

## SUMMARY

Medicaid State Plan Amendment  
Draft MN-24-0018

In this amendment, corrections are being made to payment rate supplements that are associated with Attachment 4.19-B of the Medicaid State Plan. We are renumbering the payment Supplement for Housing Supports and Services from #3 to #5 (because there was another approved Supplement 3). We are titling Supplement 7, payments for State Plan home and community-base services, to reflect the title for the benefits, which is 3.1-i-A.

## Methods and Standards for Establishing Payment Rates

**1. Services Provided Under Section 1915(i) of the Social Security Act.** For each optional service, describe the methods and standards used to set the associated payment rate. *(Check each that applies, and describe methods and standards to set rates):*

<input type="checkbox"/>		HCBS Case Management
<input type="checkbox"/>		HCBS Homemaker
<input type="checkbox"/>		HCBS Home Health Aide
<input type="checkbox"/>		HCBS Personal Care
<input type="checkbox"/>		HCBS Adult Day Health
<input type="checkbox"/>		HCBS Habilitation
<input type="checkbox"/>		HCBS Respite Care
For Individuals with Chronic Mental Illness, the following services:		
<input type="checkbox"/>		HCBS Day Treatment or Other Partial Hospitalization Services
<input type="checkbox"/>		HCBS Psychosocial Rehabilitation
<input type="checkbox"/>		HCBS Clinic Services (whether or not furnished in a facility for CMI)
<input checked="" type="checkbox"/>		Other Services (specify below)
<p>All public, private and tribal (defined as an IHS or 638 facility) providers are reimbursed as described below:</p> <p>Effective July 1, 2020, housing stabilization services - transition are paid the lower of the submitted charge, or \$17.17 per 15-minute unit.</p> <p>Effective July 1, 2020, housing stabilization services - sustaining are paid the lower of the submitted charge, or \$17.17 per 15-minute unit.</p> <p>Effective July 1, 2020, consultation services are paid the lower of the submitted charge, or \$174.22 per session.</p>		

## Methods and Standards for Establishing Payment Rates

**1. Services Provided Under Section 1915(i) of the Social Security Act.** For each optional service, describe the methods and standards used to set the associated payment rate. *(Check each that applies, and describe methods and standards to set rates):*

<input type="checkbox"/>	HCBS Case Management						
<input type="checkbox"/>	HCBS Homemaker						
<input type="checkbox"/>	HCBS Home Health Aide						
<input checked="" type="checkbox"/>	<p>HCBS Personal Care</p> <p>HCBS Personal Care Assistance payment under the agency-provider model with service unit allocation is the lower of the submitted charge, or the state agency established rate, up to the number of units authorized in the participant’s approved service allocation:</p> <table style="width: 100%; border: none;"> <tr> <td style="padding-left: 20px;">Personal Care 1:1 unit</td> <td style="text-align: right; padding-left: 20px;">\$5.95</td> </tr> <tr> <td style="padding-left: 20px;">Personal Care 1:2 unit</td> <td style="text-align: right; padding-left: 20px;">\$4.47</td> </tr> <tr> <td style="padding-left: 20px;">Personal Care 1:3 unit</td> <td style="text-align: right; padding-left: 20px;">\$3.92</td> </tr> </table> <p>NOTE: One unit is equal to 15 minutes.</p> <p>Participants receiving services under the agency-provider model who then transfer to the budget model, will have any remaining service units converted to a service budget as described above.</p> <p>Shared care:</p> <p>For two participants sharing services, payment is one and one-half times the payment for serving one participant. For three participants sharing services, payment must not exceed two times the payment for serving one participant. This paragraph applies only to situations in which all participants were present and received shared services on the date for which the service is billed. Rate formulas are as follows:</p> <p>For 1:2 shared care the formula is: \$5.95 multiplied by 1.5 = \$8.93 divided by 2 = 4.47</p> <p>This formula enables us to not exceed the maximum rate of 1.5 times the payment rate for serving one participant.</p>	Personal Care 1:1 unit	\$5.95	Personal Care 1:2 unit	\$4.47	Personal Care 1:3 unit	\$3.92
Personal Care 1:1 unit	\$5.95						
Personal Care 1:2 unit	\$4.47						
Personal Care 1:3 unit	\$3.92						

