MN HOUSE RESEARCH

Overview of Programs for People with Disabilities

November 2022

Executive Summary

Minnesota provides a variety of services for people with disabilities. This publication provides information about those programs and services. It contains a general Medical Assistance (MA) overview, including some expenditure and cost comparisons; an overview of MA disability programs and services; an overview of state disability programs and services; and an overview of programs for providers and support workers. A list of acronyms is included at the end of the report.

MA pays for health care services for low-income individuals, including eligible people with disabilities. To qualify for disability benefits under MA, a person must satisfy disability criteria under federal and state requirements. MA disability programs and services include a number of programs that allow people with disabilities to receive care in home and community-based settings or in institutional settings. In state fiscal year 2021, people who were blind or disabled accounted for 9 percent of the total enrollees in MA and 39 percent of total MA spending.

The state offers separate disability programs and services to people who are disabled, including long-term care consultation services, essential community supports, housing support services, family support grants, consumer support grants, and semi-independent living services. In general, the state disability programs have fewer enrollees and spend much less money than the MA disability programs and services.

The state also offers programs for disability service providers and support workers to help providers expand and transition business models and to support the direct care workforce.

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Overview of Medical Assistance

Medical Assistance (MA), the state's Medicaid program, pays for health care services provided to eligible low-income persons.[1] The federal government pays a share of the cost of state MA expenditures. This is referred to as the federal medical assistance percentage (FMAP). Minnesota's usual federal match for covered services is 50 percent (recent federal legislation has provided a temporary enhanced FMAP). The state pays the remaining 50 percent for most services (some services have a county share, such as long-term placements in intermediate care facilities for persons with developmental disabilities (ICFs/DD) with seven or more beds).[2]

MA Eligibility

To be eligible, an individual must meet income and asset standards and satisfy other program eligibility requirements. Eligible groups include pregnant women, families and children, persons with disabilities or who are blind, and the elderly (over age 65).

Initial MA Disability Qualification

There are two steps to qualification for disability benefits under MA. First, a person must qualify as having a disability. In order to qualify as having a disability, a person must satisfy the disability criteria used by the federal Social Security Administration (SSA) or a State Medical Review Team (SMRT). In most cases, the SMRT uses the same criteria for disability and blindness as the SSA. Under the SSA definition of disability, an adult is considered to have a disability if he or she is unable to engage in any substantial gainful activity due to a medically determinable physical or mental impairment that is expected to result in death or to last for a continuous period of not less than 12 months. A child under age 18 is considered by the SSA to have a disability if he or she has a medically determinable physical or mental impairment, which results in marked and severe functional limitations, that is expected to result in death or to last for a continuous period of not less than 12 months. Medicaid uses the Supplemental Security Income (SSI) definition of "blind," which is vision of 20/200 or less with the use of corrective lenses or tunnel vision of 20 degrees or less.

Some of the health conditions for which individuals are likely to be found as having a disability by the SSA or SMRT include the following:

- arthritis of a major joint in each upper extremity
- certain types of amputation
- hearing loss not restorable by a hearing aid
- ischemic heart disease with chest pain
- chronic liver disease meeting specified criteria
- impaired renal function meeting specified criteria
- paraplegia or quadriplegia

[1] For more on Medical Assistance, see the House Research publication *Medical Assistance*, October 2022.

[2] See Minn. Stat. § 256B.19.

- multiple sclerosis
- muscular dystrophy
- certain psychotic and nonpsychotic disorders
- severe developmental disabilities meeting specified criteria

After a person qualifies as having a disability under MA, the person must then meet the additional criteria for MA disability eligibility under one of the pathways described below.

Pathways to MA Disability Eligibility

Common eligibility pathways in Minnesota for persons with disabilities include being blind or having a disability, being a child who has a disability, being eligible under the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), or being an employed person with disabilities (each of these categories is discussed below).

Adults Who Are Blind or Have a Disability

Adults who are blind or have a disability must be determined as having a disability by SSA or SMRT or meet the criteria for blindness. The income limit for adults who are blind or have a disability is 100 percent of the federal poverty guidelines (FPG), or a person can spend down to 100 percent of FPG to become eligible. (See page 4 for 2022 FPGs.) The asset limit is $3,000 for an individual and $6,000 for a household of two, with $200 added for each additional dependent (certain assets such as homestead, household goods, and a vehicle are excluded from the asset limit).[3] In Minnesota, SSI recipients are not automatically eligible, but the vast majority qualify for MA.

Children with Disabilities

An individual who is blind or who has a disability and who is under age 21 can apply for MA as a child and be subject to income and asset eligibility criteria that are less stringent than those that apply to adults. The income limit is 283 percent of FPG for children under age 2, 275 percent of FPG for children ages 2 to 18, and 133 percent of FPG for children ages 19 and 20. There is no asset limit, and the spenddown limit is 133 percent of FPG.

Eligibility through TEFRA

TEFRA is an optional eligibility category. Under this option, only the child's income is counted and parents pay a parental fee. In order to be eligible under the TEFRA option, an individual must:

- be under age 18;
- have a disability determination from SMRT;
- require a level of home health care comparable to the care provided in a hospital, nursing facility, or ICF/DD;

[3] See Minn. Stat. § 256B.056, subd. 3.

- have MA home care costs that do not exceed the cost to MA of institutional care;
- live with at least one parent; and
- meet the MA income standard (the income limit is 100 percent of FPG and only the child's income is counted).

There is no asset limit under the TEFRA option.

Employed Persons with Disabilities

Employed persons with disabilities (MA-EPD) is another optional category. Federal law provides an exception from the prohibition on substantial gainful activity for MA eligibility. This category allows persons with disabilities to work productively and still retain health benefits. In order to be eligible under this option a person must:

- be certified as disabled by SSA or SMRT;
- receive more than $65/month in earned income and pay Medicare and Social Security taxes; and
- pay required monthly premiums and unearned income obligation.

There is no income limit under MA-EPD. The asset limit is $20,000 (certain assets are excluded, such as retirement accounts, medical expense accounts, and other exclusions that apply to persons with disabilities).[4]

Spenddown

Individuals whose income exceeds the regular MA income limit may qualify through a spenddown. An individual who has disabilities can qualify under a spenddown by incurring medical bills in an amount that exceeds the amount by which his or her income exceeds the MA spenddown limit for persons with disabilities of 100 percent of FPG.

2022 Federal Poverty Guidelines

Family Size	75%	100%	150%	200%
1	$10,193	$13,590	$20,385	$27,180
2	13,733	18,310	27,465	36,620
3	17,273	23,030	34,545	46,060
4	20,813	27,750	41,625	55,500

[4] See Minn. Stat. § 256B.057, subd. 9.

MA Covered Services

The MA benefit package tends to be comprehensive, compared to private sector health coverage. In addition to covering standard services such as physician, inpatient hospital, dental, therapy, and prescription drugs, MA covers many services used heavily by persons with disabilities. These services include the following:

- nursing facility services
- ICF/DD services
- home health care
- case management
- personal care assistant services
- home care nursing
- home and community-based waiver services

MA recipients with disabilities are enrolled in managed care programs called Special Needs BasicCare, unless they choose to opt out of managed care enrollment and remain in fee-for-service. Certain services are only paid through MA fee-for-service coverage, including: (1) disability waiver services (BI, CAC, CADI, and DD waivers); (2) personal care assistance; and (3) home care nursing.

Enrollee Cost-Sharing

Federal law requires Medicaid cost-sharing to be "nominal," not to exceed 5 percent of family income each month. MA enrollees are subject to the following cost-sharing:

- $3 per nonpreventive visit
- $3.50 for nonemergency visits to a hospital emergency room
- $3 for brand name drugs/$1 for generic drugs/$1 for a brand name multisource drug on the preferred drug list ($12/month limit)
- A monthly family deductible for each period of eligibility

Cost-sharing does not apply to pregnant women and children; other exemptions apply. In Minnesota, the MA payment rate is reduced by the amount of the co-payment.

A recent district court ruling held that providers cannot deny services to enrollees who do not pay the co-payment.

Parental Fees

Parents with minor children on MA who do not live with them, or for whom parental income and assets are not counted when determining the child's eligibility, are assessed a parental fee to pay for part of the MA cost of care for the child. Parents who are court-ordered to pay medical support are subject to parental fees, which are calculated based on the parent's adjusted gross income; the fee is annualized and subtracted from the parent's adjusted gross income. Some of the groups of children whose parents are subject to a parental fee include:

- children eligible under TEFRA;
- children receiving services under a home and community-based waiver service;
- children on MA in 24-hour care facilities with developmental disabilities, severe emotional disturbance, or a physical disability; and
- children in foster care placement.

