Corrected #17-25-10C: Increases to Elderly Waiver (EW) and Alternative Care (AC) Monthly Budget Limits

TOPIC
Information about increases to Elderly Waiver (EW) and Alternative Care (AC) Monthly Budget Limits.

PURPOSE
The purpose of this Bulletin is to correct Bulletin #17-25-10. The corrections occur within the “MMIS Instructions” section, at the bottom of page 3, in the paragraph beginning with the sentence “CDCS line items are priced by a total amount.” All other content remains the same as content in Bulletin #17-25-10.

CONTACT
Resources and contacts

SIGNED
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Assistant Commissioner
Continuing Care for Older Adults Administration and Community Supports Administration

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 budget limits

Minnesota statute establishes a link between nursing facility rates and monthly case mix budget caps under the Elderly Waiver (EW) and Alternative Care (AC) program. (See Minnesota Statutes, section 256B.0915, subd. 3a). It also establishes a link between nursing facility rates and the service rate limits for customized living (see Minnesota Statutes, section 256B.0915, subd. 3e and 3h).

This statute requires the limits to increase on January 1, 2018 by the difference of the nursing facility rate increase (effective January 1, 2017) and any increase to home and community-based services (HCBS) rates that have occurred since January 1, 2017. Effective January 1, 2018 the following will increase by 1.74%:

- EW and AC monthly case-mix budget caps and consumer directed community supports (CDCS) monthly budget caps
- EW service rate limits for customized living (CL), 24-hour customized living (24-hour CL) and residential care

The 1.642% increase that occurred on 8/1/17 for CDCS, the Consumer Support Grant (CSG) and personal care assistance services (PCA) was accounted for when determining the amount by which to increase the monthly budget limits. See the frequently asked questions section of the DHS website for more information.

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 residential 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.

Conversion budget limits

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, 2018. 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.

**Residential services**

Lead agencies must use the EW Residential Services (RS) Tool when planning for customized living, 24-hour
customized living, foster care, or residential care when making any updates to the plans for these services.
Please see the Elderly Waiver Residential Services web page for more information about completing and
submitting an RS Tool.

**MMIS Instructions**

The EW and AC cap amounts, including the below budget cap amounts, will not be applied to the service
agreements that begin prior to 1/1/18 and end after 1/1/18, or new service agreements beginning 1/1/18 until:

1. a LTC screening document using Activity Type 05 and Assessment Result 98 is entered with an Activity
   Type and Effective Date of January 1, 2018 or greater; or
2. a reassessment screening document using Activity Type 06 and Assessment Result 13 is entered with
   an Activity Type and Effective Date of January 1, 2018 or greater.

When the document is approved, open the service agreement and use the F9 key. The higher case-mix cap
amount will be applied to those months beginning January, 2018.

Service agreements using the maximum cap amounts for CL, 24-hour CL, or residential care services line items
that begin prior to January 1, 2018 and end after 1/1/2018 can be increased to the higher cap amount. If the
person requires the increased cap amount, close the line items to 12/31/17 and add a new line item beginning
1/1/18. 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.

CDCS line items are priced by a total amount. For line items that begin prior to 1/1/18 and end after 1/1/18,
determine the amount needed up to 12/31/17. Bulletin 17-25-03 instructed a 1.642% rate increase in CDCS
budgets for services provided on or after 8/1/17. The AC/EW CDCS budget limits published for 1/1/18
included the increase that took effect 8/1/17. The final effective increase for AC/CDCS budgets is .098%.
Determine the amount of the service beginning 1/1/18 and increase that amount by .098%. The Total
Amount field on the line item is changed to reflect the sum. See DHS-3945 for the 1/1/18 AC/EW CDCS
budget limits by case mix for the current CDCS budget limits. Lead agencies must inform CDCS participants
of the rate increase and increase individual CDCS budgets accordingly. CDCS participants must use the CDCS
Community Support Plan Addendum to communicate and document the budget and plan change. A new
addendum form will be published in the near future. The current form can be modified to communicate
these changes. The lead agency must communicate the budget and plan change results to the Fiscal Support
Entities (FSE) within 60 days of the effective date of the rate increase.

Elderly Waiver and CDCS conversion rates are requested on an annual basis if the person still requires the higher
case mix budget. It is possible that the person no longer requires the conversion rate if the support plan using the higher cap amount will cover the cost of their services. If the conversion rate is still needed, see Bulletin 17-25-01 for the instructions and request forms to approve the higher cap amount for Elderly Waiver South Country Alliance health plan or fee-for-service line items beginning January 1, 2018.

III. Resources

The following information is found on mn.gov/dhs/ltss-rates/.

- Frequently asked questions
- Long-term services and supports (LTSS) rate limits (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.