2020 include the increase that took effect 7/1/19. See DHS-6633A for instructions on the CDCS budget increases. The final effective increase for AC/EW CDCS budgets is 3.73%. Determine the amount of the service beginning on 1/1/2020 and increase that amount by 3.73%. See DHS-3945 for the 1/1/20 AC/EW CDCS case mix budget caps for the current CDCS budget caps.

CDCS line items are priced by a total amount. To use the higher budget beginning 1/1/2020, do not close the existing service agreement. Instead take these steps to calculate and update the existing service agreement with the new CDCS total amount.

If you followed the instructions in the initial bulletin and received service agreement edit 672 (Cap is Exceeded) on the new service agreement beginning 1/1/2020, and no payments were made on any line items on the new service agreement, change the header status to a D. Change the header end date on the previous service agreement to its original date. Add the unused units to the line items.

If claims were paid on the new service agreement beginning 1/1/2020, contact the Disability Services Division Resource Center for assistance with the 672 edit to move CDCS funds from one SA to another within the original CDCS service budget year.

For CDCS SA line items that included dates before 7/1/2019 and after 1/1/2020 lead agencies must:

1. Determine the original approved CDCS monthly budget granted prior to 7/1/2019.
   a. For the budget amount ending 6/30/2019, take the CDCS monthly budget times the number of months involved up to 6/30/2019.
2. Determine the approved CDCS monthly budget granted effective 7/1/2019 to 12/31/2019. See DHS-6633A for instructions on the CDCS budget increases.
   a. For the budget amount for 7/1/19 to 12/31/2019; take the CDCS monthly budget effective 7/1/2019 times the number of months involved up to 12/31/2019
3. Determine the approved CDCS monthly budget granted effective 1/1/2020. See DHS-6633A for instructions on the CDCS budget increases.
   a. For the budget amount for 1/1/2020 forward; take the CDCS monthly budget effective 1/1/2020 times the number of months involved up to the end of the current CDCS service year.
4. Add the amounts determined in steps 1-3 and list that total amount as the approved lump sum CDCS amount on the MMIS CDCS SA line item.

For CDCS SA line items that included dates as of or after 7/1/2019 and end ends after 1/1/2020 lead agencies must:

1. Determine the approved CDCS monthly budget granted effective 7/1/2019 to 12/31/2019. See DHS-6633A for instructions on the CDCS budget increases.
   a. For the budget amount for 7/1/19 to 12/31/2019; take the CDCS monthly budget effective 7/1/2019 times the number of months involved up to 12/31/2019
2. Determine the approved CDCS monthly budget granted effective 1/1/2020. See DHS-6633A for instructions on the CDCS budget increases.
   a. For the budget amount for 1/1/2020 forward; take the CDCS monthly budget effective 1/1/2020 times the number of months involved up to the end of the current CDCS service year.
times the number of months involved up to the end of the current CDCS service year.
3. Add the amounts determined in steps 1-2 and list that total amount as the approved lump sum CDCS
amount on the MMIS CDCS SA line item.

If edit 672 continues to post on the service agreement contact the Disability Services Division Resource Center for assistance.

III. Resources

The following information is found on the Department of Human Services website

- Long-Term Services and Supports Service Rate Limits, DHS-3945 (PDF)
- CDCS Community Support Plan Addendum, DHS-6633B (PDF)
- Resources and contacts

Americans with Disabilities Act (ADA) Advisory

This information is available in accessible formats for people with disabilities by calling (651) 431-2600 (voice) or by using your preferred relay service. For other information on disability rights and protections, contact the agency’s ADA coordinator.