The usual parental fee ranges from zero for parents with adjusted gross income (AGI) of less than 275 percent FPG to 7.49 percent for parents with AGI equal to or greater than 975 percent of FPG.[5]

Overview of MA Disability Programs and Services

The MA disability programs and services described in this section include home and community-based waiver services, intermediate care facilities for persons with developmental disabilities, case management, home care, personal care assistant (PCA) services, home care nursing, Community First Services and Supports, the early intensive developmental and behavioral intervention benefit, and Moving Home Minnesota.

Home and Community-Based Waiver Services (HCBS)

HCBS offers service options that allow people to live in the community instead of going into or staying in an institutional setting. HCBS covers two types of services: (1) services necessary to avoid institutionalization that are not offered in Minnesota's MA state plan, and (2) services that are extensions of Minnesota's MA state plan services. Minnesota has four HCBS disability waivers:

- Community Access for Disability Inclusion (CADI): Provides services for individuals with disabilities who need the level of care provided in a nursing home
- Brain Injury (BI): Provides services for individuals with brain injury who need the level of care provided in a nursing home or neurobehavioral hospital
- Developmental Disabilities or Related Conditions (DD): Provides services for individuals with developmental disabilities or related conditions who need the same level of care as provided in an ICF/DD
- Community Alternative Care (CAC): Provides services for individuals with chronic illness who need the level of care provided in a hospital

To be eligible for an HCBS waiver, a person must meet all of the following conditions:

- be under age 65
- be certified as having a disability
- choose home and community-based service
- meet MA income and asset requirements

[5] See Minn. Stat. § 252.27, subd. 2a.

- have a plan of care that ensures health and safety
- have anticipated costs through the HCBS waiver program that do not exceed the cost of services that are or would be provided in an institution or health care facility
- meet all other program requirements

A person's waiver budget is determined by an assessment of the person's functional needs. State plan services must be used before extended services. Supports are purchased from a menu of possible waiver services.

DHS allocates HCBS slots to each county (base allocation plus any inflation). The DD waiver is a separate annual allocation. All other waivers (CADI, CAC, BI) are allocated every six months. One exception is the consumer-directed community support (CDCS) option. This is a state-set limit for individual budgets and allowable services/expenses (included in the county allocation). If a county determines that it is able to serve more people than the slots it has available under the DD waiver, the county can do so, as long as the county stays within its overall waiver budget.

CDCS is an option under the MA waivers that provides a person with more choice and responsibility in managing his or her: (1) services and supports; and (2) budget allocation. A financial management services provider helps the person with financial and employer-related tasks.

HCBS waiver services include the following:

- adult day services
- assistive technology
- case management
- community residential services
- consumer-directed community supports
- crisis response
- customized living
- day support services
- employment development, exploration, and support services
- environmental accessibility adaptations
- extended MA home care services, including therapies
- family training and counseling
- home-delivered meals
- homemaking and chore services
- independent living skills and training
- integrated community supports
- night supervision
- positive support services
- prevocational services

- respite care
- specialist services
- supplies and equipment
- transitional services
- transportation services

Not all services are available on every waiver program.

DHS licenses certain HCBS provided to persons with disabilities and persons age 65 and older. The licensing standards provide for recipient protections such as service recipient rights, health services standards, protection standards, service planning and delivery standards, program coordination and oversight standards, record requirements, and facility standards.[6]

The HCBS waiver programs are federal-state funded programs, funded with 50 percent federal MA funds and 50 percent state general funds. The Disability Waiver Rate System (DWRS) is Minnesota's uniform, statewide methodology to determine reimbursement rates for HCBS provided under the four MA disability waivers. Most services provided under the MA disability waivers have rates determined under DWRS; however, some services are reimbursed at the market rate.[7]

HCBS Waiver Program Statistics FY 2022

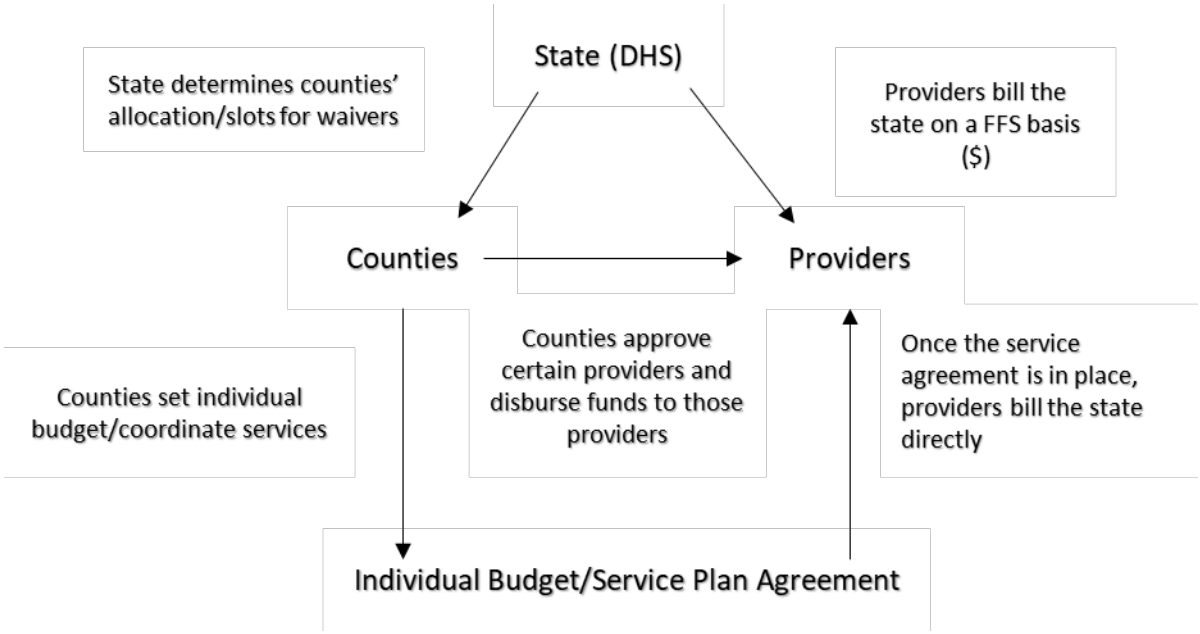
Program	Unduplicated Annual Recipients	Average Cost/Recipient	Total Expenditures (in 000s)
CADI	41,841	$43,693	$1,828,152
BI	1,148	95,811	110,027
DD	24,279	81,253	1,972,717
CAC	815	86,230	70,269
Total	**68,083**	**58,475**	**3,981,165**

Source: Minnesota Department of Human Services, February 2022 Forecast Background Tables Data

[6] See Minn. Stat. ch. 245D.

[7] Market rate services include 24-hour emergency assistance, assistive technology, caregiver living expenses, crisis respite, environmental accessibility adaptions, family training and counseling, homemaker cleaning services, respite care, specialist services, specialized equipment and supplies, transitional services, and transportation.

Flow of Dollars for Waiver Programs



FFS: Fee-for-service
Source: House Fiscal Analysis Department

DHS is currently in the process of implementing a multiphase initiative, called Waiver Reimagine, to reconfigure the four MA disability waivers into two waivers. Phase I was completed in 2021 when DHS implemented a streamlined and simplified common service menu. DHS continues to work toward Waiver Reimagine Phase II implementation with rolling implementation of the two-waiver system and individualized budget methodology beginning in 2024.

Intermediate Care Facilities for Persons with Developmental Disabilities (ICF/DD)

ICFs/DD are MA facilities that serve persons with developmental disabilities and related conditions who require the level of care provided in an ICF/DD and who choose such services. These facilities are licensed supervised living facilities and serve from four to 64 persons.

In order to be eligible for ICF/DD services, a person must:

- have a developmental disability or a related condition;
- require a 24-hour plan of care;
- have substantial limitations in functioning and manifest conditions before his or her 22nd birthday;
- meet MA income and asset requirements; and
- request ICF/DD services.

Minnesota contracts with ICF/DD facilities for services and sets rates for each facility. Persons may pay through private insurance, Medicare, MA, and/or a combination of all three. Services are a predesigned package and include:

- room and board;
- services during the day, active treatment, and functional skill development; and
- transportation.

Related medical services may be covered as part of the rate.

