Group Residential Housing Service Rates

Housing and Support Services Division

December 2016

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Legislative Report

Minnesota Department of **Human Services**

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Executive summary

Group Residential Housing (GRH) is a state-funded program that pays for room-and-board costs across the state for adults with low-income who have a disability or are 65 or older. In some cases, for those recipients who cannot access service payments from other sources such as community-based waiver programs, GRH can pay for services in addition to room and board in settings other than adult foster care. As specified in M.S. 256I.03, subd. 8, these "supplemental services" must include, but are not limited to: oversight and up to 24-hour supervision, medication reminders, assistance with transportation, meeting and appointment arrangements, and medical and social services arrangements.

This report is in response to 2015 legislation, which required the Department of Human Services (the department) to work with stakeholders and advocates to build on the Group Residential Housing reforms made in the 2015 legislative session related to program integrity and uniformity, by restructuring the payment rates, exploring assessment tools and proposing any other necessary modifications that will result in a more cost-effective program.

This report is guided by the following goals, which are reflected in Minnesota's Olmstead Plan and the Minnesota Plan to Prevent and End Homelessness:

- Reduce and prevent people from living in institutions or becoming homeless
- Fund only those services, based on individual need, that are not covered by medical assistance, other insurance or other programs
- Provide people with disabilities opportunities to live, work and be served in integrated settings.

According to a 2014 Group Residential Housing report to the Legislature:

- Supplemental service rates vary among providers statewide. Many providers receive a standard rate, but many others have legislative authority to receive a higher rate. However, **there is no correlation between the amount of the rate, services provided, and the level of individual need.**
- GRH recipients who access supplemental services are most commonly single adults with mental illness, chemical dependency or are experiencing homelessness.

The department worked with stakeholders to explore assessment tools, alternatives to the GRH supplemental service rate, and to determine the appropriate assessment tool for the different populations served by the GRH program. Per the legislation requiring this report, the options described herein could restructure most existing supplemental service rates, including standard and enhanced rates for community and group settings.

Due to federal Medicaid rules (in Minnesota: Medical Assistance), options for GRH supplemental service rate alternatives are different for community settings (settings that meet

federal criteria for Home and Community-based Settings "HCBS") than those *not* considered community settings under the "HCBS Rule," as further defined in Minnesota's Transition Plan for Home and Community-Based Settings.

In community settings, development of housing support services under Medical Assistance (MA) has broad support among stakeholders and appears to be the single best way to make progress towards the policy goals described in this report. These housing supports would help individuals with housing transitions and also ongoing tenancy support to maintain housing stability.

Getting federal approval for a new Medical Assistance housing support service offers a significant opportunity to reform GRH supplemental service rates for community facilities. The department estimates that about half of all GRH supplemental service recipients are in settings that meet federal Center for Medicare and Medicaid Services (CMS) criteria as home and community-based settings. Almost 70 percent of individuals receiving GRH supplemental services in community settings have MA eligibility based on having income below 138 percent of the federal poverty level. Recommendations described in this report rely on this category of MA eligibility.

For individuals in these home and community-based settings, reform would include:

- GRH supplemental service rates for qualified community facilities can be reduced after MA coverage for housing support services becomes available, assuming a majority of individuals in this group are eligible for MA due to income below 138 percent of poverty.

- Contingent on the availability of MA housing support services for most people in community GRH settings, GRH supplemental services would provide a minimum set of non-MA reimbursable services to qualify for the remaining amount of GRH supplemental service rates to providers.

- A flat rate across all community GRH supplemental service providers; the flat amount recognizes that all of these facilities have fixed costs to offer services such as front-desk coverage, and that it is not practical to set tiers of service for this small remaining portion of GRH supplemental services.

To test reform in group settings, the department recommends a pilot project to test GRH supplemental service rates based on the needs of individuals served, and the number and types of services provided. Key features of this pilot project option would include an opportunity for tiered billing based on the level of care provided:

(1) Basic group settings delivering: support services; medication reminders and storage; and/or 24-hour oversight and supervision; or

(2) Higher rate group settings: Serving people with multiple diagnoses, or chronic medical condition providing services such as the following: on-site health supervision, and/or on-site observation and redirection of behaviors identified in the person-centered assessment.

Additional recommendations that could result in a more cost-effective program were developed through the department stakeholder engagement processes:

- The department should provide more technical assistance and training to providers, counties and tribes regarding types of MA services that could benefit individuals they serve.
- Under an existing moratorium on new GRH supplemental service beds, counties and tribes have a legislative exception to "bank" and re-distribute beds from settings that close or downsize. The department recommends a two-year period for counties and tribes to show redevelopment. Otherwise, the department can redistribute, prioritizing statewide coverage and regional collaboration.
- The Legislature should consider lifting the moratorium on the use of GRH supplemental services in community settings if MA housing support services are approved and implemented.