	<p>For 1:3 shared care the formula is: \$5.95 multiplied by 1.98 = 11.79 divided by 3 = 3.92</p> <p>This formula enables us to not exceed the maximum rate of two times the payment rate for serving one participant.</p> <p>Direct staffing wage costs were the main driver of rates. The rate methodology consisted of:</p> <ul style="list-style-type: none"><li>• A base wage index was established using Minnesota-specific wages taken from job descriptions and standard occupational classification codes from the BLS Occupational Handbook.</li><li>• A competitive workforce factor multiplier was applied to the direct staffing wage to address the difference in average wages for direct care staff and other occupations with similar education, training, and experience requirements, as identified by the BLS Occupational Handbook.</li><li>• The average wages were adjusted to differentiate between shared and individual staffing.</li><li>• Shared staffing was taken into account, when staff are available to provide services to more than 1 person and individual staffing, when direct care staff are available to solely provide support as a 1-to-1 interaction with a specific individual.</li><li>• These wage expenses were multiplied by factors for relief staffing, ancillary staff needs, employee-related taxes and benefits, and client programming.</li></ul> <p><b>Budget Model:</b></p> <p>Under the budget model, an amount equal to the participant’s authorized service units multiplied by the amount listed above for a 1:1 unit (@ \$5.95) is authorized for use by the participant.</p> <p>Shared care: For 1:2 and 1:3 shared care under the budget model, services are billed in the shared care formula outlined above.</p> <p>An enhanced rate of 107.5 percent of the rate paid for CFSS must be paid for services provided to persons who qualify for ten or more hours of CFSS per day when provided by a support worker who meets the training requirements.</p>
<input type="checkbox"/>	HCBS Adult Day Health
<input type="checkbox"/>	HCBS Habilitation
<input type="checkbox"/>	HCBS Respite Care

	For Individuals with Chronic Mental Illness, the following services:
<input type="checkbox"/>	HCBS Day Treatment or Other Partial Hospitalization Services
<input type="checkbox"/>	HCBS Psychosocial Rehabilitation
<input type="checkbox"/>	HCBS Clinic Services (whether or not furnished in a facility for CMI)
<input checked="" type="checkbox"/>	Other Services (specify below)
	<p><b>Personal Emergency Response Systems (PERS):</b> Personal emergency response systems include three parts. Each part has its own limit per service agreement year:</p> <ul style="list-style-type: none"> <li>• Purchase of the PERS equipment, including necessary training or instruction on use of the equipment (\$1,500 maximum)</li> <li>• Installation, setup and testing of the PERS equipment (\$500 maximum)</li> <li>• Monthly monitoring fees (\$110 monthly maximum).</li> </ul> <p>The CFSS participant receives up to \$3,000 total of personal emergency response equipment and related services per service agreement year.</p>
	<p><b>Individual Directed Goods and Services:</b> When a participant chooses to purchase goods and services through CFSS, the cost for the goods and services is covered using the participant’s service budget.</p> <p><b>Limitations:</b></p> <p>Goods and Services must not exceed an individual’s budget allocation.</p>
	<p><b>Financial Management Services:</b> Financial Management Services (FMS) providers must provide their service rates to the state agency as a part of the contracting process. They are required to notify the state agency immediately of any changes to their established rates. FMS providers must make public the maximum rate(s) for their services and a public site with approved providers and rates is maintained by DHS at <a href="https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/home-community/programs-and-services/fms.jsp">https://mn.gov/dhs/people-we-serve/people-with-disabilities/services/home-community/programs-and-services/fms.jsp</a>. The rate and scope of FMS is negotiated between the participant or the participant’s representative and the FMS provider, and included in the service delivery plan. FMS provider fees must be on a fee-for-service</p>

basis and not a percentage of the participants' service budget, and may not include set up fees, base rates or other similar charges.