ICFs/DD funding sources include MA funds (50 percent federal MA funds and 50 percent state general funds) and some private and county pay.

The flow of dollars for ICFs/DD begins with the state-determined rate (rate multiplied by the number of days). ICF/DD rates are set by each facility. The county share of the cost for facilities with seven or more beds is 10 percent of nonfederal share for placements that have exceeded 90 days. In nursing facilities, rates are set based on each facility's RUGs (a needs assessment, resource utilization groups). There is a county share for persons under 65 only (20 percent of nonfederal share) whose placements have exceeded 90 days.

Individuals residing in an ICF/DD are eligible for day training and habilitation (DT&H) services[8] or services during the day, which include supported work, support during community activities, community volunteer programs, adult day care, recreational activities, and other individualized supports that help individuals address and achieve their needs and desires. Costs for DT&H services and services during the day are not included in the computation of the ICF/DD total payment rate.

In fiscal year 2022, there were 862 ICF/DD average monthly recipients; the average monthly cost per recipient was $9,014, and total annual expenditures were projected to be $93.3 million. In fiscal year 2022, there were 394 DT&H average monthly recipients who resided in an ICF/DD; the average monthly cost per recipient was $2,004, and total annual expenditures were projected to be $9.5 million.

Case Management

Case management is assisting an individual to gain access to needed medical, social, educational, and other services. Case management eligibility varies by program. Counties determine consumer eligibility based on the state MA plan, the state MA waiver amendments, and Minnesota Statutes. Persons who meet specific eligibility criteria receive state-mandated

[8] DT&H services were provided as an option to eligible individuals under the DD Wavier prior to January 1, 2021. These services were renamed "day services for adults with disabilities" and eligibility for them was expanded to include all four of the disability waivers when the common service menu, which is part of the Waiver Reimagine project, was implemented. DT&H services provided as part of the ICF/DD package of services are MA state plan services.

services and optional services based on county Vulnerable Children and Adults Act (VCAA) plans.

Case managers perform both administrative and service activities. Administrative functions include the following:

- intake
- eligibility determination
- screening
- service authorization
- conciliations and appeals
- diagnosis

Service activities include the following:

- plan development
- providing service options
- consulting with relevant medical experts or service providers
- assisting in accessing services
- assisting in the identification of potential providers
- service coordination
- service evaluation and monitoring
- plan review and recommendations for service authorization

There are different types of targeted case management, including relocation service coordination, which helps people who live in certain institutions and want to live in the community to plan and arrange for the services and supports necessary to live in the community.

Case management funding sources include county funding sources, VCAA state grants to counties, federal financial participation for waiver services or targeted case management, and federal reimbursement when provided as part of the MA state plan.

Case Management Program Statistics, FY 2021

Waiver	Total Expenditures FY 2021	Recipients	Average Cost Per Recipient
DD	$51,579,487	22,899	$2,252
CAC	$1,677,547	727	$2,307
CADI	$87,441,153	37,055	$2,360
BI	$3,175,157	1,137	$2,793
Total	**$143,873,344**	**61,818**	**$2,327**

House Research Department

The case management expenditures in the above table are included in the overall waiver expenditures included in the table on page 8. Targeted case management is not included in the expenditures in either of these tables.

Home Care

Home care provides medical and health-related services and assistance with day-to-day activities to people in their home. It can be used to provide short-term care for people moving from a hospital or nursing home back to their home, or it can also be used to provide continuing care to people with ongoing needs. Home care services may also be provided outside the person's home when normal life activities take them away from home.

Home care services are provided to MA-eligible persons and must be:

- medically necessary;
- ordered by a licensed physician;
- documented in a written service plan;
- provided at a recipient's residence (not a hospital or LTC facility); and
- provided by a Medicare-certified agency.

A registered nurse from a Medicare-certified home health agency completes an assessment to determine the need for service. The assessment identifies the needs of the person, determines the outcomes for a visit, is documented, and includes a plan. In general, all home health services provided by a home health aide must have a prior authorization. The maximum benefit level is one visit per day for home health aide services, one visit per discipline per day for therapies (except respiratory therapy), and two visits per day for skilled nursing.

Home care services include:

- intermittent home health aide visits provided by a certified home health aide;
- medically oriented tasks to maintain health or to facilitate treatment of an illness or injury provided in a person's place of residence;
- personal care assistant services;
- home care nursing;
- therapies (occupational, physical, respiratory, and speech);
- intermittent skilled nurse visits provided by a licensed nurse; and
- equipment and supplies.

Home care services are federal-state funded programs, funded with 50 percent federal MA funds and 50 percent state general funds.

In fiscal year 2022, there were 1,990 home care (not including PCA or home care nursing services) monthly average recipients; the average monthly cost per recipient was $513, and total annual expenditures were projected to be $12.3 million.

Personal Care Assistant (PCA) Services

Personal care assistants provide assistance and support to persons with disabilities, the elderly, and others with special health care needs living independently in the community.

In order for a person to receive PCA services, the services must be:

- medically necessary;
- documented in a written service plan; and
- provided at the recipient's place of residence or other location (not a hospital or health care facility).

In addition, the recipient of PCA services must be able to direct his or her own care or have a responsible party who provides support.

The determination of the amount of service available to a person is based on an assessment of need. PCA services include:

- assistance with activities of daily living including grooming, dressing, bathing, transferring, mobility, positioning, eating, and toileting;
- assistance with instrumental activities of daily living, including meal planning and preparation, assistance with paying bills, and shopping for essential items;
- assistance with health-related procedures and tasks; and
- intervention for behavior including observation and redirection.

PCA services are federal-state funded services, funded with 50 percent federal MA funds and 50 percent state general funds.

In fiscal year 2022, there were 25,774 PCA monthly average recipients; the average monthly cost per recipient was $2,834, and total annual expenditures were projected to be $876.5 million.

PCA services will be phased out and replaced by CFSS beginning no sooner than April 1, 2023.

Home Care Nursing

Home care nursing services are provided by a registered nurse or licensed practical nurse to maintain or restore a person's health.

In order for a person to receive home care nursing services, the services must be:

- medically necessary;
- ordered by a licensed physician;
- documented in a plan of care that is reviewed by the physician at least once every 60 days;
- assessed by a registered nurse;

- authorized by the commissioner; and
- provided in the recipient's home or outside the home when normal life activities require.

Home care nursing services must be used when the recipient requires more care than can be provided during a skilled nurse visit and when the care required is outside the scope of services provided by a home health aide or personal care assistant.[9]

Home care nursing services are federal-state funded programs, funded with 50 percent federal MA funds and 50 percent state general funds.

In fiscal year 2022, there were 782 home care nursing monthly average recipients; the average monthly cost per recipient was $12,595, and total annual expenditures were projected to be $118.1 million.

MA Disability Program Statistics, FY 2022

Program	Average Monthly Recipients	Average Monthly Cost/Recipient	Total Expenditures
ICF/DD	862	$9,014	$93,268,804
DT&H	394	$2,004	$9,481,703
Home Care	1,990	$513	$12,258,546
PCA	25,774	$2,834	$876,501,552
Home Care Nursing	782	$12,595	$118,120,862

Source: Minnesota Department of Human Services February 2022 Budget Forecast Background Tables

Community First Services and Supports (CFSS)

CFSS were created by the 2013 Legislature and will replace the PCA and consumer support grant programs beginning in 2023. CFSS will be available statewide to eligible individuals to provide assistance and support to persons with disabilities, the elderly, and others with special health care needs living independently in the community.

CFSS will be available to a person who meets one of the following criteria:

- is a MA enrollee
- is a participant in the alternative care program
- is a MA waiver participant
- has medical services identified in a participant's individualized education program and is eligible for MA special education services

In addition to meeting the eligibility criteria above, a person must also:

[9] See Minn. Stat. § 256B.0654, subd. 2a.

- require assistance and be determined dependent in one activity of daily living (ADL) or Level I behavior based on an assessment;
- not be a family support grant recipient; and
- live in the person's own apartment or home (not an institutional setting).

CFSS services include:

- assistance with ADLs, including eating, toileting, grooming, dressing, bathing, mobility, positioning, and transferring;
- assistance with health-related procedures and tasks that can be delegated or assigned by a state-licensed health care or mental health professional and performed by a support worker;
- assistance to acquire, maintain, or enhance skills necessary for the participant to accomplish ADLs, instrumental ADLs, or health-related procedures and tasks;
- expenditures for items, services, supports, environmental modifications, or goods, including assistive technology; and
- assistance with instrumental ADLs, including meal planning and preparation, shopping, laundry, housecleaning, assistance with medications, managing finances, and communicating needs and preferences.