Legislation

2015 Minnesota Session Laws, Chapter 71, Article 1, Section 120:

GROUP RESIDENTIAL HOUSING REPORT ON PROGRAM IMPROVEMENTS.

(a) The commissioner shall, in coordination with stakeholders and advocates, build on the Group Residential Housing (GRH) reforms made in the 2015 legislative session related to program integrity and uniformity, by restructuring the payment rates, exploring assessment tools, and proposing any other necessary modifications that will result in a more cost-effective program, and report to the members of the legislative committees having jurisdiction over GRH issues by December 15, 2016.

(b) The working group, consisting of the commissioner, stakeholders, and advocates, shall examine the feasibility and fiscal implications of restructuring service rates by eliminating the supplemental service rates, and developing a plan to fund only those services, based on individual need, that are not covered by medical assistance, other insurance, or other programs. In addition, the working group shall analyze the payment structure, and explore different options, including tiered rates for services, and provide the plan and analysis under this paragraph in the report under paragraph (a).

(c) To determine individual need, the working group shall explore assessment tools, and determine the appropriate assessment tool for the different populations served by the GRH program, which include homeless individuals, individuals with mental illness, and individuals who are chemically dependent. The working group shall coordinate efforts with agency staff who have expertise related to these populations, and use relevant information and data that is available, to determine the most appropriate and effective assessment tool or tools, and provide the analysis and an assessment recommendation in the report under paragraph (a).

Introduction

As indicated on the previous page, this report is submitted to the Minnesota Legislature pursuant to 2015 Minnesota Session Laws, Chapter 71, Article 1, Section 120.

No funding was provided by the Legislature specifically for this report. The report was prepared by the Department of Human Services staff and a contract writer. The contract writer drew from previous legislative reports and other materials, which the department staff had prepared for legislative and management briefings; he also participated in some of the stakeholder meetings which are described later in this report.

Policy Goals

This report is guided by legislative direction, Minnesota's Olmstead Plan and the Minnesota Plan to Prevent and End Homelessness, which demonstrate the policy direction of the department:

- Reduce and prevent the number of people living in institutions or experiencing homelessness.
- Fund only those services, based on individual need, that are not covered by medical assistance, other insurance, or other programs.
- Develop a more cost-effective Group Residential Housing program.
- Provide people with disabilities opportunities to live, work and be served in integrated settings.
- Support informed consumer choice so people with disabilities will choose where they live, with whom, and in what type of housing.
- Implement housing changes in a gradual and planful manner that does not result in disruption of stable housing or return to institutionalization.

Group Residential Housing Background

Group Residential Housing (GRH) is a state-funded program that pays for room-and-board costs across the state for adults with low-income who have a disability or are 65 or older. In some cases, for those individuals who cannot access service payments from other sources such as community-based waiver programs, GRH can pay for services in addition to room and board. As specified in M.S. 256I.03, subd. 8, these "supplemental services" must include, but are not limited to:

- Oversight and up to 24-hour supervision
- Medication reminders
- Assistance with transportation
- Meeting and appointment arrangements
- Medical and social services arrangements.

The GRH supplemental service rate was established by the Minnesota Legislature in 1993 at a maximum of $426.37 per month, per recipient. Beginning in 2000, a number of legislative increases and reductions were applied to this rate. The most recent change was effective July 1, 2013, when the supplemental service rate increased to $482.84. Counties and tribes may negotiate the supplemental service rate with eligible providers and cannot exceed the maximum unless the amount over the maximum is paid with county or tribal funds, or the Legislature has specifically authorized a higher rate for a setting. These settings typically serve individuals with mental illness or chemical dependency and residents not eligible for, or able to access, a Medical Assistance waiver.

In SFY 2016, 5,841 individuals received GRH supplemental services in addition to room and board. Some received services in their own home in the community (2,568), and the rest received services in group settings, such as a Board and Lodge or Boarding Care Home. Most of these recipients received services to find and maintain housing after long histories of homelessness (more than a year).

Although most providers receive a rate at or below the standard, there is significant variation (e.g. in October 2016, the range was between $44.14 and $5,078.15). In SFY 2016, counties authorized approximately $38 million in GRH supplemental service rate payments.

GRH services are provided primarily by private organizations. There are GRH room-and-board providers in every Minnesota county, mostly due to the prevalence of adult foster care and assisted living settings. GRH supplemental service providers are currently located in 41 counties across Minnesota.

