

## 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: 2px;">Personal Care 1:1 unit</td> <td style="padding: 2px; text-align: right;"><del>\$5.95</del> <u>6.21</u></td> </tr> <tr> <td style="padding: 2px;">Personal Care 1:2 unit</td> <td style="padding: 2px; text-align: right;"><del>\$4.47</del> <u>4.67</u></td> </tr> <tr> <td style="padding: 2px;">Personal Care 1:3 unit</td> <td style="padding: 2px; text-align: right;"><del>\$3.92</del> <u>4.09</u></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. <del>Rate formulas are as follows:</del></p> <p><del>For 1:2 shared care the formula is: \$5.95 multiplied by 1.5 = \$8.93 divided by 2 = 4.47</del></p>	Personal Care 1:1 unit	<del>\$5.95</del> <u>6.21</u>	Personal Care 1:2 unit	<del>\$4.47</del> <u>4.67</u>	Personal Care 1:3 unit	<del>\$3.92</del> <u>4.09</u>
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~~This formula enables us to not exceed the maximum rate of 1.5 times the payment rate for serving one participant.~~

~~For 1:3 shared care the formula is: \$5.95 multiplied by 1.98 = 11.79 divided by 3 = 3.92~~

~~This formula enables us to not exceed the maximum rate of two times the payment rate for serving one participant.~~

~~Direct staffing wage costs were the main driver of rates.~~ The rate methodology consisted of:

- A base wage index was established using Minnesota-specific wages taken from job descriptions and standard occupational classification codes from the BLS Occupational Handbook.
- 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.
- The average wages were adjusted to differentiate between shared and individual staffing.
- 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.
- These wage expenses were multiplied by factors for relief staffing, ancillary staff needs, employee-related taxes and benefits, and client programming.

### **Budget Model:**

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.

Shared care: For 1:2 and 1:3 shared care under the budget model, services are billed ~~in the~~ according to the shared care rates formula outlined above.

### **Rate Enhancements**

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.

A rate enhancement is also paid based on the experience of support workers according to the following formula (and applies to the 1:1, 1:2, and 1:3 rates). Workers must provide

more than 1000 cumulative hours of PCA or CFSS services under sections 1905(a) for PCA, 1915(c) for extended PCA and extended CFSS, and under sections 1915(i) and 1915(k) for CFSS. The calculation is based on the cumulative hours worked beginning on July 1, 2017. When the 107.5% rate enhancement and the enhancement for worker experience applies to the same worker, the 107.5% amount is the base for calculating this additional enhancement.

The enhancement is as follows:

(1) for workers who have provided between 1,001 and 2,000 cumulative hours, the amount is 2.17 percent;

(2) for workers who have provided between 2,001 and 6,000 cumulative hours, the amount is 4.36 percent;

(3) for workers who have provided between 6,001 and 10,000 cumulative hours, the amount is 7.35 percent; and

(4) for workers who have provided more than 10,000 cumulative hours, the amount is 10.81 percent.

HCBS Adult Day Health

HCBS Habilitation

HCBS Respite Care

For Individuals with Chronic Mental Illness, the following services:

HCBS Day Treatment or Other Partial Hospitalization Services

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