CFSS will be a federal-state funded service, with 50 percent paid with federal MA funds and 50 percent paid with state general funds. CFSS will replace PCA and consumer support grants with a rolling phase-in beginning no sooner than April 1, 2023, pending federal approval.

Early Intensive Developmental and Behavioral Intervention Benefit

The early intensive developmental and behavioral intervention (EIDBI) benefit was created by the 2013 Legislature to provide coverage for a comprehensive, multidisciplinary evaluation, ongoing progress monitoring, and medically necessary early intensive treatment of autism spectrum disorder or a related condition. This benefit went into effect on July 1, 2015.

The benefit is available to a child under the age of 21 enrolled in MA who:

- has a diagnosis of autism spectrum disorder or a related condition; and
- meets the criteria for medical necessity for the early intensive developmental and behavioral intervention services.

EIDBI services must be provided by a qualified EIDBI provider, and treatment must be delivered consistent with the standards of an approved modality. Approved treatment modalities include applied behavior analysis, the developmental individual-difference relationship-based model, the early start Denver model, the PLAY project, relationship development intervention, or other modalities approved by the DHS commissioner.[10]

[10] See Minn. Stat. § 256B.0949, subd. 13.

The EIDBI benefit is a federal-state funded benefit, funded with 50 percent federal MA funds and 50 percent state general funds.

Moving Home Minnesota

Moving Home Minnesota is the name of the state's federal Money Follows the Person Rebalancing Demonstration. This program promotes activities to reduce or eliminate barriers to receiving services in home and community-based settings.

In order to be eligible for the demonstration, a person must:

- be an MA recipient;
- be eligible for at least one day of institutional care;
- reside in a qualified institution for 60 or more consecutive days (qualified institutions include the Anoka Metro Regional Treatment Center, child and adolescent behavioral health hospitals, community behavioral health hospitals, hospitals, ICFs/DD, nursing facilities, and psychiatric residential treatment facilities); and
- move into a qualified residence (qualified residences include an apartment with an individual lease; a home owned or leased by the person or the person's family member; residence in an assisted living facility that provides an apartment with separate living, sleeping, bathing, and cooking areas and lockable entrance and exit doors; and residence in a community residential setting where no more than four unrelated people reside).

Demonstration services include:

- arranging for required assessments;
- planning the move;
- finding housing;
- paying deposits;
- environmental modifications to make the home safe and accessible;
- paying for special equipment;
- connecting to community-based mental health services and/or home health services;
- overnight assistance; and
- nonmedical transportation to find housing and/or employment.

This program provides up to 180 days of transition planning and 365 days of supportive services in the community.

In addition, enhanced federal match is available for the HCBS waivers and certain children's mental health state plan services. Funding for this demonstration program is primarily federal funding with a state match.

In fiscal year 2022, demonstration expenditures were $18,597,549.

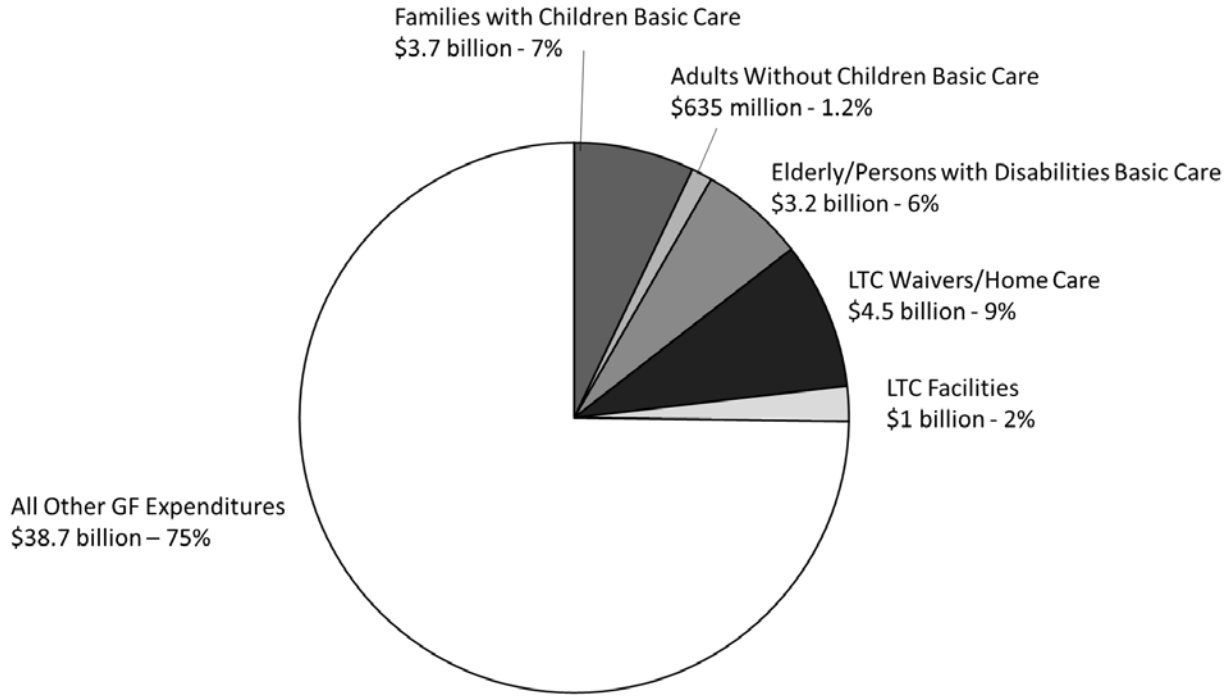
MA Program Expenditures and Cost Comparisons

This section compares expenditures and costs for various MA programs for persons with disabilities, and places these expenditures and costs in context of general fund expenditures.

MA general fund expenditures account for 25 percent of total general fund and health care access fund expenditures in fiscal years 2022-2023. Figure 1 shows the MA state general fund and health care access fund expenditures by category and percentage of total expenditures for those funds.

Figure 1
Medical Assistance GF Expenditures and Percent of Total GF Expenditures

FY 2022-2023 Total GF Expenditures: $51,729,000,000
FY 2022-2023 Total State Share MA Expenditures:[11] $13,046,144,890



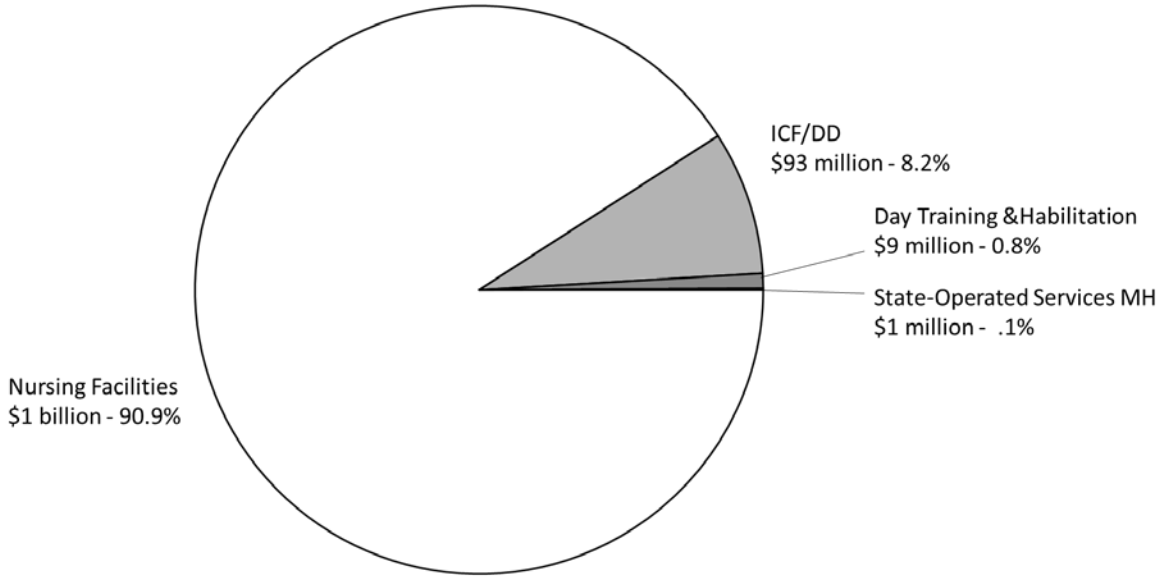
Source: February 2022 DHS Forecast Background Tables Data
Note: All numbers for FY 2022 and beyond are projected.