Individuals must meet income requirements and demonstrate a disability or disabling condition based on the criteria for Supplemental Security Income or General Assistance in order to qualify for GRH. GRH serves a wide variety of people with needs that include physical or mental health disabilities, chemical dependency, visual impairment, and long-term homelessness.

The supplemental service rate pays for services in addition to the provision of room and board. As required by the authorizing legislation, this study explores the feasibility and fiscal implications of restructuring service rates by eliminating the supplemental service rates and developing a plan to fund only those services, based on individual need, that are not covered by medical assistance, other insurance or other programs.

In order to limit state budget exposure, there has been a statutory moratorium on new GRH supplemental service beds since 1993, with occasional legislative exemptions. One of these exemptions allows counties and tribes to "bank beds" if a GRH setting with supplemental services either closes or reduces its supplemental service beds. Counties or tribes may reassign banked beds within their service area or with another county or tribe. Even with this flexibility, the moratorium has had the effect of limiting the connection between level of payment and level of individual need.

This study builds on a Group Residential Housing study that was presented to the Legislature in January 2014. Key findings and recommendations from that study are presented below:

A. Key Findings and Recommendations from 2014 GRH Study

- GRH supplemental service rates vary among providers statewide. Many providers receive a standard rate, but many others have legislative authority to receive a higher rate. However, this study shows **there is no correlation between the amount of the rate, services provided, and the level of individual need.**

- There is little connection between the proportion of GRH recipients with high needs and those receiving an enhanced supplemental service rate (in other words, having higher needs does not guarantee that a recipient will get more services or a higher service rate). Similarly, the proportion of sites receiving enhanced/not enhanced rates is fairly similar across the different service areas (e.g. chemical versus mental health service areas).

- In order to receive GRH funding, recipients must have a disability or disabling condition, which is verified by a qualified professional. These eligibility criteria align with Supplemental Security Income (SSI) or General Assistance (GA) eligibility criteria. (These criteria were slightly narrowed for GRH in the 2015 Session.)

- In a survey conducted in 2013, providers indicated the top factors that bring people to their settings. Those who access supplemental services are most commonly single adults with mental illness, chemical dependency, long histories of homelessness or risk of homelessness, or a combination of these characteristics. Further, providers said that they serve people who would have previously been housed in state hospitals.

- The GRH supplemental service rate should pay for a menu of core services, with an enhanced rate available for settings that offer additional or more intense services based on the needs of their target population.

- Regarding performance monitoring, the department should issue standard GRH agreements for counties and tribes, and service plan templates for individuals. The GRH agreements should include required monitoring activities as well as consequences for noncompliance.

- To accurately track availability and distribution, the state should have authority to monitor the status of banked beds that could authorize the use of more supplemental services. Counties and tribes should have a two-year period to redevelop their banked beds before the department redistributes them through a statewide Request for Proposal (RFP) process, which encourages regional collaboration in the use of available service rate beds.

- Program changes should recognize differences in setting types (e.g., licensed congregate facility vs. private-market apartment in the community), and should be phased in gradually and through pilot projects where possible.

- The department should continually incorporate feedback from providers, counties and consumers into policy decisions and implementation.

Most of the above recommendations had additional details, some of which were addressed in 2015 legislation, which was developed by the department in consultation with stakeholders and legislators. The next section summarizes changes enacted since the 2014 report.

B. Department and Legislative Action in the 2015 and 2016 Sessions

Partly as a follow-up to recommendations in the 2014 report, the department provided technical assistance on program changes approved by the Legislature in the 2015 session:

Quality Assurance

- New quality standards
    - Clarified expectations for room and board (e.g., three nutritious meals a day, functioning utilities, general maintenance)
    - New minimum provider qualifications, including:
        - Background studies
        - Minimum education or supervision or experience with target population
        - Vulnerable adult reporting training (or child if applicable)
        - GRH orientation training
- Increased monitoring and oversight
    - At the State
        - Internal audits team to review individual and provider eligibility
        - Conditions of payment (department authority to suspend or terminate payment or agreement)

Simplification

- Administration
    - Standardize GRH agreements statewide, including things providers need to verify to counties, including:

        - Active license/registration in place
        - Staff meet minimum qualifications
        - List of residency requirements that could result in eviction
    - Allow tribes (in addition to counties) to enter into GRH agreements with providers

- **Eligibility**
    - Standardize GRH service authorization procedure for individual eligibility
    - Clarify bases of eligibility for GRH to include disabling conditions only
    - Require people to apply for other benefits if they appear eligible

- **Payments**
    - Amend functionality in the MAXIS eligibility and payment system to track overpayments
    - Clarified definition of countable income
    - Six-month budgeting and reporting for people with earned income

Also, in alignment with the goals of Minnesota's Olmstead Plan, the legislature authorized separating payments for room and board from supplemental service payments in eligibility and payment systems (MAXIS and MMIS). This will allow individuals to have more choice and flexibility of provider.