[11] State share MA expenditures include both general funds and health care access funds.

Figure 2 shows MA long-term care (LTC) expenditures by facility category. Nursing facilities make up 91 percent of the total MA LTC facilities state share expenditures in fiscal year 2022.

Figure 2
Medical Assistance Long-Term Care Facilities
FY 2022

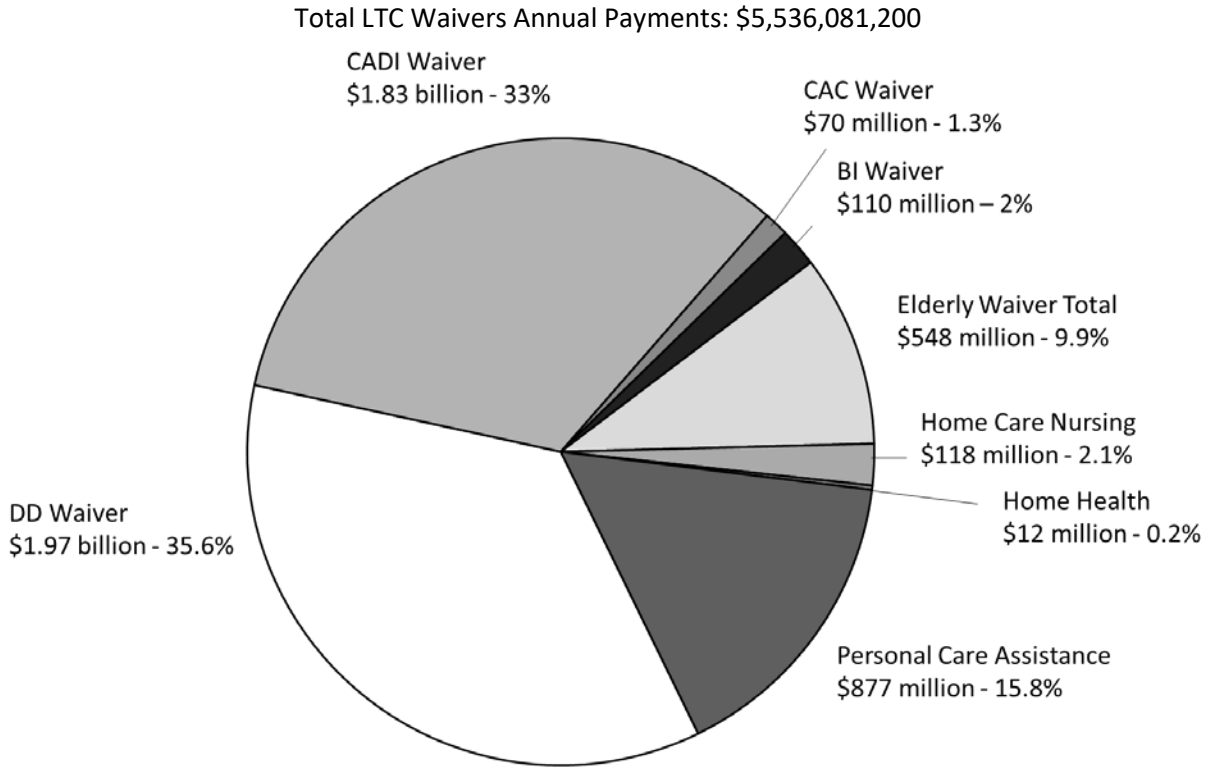
Total LTC Facilities Annual Payments: $1,139,320,105



Source: February 2022 DHS Forecast Background Tables Data
Note: All numbers for FY 2022 are projected.

Figure 3 shows MA LTC waiver and home care expenditures by program. The Developmental Disabilities or Related Conditions (DD) waiver constitutes 36 percent of the total MA LTC waivers and home care state share expenditures in fiscal year 2022.

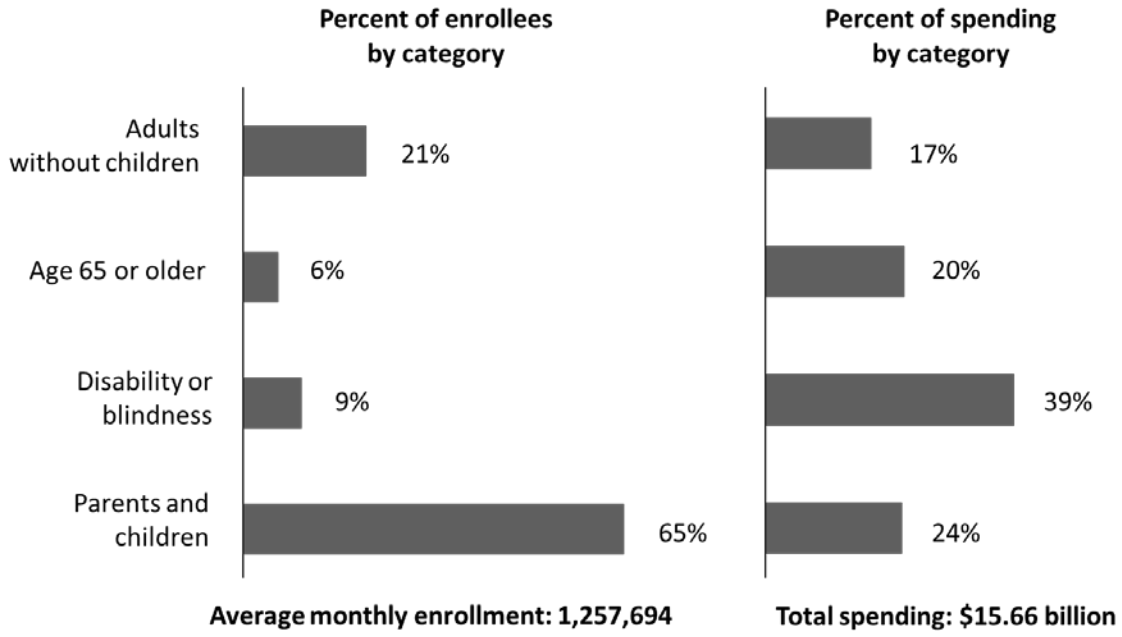
Figure 3
Medical Assistance Long-Term Care Waivers/Home Care
FY 2022



Source: February 2022 DHS Forecast Background Tables Data
Note: Elderly Waiver includes both fee-for-service and managed care costs. All numbers for FY 2022 are projected.

Figure 4 compares the percentage of MA enrollees by category to the percentage of MA spending by category. In fiscal year 2021, families with children accounted for 65 percent of MA enrollees but only 24 percent of MA spending, while disabled or blind persons accounted for 9 percent of MA enrollees and 39 percent of MA spending.

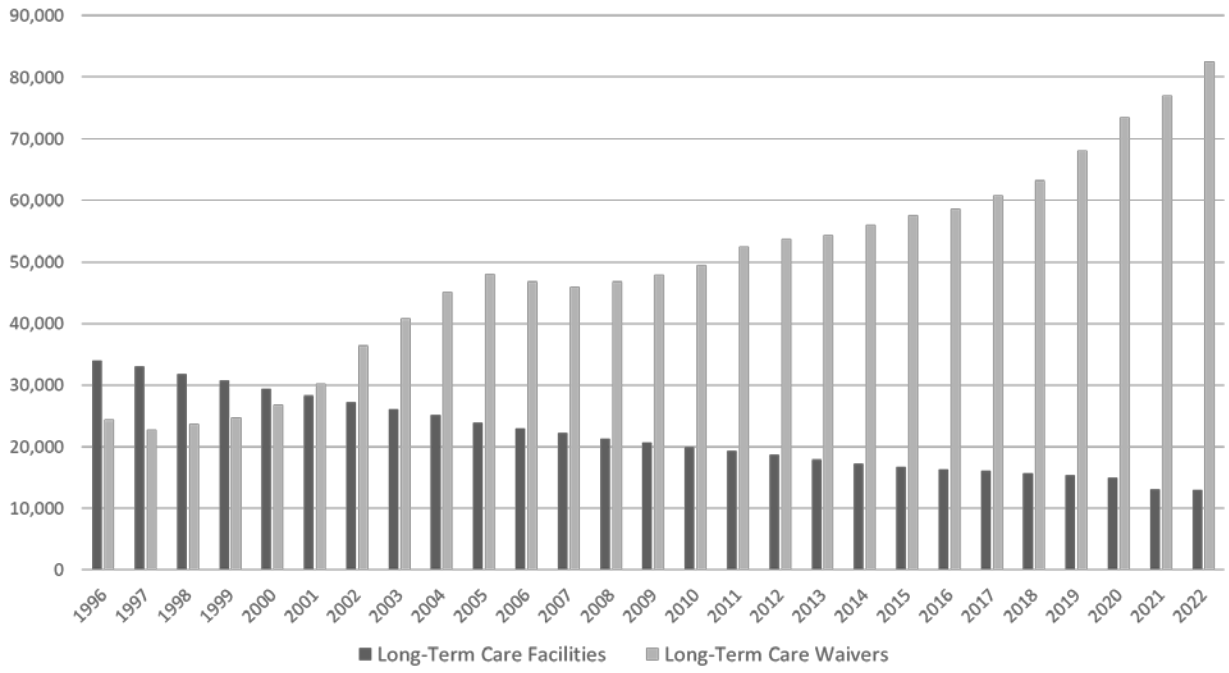
Figure 4
Minnesota Medical Assistance Eligibles – SFY 2021