In addition to working with the Legislature and implementing program changes, the department took the following administrative steps, again partly as a follow-up to the 2014 GRH report:

- In a new standardized template created by the department for GRH agreements, the list of minimum required services are explicitly named, as well as reference to other higher standards named in statute for certain settings.
- Provided a mandatory training across the state for providers of GRH supplemental services in early 2016. Training included basic requirements of supplemental services and/or enhanced rates. All of this was in preparation for getting supplemental service providers enrolled in MMIS for future billing.
- Created and implemented the Professional Statement of Need form (PSN) to replace the undefined "GRH service plan" of the past. It now requires a qualified professional to verify a person's disability and need for supplemental services instead of a verification policy that was identified as too broad. This form also replaces a requirement that the county of financial responsibility "place" individuals in GRH settings, which created delays and denials of housing options due to geographic distance and reported lack of capacity. The new form improves program integrity and increases a person's choice to access housing where they want to live.

Related Initiatives

A. The Olmstead Plan

In 2015, Minnesota adopted "Putting the Promise of Olmstead into Practice," a plan to provide people with disabilities opportunities to live, work, and be served in integrated settings. The plan was developed as the result of a federal court order and is overseen by a subcabinet composed of eight state agencies. It includes goals to increase and improve transition and planning services, housing, supportive services, crisis and safety interventions, transportation, education and employment for people with disabilities.

Minnesota's Olmstead Plan envisions that "*People with disabilities will choose where they live, with whom, and in what type of housing. They can choose to have a lease or own their own home and live in the most integrated setting appropriate to their needs. Supports and services will allow sufficient flexibility to support individuals' choices on where they live and how they engage in their communities*."

It goes on to say, "*Housing and Services is not about closing potentially segregated settings*." According to the Department of Justice, "*Individuals must be provided the opportunity to make an informed decision. Public entities must take affirmative steps to remedy a history of segregation and prejudice in order to ensure that individuals have an opportunity to make an informed choice. Such steps include providing information about the benefits of integrated settings; facilitating visits or other experiences in such settings; and offering opportunities to meet with other people with disabilities who are living, working and receiving services in integrated settings, with their families, and with community providers.*"

Since Group Residential Housing pays for housing and related services for people with disabilities, the Olmstead Plan applies to GRH. This report is written to support the goals of Minnesota's Olmstead Plan.

B. The Plan to Prevent and End Homelessness

The State of Minnesota's 2016-2017 Plan to Prevent and End Homelessness outlines a set of strategies and goals developed by 11 state agencies to improve housing stability for all Minnesotans. These include priorities and actions, which should be taken to reach the goal of ending homelessness in Minnesota. One of these priorities is to create "streamlined and accessible systems and services." Several strategies are identified, including maximizing the use of health care funds to promote increased health through housing stability. It further outlines the following action: **"***Develop policy recommendations and strategies to access Medicaid coverage for housing related activities and services for people with disabilities experiencing or at-risk of homelessness. Connect people experiencing homelessness to these and other Medicaid services to help improve housing stability.*"

Recommendations to reform how supplemental services are used in community Group Residential Housing are designed to support this strategic action.

C. Potential Medicaid Funding for Housing Support Services

In 2015, CMS issued an Informational Bulletin intended to assist states in designing MA coverage for housing-related services, with the goal of promoting community integration for individuals with disabilities and those experiencing chronic homelessness. In 2016, the Minnesota Legislature (Laws of 2016, Chapter 163, Art. 3, Sec. 13) directed the department to develop a proposal for comprehensive housing services to support an individual's ability to obtain or maintain stable housing. That legislation requires the proposal to support the following goals:

(1) improve housing stability,

(2) increase opportunities for integrated community living,

(3) prevent and reduce homelessness,

(4) increase overall health and well-being of people with housing instability, and

(5) reduce inefficient use of health care that may result from housing instability.

The legislation requires the department to provide to the Legislature by February 2017 an update regarding the progress of the above proposal.

D. Mental Health Rates Study

Legislation passed in 2015 provided significant funding and direction for the department to complete a comprehensive analysis of the rate-setting methodology for all community-based services for children and adults. The department issued a request for proposals for outside experts to conduct this study. A contract was negotiated and work began by August 2016. This study may provide information and concepts which will be relevant to future development of GRH rates for supplemental services, as there is some overlap between the people served, and the services provided and paid for by GRH supplemental services and mental health services. Some of the initial discussions in the mental health rate study have helped inform this report. However, at this time, it is too early to predict the findings and recommendations of the mental health rates study.

E. Other Related Initiatives

This report has also been coordinated with other initiatives that affect the people who are served by GRH supplemental services:

- Redesign of the chemical health system, including a new model of care for treatment of substance use disorders
- Reform of payment and services in the home and community based waivers
- The department’s study of targeted case management services
- Minnesota’s Transition Plan for Home and Community-Based Settings, pursuant to federal rules relating to Medicaid-funded home and community-based services.

Stakeholder Feedback

Stakeholder feedback for the Group Residential Housing rate study was conducted in three ways:

First, department staff worked with an advisory group of advocates, state and county staff, and providers to assess and identify options for restructuring GRH supplemental services and rates. Participation included representatives from:

- Department of Human Services, Housing and Support Services Division
- Department of Human Services, Alcohol and Drug Abuse Division
- Department of Human Services, Mental Health Division
- Minnesota Housing Finance Agency
- Dakota County Human Services
- Hennepin County Human Services
- St. Louis County Human Services
- Catholic Charities
- Matrix Housing Services
- People Incorporated
- Supportive Living Solutions
- National Alliance on Mental Illness – Minnesota
- Minnesota Disability Law Center

Second, there was a parallel advisory group created specifically for the creation of new MA housing support services, including housing transition services and tenancy support services. These services could be provided in a variety of community settings including GRH settings that meet federal criteria for community settings. The results of the first advisory group helped to form recommendations for housing support services under MA.

Third, feedback regarding potential MA housing support services was collected in six community conversations across the state. The locations were: Twin Cities Metro, Owatonna, White Earth Reservation, St. Cloud and Duluth. More than 250 providers, advocates, county staff, self-advocates, family members, state employees, and other interested citizens attended the session. Feedback included reactions to the use of MA housing support services in eligible GRH settings.

Some common themes emerged, including concerns that people could fall through the gaps in a complicated system and not receive the services they need. This complexity includes: the number and length of assessments, the amount of required documentation, and requirements to meet at hard-to-reach locations. Another concern from stakeholders was how GRH supplemental services would interact with other state and MA services. Stakeholders are confused as to which services can be used together, what different services provide, and how individuals gain access to them. Feedback supported a streamlined approach, reduced complexity, and better connection

between services and individual need. Finally, many stakeholders expressed concern about the fiscal impact of restructuring supplemental services. Many providers have limited budgets and cash flow and fear that rate changes will put them out of business, putting residents at risk of homelessness without alternative housing options.

Evaluation of Assessment Tools

The authorizing legislation for this report required the department to work with stakeholders to "explore assessment tools, and determine the appropriate assessment tool for the different populations served by the Group Residential Housing (GRH) program, which include homeless individuals, individuals with mental illness, and individuals who are chemically dependent."

The workgroup concluded that none of the current assessments in use would fully determine a person's need for different types of supplemental services. The GRH Professional Statement of Need, with minimal modification, could be expanded to address this.

The following table provides a summary of the assessment tools that were reviewed and the conclusions reached with the stakeholder workgroup.

Assessment	Uses	Positives	Negatives	Modifications	Community Feedback
MNCHOICES	Waiver and PCA SILS, Rule 185 case management, Moving Home MN	1. Used to assess a significant number of people with disabilities in MN 2. Assess various needs of person 3. Determines level of care need	1. Three hours or more to administer. 2. Housing questions are limited. 3. Initial assessments should be completed within 20 days of request.	Could be modified to add more housing questions, but adding to length could create more barriers.	1. Too cumbersome, causing many assessors to only ask the required questions. 2. Waiting time to get an assessment is long and would cause issues with time-specific services. M 3. Many stakeholders think the tool needs further refinement.
GRH Professional Statement of Need ("PSN")	Group Residential Housing eligibility	1. Already being used for GRH. 2. Qualified professional verifies person's need.	Would require modifications to address new rate methodology.	Can be modified to better demonstrate a person's need for certain rates.	1. Addresses the real issues of housing. 2. User-friendly: easy to understand and fill out.