Source: Department of Human Services

Figures 5 to 7 make various comparisons of MA LTC facilities and waivers/home care over time. In general, MA LTC facilities monthly average recipients have been declining and costs have been increasing while MA LTC waivers and home care monthly average recipients and costs have been increasing. However, MA LTC waivers and home care monthly average payments per recipient are less than those for MA LTC facilities. Figure 5 compares MA LTC facilities and waivers/home care monthly average recipients over time. MA LTC facilities monthly average recipients have been declining over time while MA LTC waiver and home care monthly average recipients have been increasing during the same time period.

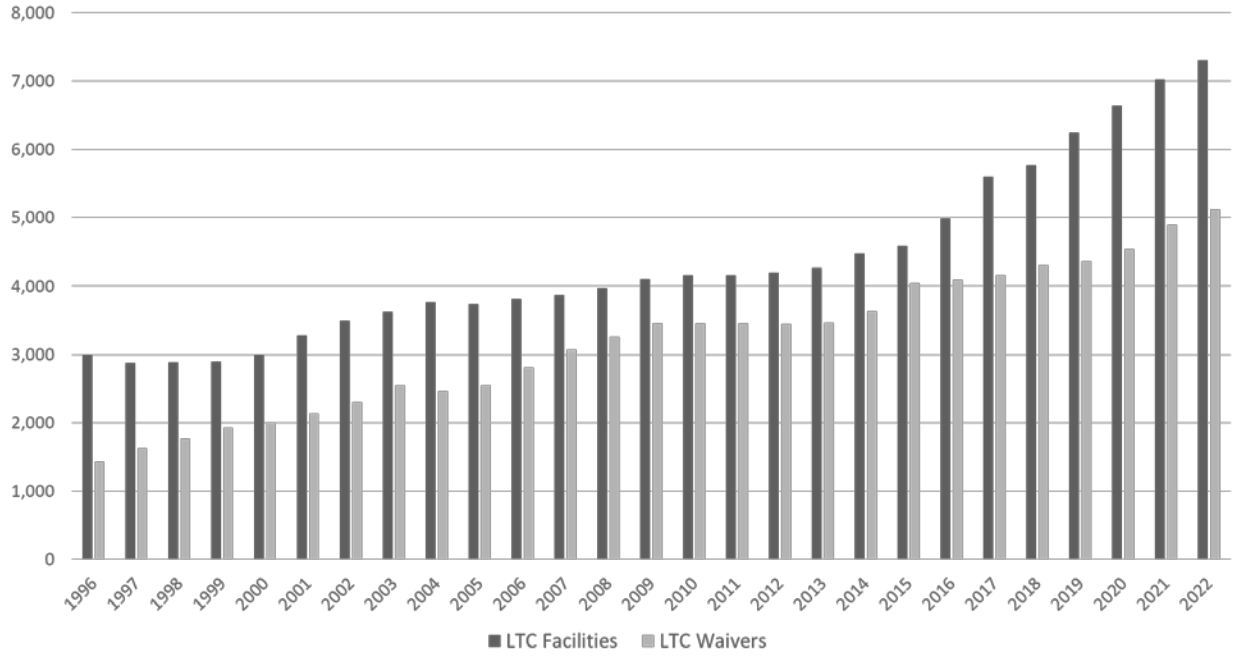
Figure 5
Medical Assistance Long-Term Care Facilities and Waivers/Home Care
Monthly Average Recipients



Source: February 2022 DHS Forecast Background Tables Data
Note: All numbers for FY 2022 are projected.

Figure 6 compares MA LTC facilities and waiver/home care monthly average payments over time. MA LTC facilities and wavier and home care monthly average payments per recipient have both been increasing over time; however, LTC facilities monthly average payments per recipient are higher than LTC waiver and home care monthly average payments.

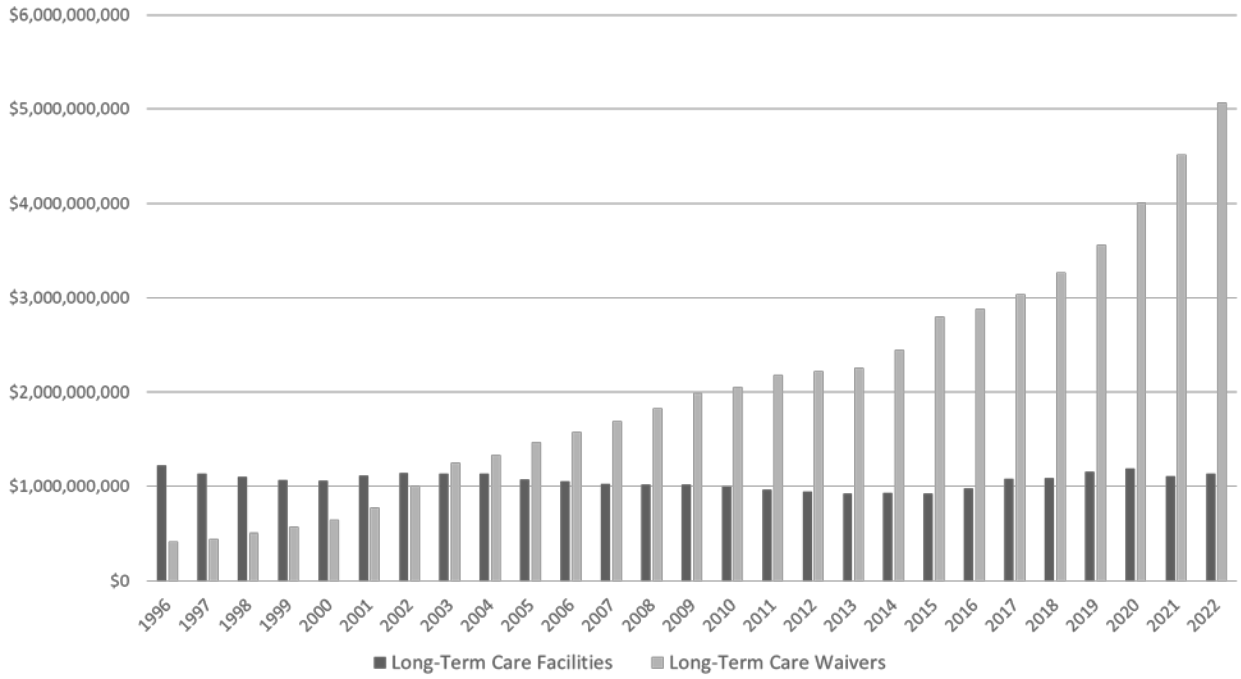
Figure 6
Medical Assistance Long-Term Care Facilities and Waivers/Home Care Monthly Average Payments per Recipient



Source: February 2022 DHS Forecast Background Tables Data
Note: All numbers for FY 2022 are projected.

Figure 7 compares MA LTC facilities and waiver/home care total expenditures over time. MA LTC facilities total expenditures began to decrease before increasing over the past few fiscal years while LTC waivers and home care total expenditures have been rapidly increasing.