Assessment	Uses	Positives	Negatives	Modifications	Community Feedback
Vulnerability Index SPDAT	Used to identify housing needs for people who are homeless through Coordinated Entry, a mandated process for many federal and state programs	1. Already being used for people in some types of GRH. 2. Peer tested and used widely across the country. 3. Questions focus on level of housing need.	1. Does not address level of need for services, just housing. 2. Does not prioritize people with high medical needs or complex disabling conditions.	1. Used nationally and not intended to be modified. 2. Potential for additional state questions that could be collected as a supplement to the assessment.	1. Does not address service need. 2. Stakeholders are split on their approval of the assessment: many feel it is too vague and missing important information.
Self Sufficiency Matrix	MN Housing funded Supportive Housing recipients	1. Looks at the whole person - status on 18 life domains to identify needs. 2. Re-assessment on a regular basis shows progress. 3. Already used by many housing providers.	1. Tool is very high level - identifies status and progress on each domain on a five point scale. 2. Does not assess for best housing option or specific service needs. 3. Doesn't connect functional need.	1. Modifying would be difficult due to its prevalence in the field and would have to be revalidated. 2. It is effective in its current form.	1. Stakeholders like the self-sufficiency matrix. 2. Possible role for it in service planning but does not accurately assess service level need.

Assessment	Uses	Positives	Negatives	Modifications	Community Feedback
WHODAS 2.0	Adult Mental Health Twelve-item instrument for use along with clinical diagnostic assessment at therapy/ psychiatry appointment	1. Used to assess functional needs for people receiving disability services. 2. Used internationally. 3. Self-administered 4. Easy to understand and use.	Does not address level of need for services.	Cannot be modified.	Stakeholders like this tool.
Locus	Adult Mental Health services including Targeted Case Management and Adult Rehabilitative Mental Health Services	1. Widely used in the adult mental health field as a way to judge level of care needed for individuals. 2. Very focused on functional need.	Requires a higher level of training to use (not as intuitive).	Cannot be modified.	1. Stakeholders liked the five assessment areas. 2. Concerned that required training creates a barrier.
Functional Assessment	Adult Mental Health	1. Looks at functional needs. 2. Used in adult mental health programs already.	1. Long form assessment requires other information to complete. 2. Time consuming to complete.	Ability to modify is uncertain.	Similar to other mental health assessment reviewed: requires skilled professionals to administer and additional information that would create barriers.

Assessment	Uses	Positives	Negatives	Modifications	Community Feedback
Housing Barrier	Hennepin Health No longer in use.	Very focused on housing barriers.	1. Has been implemented previously and was shown ineffective to determine service need. 2. Housing barriers don't always correlate to level of service needed.	Could be modified, however not effective enough to do so.	Stakeholders disliked it when it was first used and do not want it to be used again (various reasons why, but mostly it was very ineffective.)
Silicon Valley Triage	California	Uses data already collected within systems instead of asking questions.	1. Data may not exist due to underuse of system. 2. Largest concern is the high cost to the system.	Cannot be modified.	1. Stakeholders think it would be great to get to this level of data and information.

Group Residential Housing Supplemental Service Rate Options

A. MA Housing Support Services for Individuals in Community Settings

Development of housing support services under MA is the one area that has the broadest support among stakeholders, and appears to be the single best way to make progress towards the policy goals described earlier in this report. It also depends on MA eligibility for individuals with income below 138 percent of the federal poverty guideline, as they are estimated to be the largest group eligible for proposed MA housing support services.

If approved, the MA Housing Supports proposal could provide:

1. Housing transition services
    - Tenant screening and housing assessment;
    - Assistance with housing search and application process;
    - Identifying resources to cover one-time moving expenses;
    - Ensuring a new living arrangement is safe and ready for move-in;
    - Assisting in arranging for and supporting details of move; and
    - Developing a housing support crisis plan.
2. Housing and tenancy sustaining services
    - Prevention and early identification of behaviors that may jeopardize continued stable housing;
    - Education and training on role, rights, and responsibilities of the tenant and the property manager;
    - Coaching to develop and maintain key relationships with property managers and neighbors; advocacy and referral to community resources to prevent eviction when housing is at risk;
    - Assistance with housing recertification process;
    - Coordination with the tenant to regularly review, update, and modify housing support and crisis plan; and
    - Continuing training on being a good tenant, lease compliance, and household management.

As required by legislation, details regarding the MA housing support services will be presented in an update to members of the legislature in February 2017. The following is a summary of the key ways that MA housing support services could support reform of GRH supplemental services:

- *Flexible Services:* Services based on an individual assessment of need and individual service plan.
- *Address unserved need:* The most likely MA authority vehicle does not allow caps on numbers of people served, thus removing some of the artificial limits and barriers that currently exist with the GRH supplemental services moratorium.
- *Support community living:* Individuals receive housing support services in the community setting of their choice.
- *Separate services and housing:* Receipt of housing support services not be tied to receipt of room and board or residential services.
- *More efficient use of resourc*es: Availability of federal funding for housing support services allows state funding to be reallocated to support the needs of people with disabilities who want to live in the community.

The potential to receive federal approval for MA housing support services will impact the ability to reform GRH supplemental service rates:

- Implementing MA housing support services will require state legislative and federal CMS approval.
- CMS approval is more complex process than a state plan amendment approval and is not expected until two years after approval by the legislature.
- MA funding will be limited to individuals who reside in community settings that meet CMS criteria for home and community-based settings. Approximately half of all GRH supplemental service recipients are in settings that meet these criteria. Approximately 70 percent of GRH recipients who could access proposed MA housing support services require eligibility criteria for MA due to include criteria for income below 138 percent of the federal poverty guideline.

B. GRH Supplemental Services for Individuals in Community Settings

MA housing support services approved by CMS would offer a significant opportunity to reform GRH supplemental services for community facilities. For individuals in these settings:

- Community GRH supplemental service providers could continue to provide a minimum set of non-MA reimbursable services to qualify for the GRH supplemental service payment.
- The remaining GRH supplemental service rate would be a flat amount across all community GRH supplemental service providers. The flat amount recognizes that all of these facilities have fixed costs to offer services such as front-desk coverage, and that it is not practical to set tiers of service for this small remaining portion of the rate. The amount suggested below is intended to cover what will not be covered by the new MA housing support coverage. This amount should be revisited after the MA housing support proposal is finalized.

A basic package of GRH supplemental services for community settings would provide:

- Support Services (estimated reimbursement $250 per person per month)
  - Assist with transportation
  - Arrange medical and social services
    - Includes assistance with applying for other benefits (Supplemental Security Income (SSI), Medical Assistance, health care, Mental Health Services, Home and Community-Based Services (HCBS),
  - Arrange meetings and appointments
  - Community Integration
    - Assist with employment, education, and volunteer opportunities
    - Assist with social and recreational opportunities
  - Individual goal planning (using Self-Sufficiency Matrix)
  - Crisis planning
  - If the resident has a case manager or care coordinator, work with that individual to assure that GRH services are coordinated with, and do not duplicate, services provided by the case manager or care coordinator
- For other consideration:
  - Establish more minimum standards, with level of service based on individual need, such as:
    - 4 hours of services per month, or
    - Meet with new individuals once a week for the first month, biweekly for the next 5 months, with minimum once per month after 6 months or more often, if needed, or
    - Lower rate for fewer hours per month, according to assessed need.

None of the reforms for community settings would be possible without availability of MA for individuals with income below 138 percent of federal poverty guidelines.

C. GRH Supplemental Services for Individuals in Group Settings

As indicated previously, many GRH supplemental service settings will not meet CMS criteria which define the home and community-based settings that are eligible for MA housing support services. Examples of settings assumed to not meet federal home and community-based criteria include: Board and Lodging, Supervised Living Facilities, and Boarding Care Homes.

The department and stakeholders explored other opportunities to increase utilization of existing MA services such as adult mental health rehabilitative services (ARMHS), skilled nursing and home health aides. However, these services require the provider to be a certified ARMHS provider or certified home health agency, and the services are limited by prior authorization requirements. Additional technical assistance to GRH supplemental service providers regarding these opportunities might result in some improved services, but the potential for resulting reduction of GRH supplemental services appears to be very limited in group settings.

Considering the lack of significant MA options for group settings, the department and stakeholders discussed two options for rate restructuring which is required for this legislative report:

- Replace the current GRH supplemental service rate structure with a payment based on hours of service needed by each individual, and actual hours provided, or

- Replace the current GRH supplemental service rate structure with a payment based on numbers and types of service needed by each individual, and actual numbers and types of service provided.

Regarding payment based on hours of service, stakeholders explored the following two options:

1. Payment based on hours of service. This method would reasonably relate to an individual's needs and a provider's costs, but would be very difficult to manage fixed costs such as front desk coverage.

2. Payment based on type of service provided, documented level of services offered, assessed individual need for services, and type of residential setting (group or community).

The department recommends the second option, as the first option could create inappropriate incentives to provide maximum hours of service, even if not necessary or wanted.