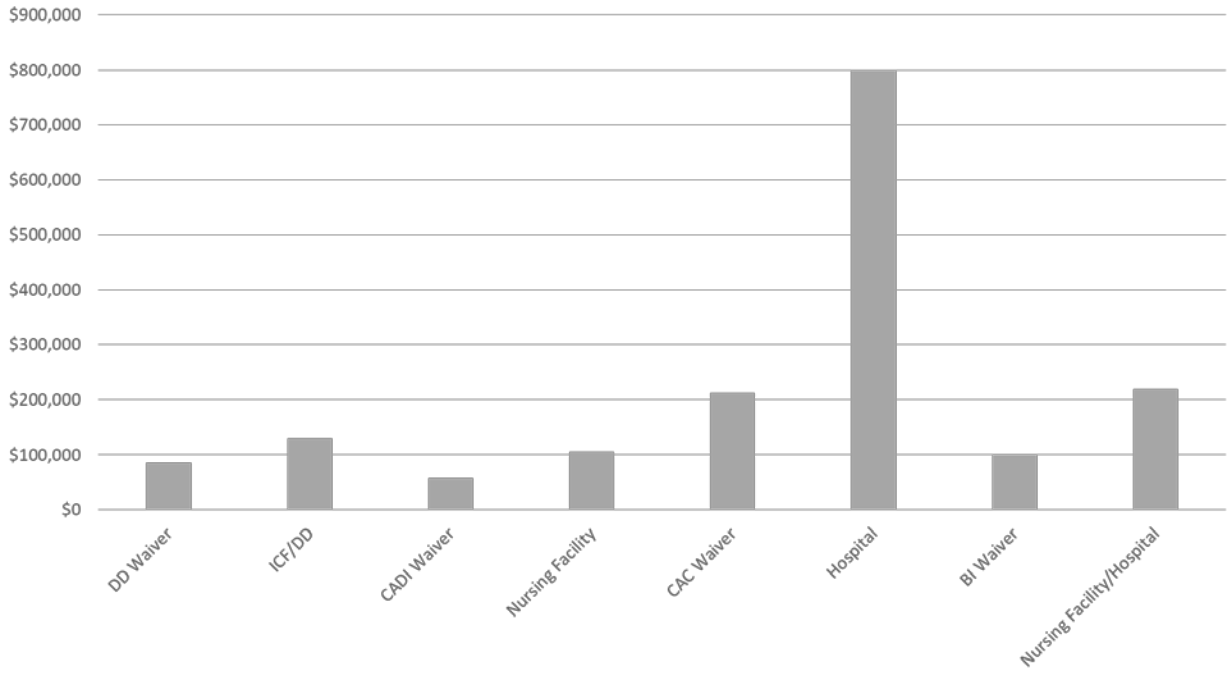
Figure 7
Medical Assistance Long-Term Care Facilities and Waivers/Home Care Total Expenditures



Source: February 2022 DHS Forecast Background Tables Data
Note: All numbers for FY 2022 are projected.

Finally, figure 8 shows disability waiver cost effectiveness as compared to other LTC facilities. The federal law authorizing Medicaid HCBS waivers includes a cost neutrality provision that requires states to provide assurances that the average per capita expenditures for HCBS waivers will not exceed 100 percent of the average per capita expenditures that would have been made for the same population for the level of care provided in an institution.[12] The CAC waiver is very cost-effective as compared to care in a hospital setting.

Figure 8
Disability Waiver Cost Effectiveness
Average Annual Cost Per Recipient*



Source: FY 2020 Centers for Medicare and Medicaid Services 372 Reports

*The comparison periods are:
DD waiver: July 1, 2019, to June 30, 2020
CADI waiver: October 1, 2019, to September 30, 2020
CAC waiver: April 1, 2019, to March 31, 2020
BI waiver: April 1, 2019, to March 31, 2020

[12] See Title XIX of the Social Security Act, §1915(c)(2)(D).

Overview of State Disability Programs and Services

The state disability programs and services described in this section include long-term care consultation services, essential community supports, housing support services, family support grants, consumer support grants, and semi-independent living services.

Long-Term Care Consultation Services

Long-term care consultation services provide screening, assessment, and information and education services to help individuals access and decide on the appropriate level of long-term care services that meet their needs and reflect their preferences. Long-term care consultation services are available to any individual with long-term or chronic care needs.[13]

State law requires all applicants to MA-certified nursing facilities to be screened prior to admission to determine if they need a nursing facility level of care. This preadmission screening is a face-to-face assessment conducted by a certified assessor.

Each county has a long-term care consultation team of certified assessors that includes a social worker and a public health nurse or registered nurse.

Counties are also required, as part of preadmission screening, to assess individuals to determine whether alternatives to nursing facility care, such as Alternative Care services and elderly waiver services, are appropriate. The total annual expenditure for long-term care consultation services in fiscal year 2022 was $180.3 million.

Essential Community Supports

The essential community supports (ECS) program provides targeted services to persons age 65 and older who need essential community support, but whose needs do not meet the nursing home level of care.[14]

Services must be available to a person who:

- is age 65 or older;
- is not eligible for MA;
- has received a community assessment and does not require the level of care provided in a nursing facility;
- meets the financial eligibility criteria for the alternative care program;
- has a community support plan; and
- has an assessed need for at least one of the support services offered under ECS in order to maintain his or her community residence.

[13] See Minn. Stat. § 256B.0911.

[14] See Minn. Stat. § 256B.0922.

Transitional ECS may be available to a person who:

- is age 21 or older;
- lives in his or her own home or apartment;
- meets the financial eligibility criteria for the alternative care program;
- was receiving nursing facility services or home and community-based long-term care services and supports on January 1, 2015;
- lost eligibility for continuing MA payment of nursing facility services or home and community-based long-term care services and supports at his or her 2015 annual assessment due to the changes in the nursing home level of care standard;
- is not eligible for personal care attendant services; and
- has an assessed need for at least one of the support services offered under ECS in order to maintain his or her community residence.

Services available through ECS include the following:

- adult day services
- caregiver training and education
- chore services
- community living assistance
- home-delivered meals
- homemaker services
- personal emergency response device or system
- service coordination/case management (not to exceed $600 per person in a 12-month authorization period)

As of July 1, 2022, ECS benefits are limited to $473 per person per month.

In FY 2022, there were 145 ECS monthly average recipients; the average monthly cost per recipient was $242, and projected total annual expenditures were $420,674.

Housing Support Services

Housing Support Services are a state-funded income supplement that pays for room-and-board costs for low-income adults who have been placed in a licensed or registered setting with which a county human service agency has negotiated a monthly rate.

In order to be eligible for housing support payments, a person must have county approval for residence in a housing support services setting and must: (1) be aged, blind, or over 18 years old and disabled, and meet specified income and asset standards; (2) belong to a category of individuals potentially eligible for General Assistance and meet specified income and asset

standards; or (3) lack a fixed, adequate, nighttime residence upon discharge from a residential behavioral health treatment program.[15]

The housing support services basic room and board rate is $954 per month. Recipients in certain housing support services settings may also qualify for a supplemental payment that is in addition to the basic room and board rate. Housing support services pays for room and board in a number of licensed or registered settings, including the following:

- adult foster care
- community residential setting
- board and lodging establishments
- supervised living facilities
- noncertified boarding care homes
- assisted living settings that provide three meals per day

Currently, if an eligible person needs to live in a licensed setting and needs additional services, he or she may receive the services in the setting. Persons residing in a setting with a housing support services rate are usually considered to be living in the community in their own home. As such, these persons can receive services from most community sources, such as home care and home and community-based waiver programs.

Housing support services are funded with state general funds.

In fiscal year 2022, there were 20,559 housing support monthly average recipients; the average monthly cost per recipient was $743, and the projected total annual expenditures were $183.4 million.

Family Support Grants

The Family Support Grant program provides state cash assistance for maintaining a child with a physical or developmental disability in the family home in order to prevent out-of-home placement of children with disabilities. Funds are for those expenses that are incurred as a result of the disability, not for costs that would normally occur even if the child did not have the disability.[16]

The following are eligible for a Family Support Grant:

- families of children with a certified disability, under age 25, living in their biological or adoptive home
- children currently residing in a regional treatment center, ICF/DD, or other licensed residential service or facility who would return to their family home if a grant was awarded are also eligible

[15] See Minn. Stat. § 256I.04, subd. 1.

[16] See Minn. Stat. § 252.32.

- families with an annual adjusted gross income of less than $109,752

Children receiving services through a BI, CAC, CADI, or DD waiver, personal care assistance, or a consumer support grant are not eligible for a Family Support Grant. Family Support Grants are limited to $3,114 annually.

Approved expense categories include the following:

- medications not covered by insurance
- educational services
- day care
- respite care services
- special clothing
- special dietary needs
- specialized equipment
- transportation specific to disability
- other

Family Support Grants are 100 percent state funded. Some counties provide similar support programs with 100 percent county funding.

In fiscal year 2022, there were 1,006 family support grant enrollees, and total annual expenditures were $3,035,201.

Consumer Support Grants

The Consumer Support Grant program is a state-funded alternative to MA-reimbursed home care, specifically the home care services of a home health aide, PCA, and home care nurse. Eligible participants receive monthly cash grants to replace fee-for-service home care payments and manage and pay for a variety of home and community-based services.[17]

In order to be eligible for a Consumer Support Grant, a person must:

- be a recipient of MA or be approved to receive a family support grant;
- have a long-term functional limitation requiring ongoing supports;
- live in a natural home setting;
- be able to direct and purchase their own supports or have an authorized representative act on their behalf; and
- be eligible to receive home care services from an MA home care program.

A person receiving MA PCA, home health aide services, home care nursing, a family support grant, or alternative care is not eligible for a consumer support grant.

[17] See Minn. Stat. § 256.476.

A person's Consumer Support Grant amount is calculated as the state share of the assessed value of home health aide, PCA, and home care nursing services.

Allowable services include home care services, equipment, and transportation. The Consumer Support Grant program is funded with 100 percent state funds.

In fiscal year 2022, there were 3,531 consumer support grant monthly average enrollees; the monthly average allocation per enrollee was $1,029, and the projected total annual expenditures were $43.6 million.

Consumer Support Grants will be phased out and replaced by CFSS beginning no sooner than April 1, 2023.

Semi-Independent Living Services (SILS)

SILS are provided to adults with a developmental disability or a related condition in their home and community to maintain or increase their ability to live in the community. In order to be eligible for SILS, a person must:

- be at least 18 years old;
- have developmental disabilities or a related condition;
- not be at risk of institutionalization; and
- be unable to function independently without SILS.[18]

Each county receives an allocation from the state and must determine how to distribute the allocation among eligible clients.

SILS include instruction or assistance in the following areas:

- meal planning and preparation
- shopping
- money management
- apartment/home maintenance
- aelf-administration of medications
- telephone use
- personal appearance and hygiene
- getting help in an emergency
- social, recreation, and transportation skills

The SILS program is a joint state-county funded program, funded with 85 percent state general funds and 15 percent county funds. Some counties provide county dollars above the county

[18] See Minn. Stat. § 252.275.

matching requirements. Some counties also fund 100 percent of the cost for some persons not served through state supported allocations.

In fiscal year 2022, there were 981 SILS enrollees, and total annual expenditures were $6,676,137.

State Disability Program Statistics, FY 2022

Program	Average Monthly Recipients	Average Monthly Cost/Recipient	Total Expenditures
Essential Community Supports	145	$242	$420,674
Housing Support Services	20,559	$743	$183,364,286
Family Support Grants	NA	NA	$3,035,201
Consumer Support Grants	3,531	$1,029	$43,592,435
SILS	NA	NA	$6,676,137 (state share)

Source: Department of Human Services

Work, Empower, and Encourage Independence Demonstration

On July 1, 2014, DHS established a demonstration project to promote economic stability, increase independence, and reduce applications for disability benefits while providing a positive impact on the health and future of participants. Services provided under the demonstration project include navigation, employment supports, and benefits planning. These services are provided to a targeted group of federally funded Medicaid recipients.[19] The demonstration project is funded with state general funds.

In fiscal year 2022, funding for the demonstration was $306,569.

Self-Advocacy Grants

The self-advocacy grant is a state-funded grant to Advocating Change Together to establish and maintain a statewide self-advocacy network for people with intellectual and developmental disabilities.

Advocating Change Together is an organization governed by people with intellectual and developmental disabilities that has a statewide network of disability groups to maintain and

[19] See Minn. Stat. § 256B.021, subd. 6.

promote self-advocacy services and support for people with intellectual and developmental disabilities.

The self-advocacy network must:

1) ensure that persons with intellectual and developmental disabilities are informed of their rights in employment, housing, transportation, voting, government policy, and other issues pertinent to the intellectual and developmental disability community;
2) provide public education and awareness of the civil and human rights issues people with intellectual and developmental disabilities face;
3) provide funds, technical assistance, and other resources for self-advocacy groups across the state;
4) organize systems of communications to facilitate an exchange of information between self-advocacy groups;
5) train and support the activities of a statewide network of peer-to-peer mentors;
6) provide outreach activities focused on self-advocacy, informed choice, and community engagement skills; and
7) provide an annual leadership program for persons with intellectual and developmental disabilities.[20]

In fiscal year 2022, the self-advocacy grant expenditures were $159,990.

Overview of Programs for Disability Services Providers and Support Workers

The programs for disability services providers and support workers described in this section include Employment First, enhanced rates or budgets and training stipends for support workers, and the HCBS employee scholarship grant program.

Employment First

The Employment First program is Minnesota's plan for competitive, integrated employment for people with disabilities and includes resources for providers and support workers. Employment First resources for providers and support workers include:

- a contract with a technical assistance firm to assist service providers as they expand their competitive, integrated employment which includes statewide trainings for service providers and development of a provider toolkit;

[20] See Minn. Stat. § 256.477.

- Transition to Competitive Wage Grants, which will help providers who have a federal waiver allowing them to pay subminimum wages to develop and implement a business model to phase out the use of subminimum wages by April 1, 2024;[21] and
- Employment Provider Transition Grants, which will help waiver employment services providers to expand their infrastructure and capacity to support people in reaching employment goals.[22]

Enhanced Rates or Budgets and Training Stipends for Support Workers

People who receive services under PCA, CDCS, or Consumer Support Grants may receive a higher reimbursement rate or budget for work that is:

- provided by a support worker who has completed qualifying training; and
- provided to a person who is eligible for ten or more hours of state plan PCA per day and/or has a certain home care rating.[23]

Training stipends for direct support services providers are available for direct support workers who provide services under PCA Choice, CDCS, or Consumer Support Grants and complete qualifying trainings by June 30, 2023. A direct support worker may receive up to two $500 stipends until the onetime $1,000,000 appropriation is expended. Stipends are available on a first come, first served basis.[24]

HCBS Employee Scholarship Grant Program

The Minnesota Department of Health administers an HCBS employee scholarship grant program to assist qualified HCBS providers to fund employee scholarships for education and training in nursing and other health care fields. Grant funds must be used to cover costs related to a course of study that is expected to lead to career advancement with the provider or in the HCBS field.[25] In fiscal year 2022, there were 27 grantees that received grant awards ranging from $8,000 to $120,000.

[21] Eight HCBS waiver employment service providers have been awarded Transition to Competitive Wage Grants. See Laws 2021, First Special Session ch. 7, art. 17, § 14, subd. 7.

[22] Fourteen waiver employment services providers have been awarded a total of $6 million in Employment Provider Transition Grants. Grant projects will be implemented in 47 counties.

[23] See Minn. Stat. § 256B.0659, subds. 11 and 17a.

[24] See Laws 2021, First Special Session ch. 7, art. 16, § 2, subd. 29, para (a).

[25] See Minn. Stat. § 144.1503.

Acronyms

AGI: Adjusted Gross Income

BI: Brain Injury

CAC: Community Alternative Care

CADI: Community Access for Disability Inclusion

CDCS: Consumer-directed Community Supports

CFSS: Community First Services and Supports

DD: Developmental Disabilities

DHS: Minnesota Department of Human Services

DT&H: Day Training and Habilitation

ECS: Essential Community Supports

EIDBI: Early Intensive Developmental and Behavioral Intervention

EW: Elderly Waiver

FMAP: Federal Medical Assistance Percentage

FPG: Federal Poverty Guidelines

HCBS: Home and Community-Based Waiver Services

ICF/DD: Intermediate Care Facility for Persons with Developmental Disabilities

LTC: Long-Term Care

MA: Medical Assistance

MA-EPD: Medical Assistance Employed Persons with Disabilities

PCA: Personal Care Assistant

RUGs: Resource Utilization Groups

SILS: Semi-Independent Living Skills

SMRT: State Medical Review Team

SSA: Social Security Administration

SSI: Supplemental Security Income

TEFRA: Tax Equity and Fiscal Responsibility Act of 1982

VCAA: Minnesota Vulnerable Children and Adults Act

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