The department and stakeholders recommend a pilot project in group settings which would test payment of GRH supplemental service rates based on number and types of services provided and based on the assessed needs and choices of the people served. A pilot would include providers representing urban and rural areas across the state, as well as programs serving people with different types of disabilities and level of need. Before a pilot is implemented with actual payments, stakeholders recommended testing it for a few months to work out potential complications and improve predictability.

The following bullets describe the key features of a pilot project option. These features could be provided a la carte or as a package. The dollar amounts are suggested reimbursement rates per person per month. The list of basic support services and the suggested amount for those services are intended to align with the similar list of basic services for community settings (see above). These amounts are based on informal discussion with the GRH stakeholder advisory group. The department has not had the resources for a formal accounting or actuarial analysis of these rates.

(1) Basic group settings

- Residents meet a basic category of eligibility for GRH
- Support Services ($250)
    - Assist with transportation
    - Arrange medical and social services
        - Includes assistance with applying for other benefits (Supplemental Security Income (SSI), Medical Assistance, health care, Mental Health Services, Home and Community-Based Services (HCBS), etc.

        - Arrange meetings and appointments
        - Community Integration
            - Assist with employment, education, and volunteer opportunities
            - Assist with social and recreational opportunities
        - Individual goal planning (using Self-Sufficiency Matrix)
        - Crisis planning
        - If the resident has a case manager or care coordinator, work with that individual to assure that GRH services are coordinated with, and do not duplicate, services provided by the case manager or care coordinator
    - Medication Reminders and Storage ($50)
        - Secure central storage of medication
        - Reminders and monitoring of medication for self-administration
    - 24-hour oversight and supervision ($200)

(2) Higher rate group settings

- Residents have verification of complex disabling conditions, including multiple diagnoses, or a chronic medical condition
    - On-site Health Supervision ($200)
        - Assist to prepare and administer medications other than injectibles
        - Prepare modified diets, such as diabetic or low sodium diets
        - Take vital signs
        - Assist in dressing, grooming, bathing, or walking
        - Minimum of licensed nurse on site 4 hours/week
    - Additional on-site health Supervision ($100)
        - Minimum of licensed nurse on site more than 4 hours/week
        - Perform routine delegated medical or nursing or assigned therapy procedures assisting with body positioning or transfers of individuals who are not ambulatory, feeding of individuals who, because of their condition, are at risk of choking
        - Assist with bowel and bladder control, devices, and training programs
        - Assist with therapeutic or passive range of motion exercises
        - Provide skin care, including full or partial bathing and foot soaks
        - During episodes of serious disease or acute illness, services performed for a client to assist nutritional needs, and to assist with the client's mobility including movement, change of location, and positioning and bathing, oral hygiene, dressing, hair care, toileting, bedding changes, basic housekeeping, and meal preparation
        - Remind individuals to take medications or perform exercises
        - Household chores in the presence of technically sophisticated medical equipment or episodes of acute illness or infectious disease

        - Household chores when the client's care requires the prevention of exposure to infectious disease or containment of infectious disease
        - Assist with oral hygiene or hair care, if the client is ambulatory, and if the client has no serious acute illness or infectious disease
    - On-site observation and redirection of behaviors identified in the person-centered assessment ($100)

(3) Nursing facility rate group settings

One GRH setting, Andrew Residence, is unique from other group settings in that it is both a Boarding Care Home, as well as a licensed nursing facility. Since it is in a category of its own, with legislative nursing facility level of care and adjusted nursing facility rates based on assessed individual need, no change is recommended to rates for Andrew Residence.

Related Non-Rate Options for All Supplemental Service Rate Settings

The authorizing legislation for this report requires the department to work with stakeholders regarding "any other necessary modifications that will result in a more cost-effective program," i.e. modifications other than the rate changes described above. The following list describes ideas which have been discussed with stakeholders and which merit further consideration:

- *More Technical Assistance*
  - The department should provide or arrange for technical assistance to GRH providers to identify alternative sources of service funding (e.g., MA)
  - The department should provide technical assistance to counties on best practices and protocols for GRH site visits and quality assurance

- *County-level policies:*
  - GRH providers should document individual services provided
  - GRH funding should be authorized by county/tribe GRH Agreement

- *Lifting Moratorium on GRH supplemental services in community settings*
  - The legislature should consider lifting the moratorium on GRH supplemental services in community settings if MA housing support services are approved and implemented.

- *Supporting Regional Collaboration*
  - Counties and tribes should have a two-year period to re-develop their banked GRH supplemental service rate beds before the department redistributes them through a statewide reallocation process based on need, encouraging regional collaboration to use them.
  - The department and the legislature should support county efforts towards multi-county regional approaches to issues relating to housing, homelessness and related services.