

# Bulletin

July 3, 2006

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

**OF INTEREST TO**

- County Directors
- Social Services Supervisors and Staff
- County DD Supervisors
- County DT&H Contract Managers
- County DD Waiver Coordinators
- DT&H Directors

**ACTION/DUE DATE**

Provider and county review of COLA implementation as of 10-1-06.  
HIPAA procedure code conversion as of 10-1-06.

**EXPIRATION DATE**

The policies in this bulletin are ineffective as of July 3, 2008.

## 2006 DAY TRAINING AND HABILITATION LEGISLATIVE CHANGES

**TOPIC**

Impact of 2006 Legislation changes for Day Training and Habilitation (DT&H's).

**PURPOSE**

Describe legislative changes and action required.

**CONTACT**

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FAX: (651) 431-7411

*For TTY, contact Minnesota Relay Service at 1 (800) 627-3529.*

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Disability Services Division (DSD)  
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**SIGNED**

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LOREN COLMAN  
Assistant Commissioner  
Continuing Care

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## SUMMARY OF LEGISLATIVE CHANGES

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The Legislature's main purpose for meeting in a non-biennial budget setting session is to approve a capital bonding bill and complete technical clean-up for provisions passed in the prior session. The Legislature is not required to approve a supplemental budget bill, but may do so if the body feels it is necessary. This year the 2006 Legislature determined there were pressing issues that needed to be addressed including investments such as State Operated Services and follow through on promises made during the 2005 Legislative session. The Legislature passed Chapter 282 (HF 4162), also known as the Deficiency Supplemental Budget bill, to address many of these issues and others. Legislative changes around Day Training and Habilitation:

- A one- year temporary rate increase for ProWorks DT&H located in Meeker County;
- Statutory amendments affecting community service providers including Day Training and Habilitation. This bulletin covers the amendment which grants a provider rate increase and the HIPAA code conversion which will occur at the same time;
- Day training and habilitation provider rate study.

*The full text of the bill can be accessed by this link:*

<http://www.revisor.leg.state.mn.us/bin/bldbill.php?bill=H4162.3.html&session=ls84>

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## PROWORKS TEMPORARY RATE INCREASE

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Laws of Minnesota 2006, chapter 282, article 22, sec 2, subd. 4

### TEMPORARY RATE INCREASE.

\$30,000 in fiscal year 2007 is for a temporary rate increase equivalent to six percent of the operating rate in effect on July 1, 2006, for a day training and habilitation provider in Meeker County providing services to up to 110 individuals. This rate increase shall be in effect only until June 30, 2007.

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## PROVIDER RATE INCREASE OF 2.2553 PERCENT

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Laws of Minnesota 2006, chapter 282, article 20, sec. 31 (note new language: the wage adjustment eligible employees may receive may vary based on merit, seniority, or other factors determined by the provider.)

Laws 2005, First Special Session chapter 4, article 7, section 55, is amended to read:

### Sec. 55. COMMUNITY SERVICES PROVIDER RATE INCREASES

(a) The commissioner of human services shall increase reimbursement rates or rate limits, as applicable, by 2.2553 percent for the rate period beginning October 1, 2005, and the rate period beginning October 1, 2006, effective for services rendered on or after those dates.

(b) The 2.2553 percent annual rate increase described in this section must be provided to:

(1) home and community-based waived services for persons with mental retardation or related conditions, including consumer directed community supports, under Minnesota Statutes, section 256B.501;

- (2) home and community-based waived services for the elderly under Minnesota Statutes, section 256B.0915;
- (3) waived services under community alternatives for disabled individuals under Minnesota Statutes, section 256B.49;
- (4) community alternative care waived services, including consumer directed community supports, under Minnesota Statutes, section 256B.49;
- (5) traumatic brain injury waived services, including consumer directed community supports, under Minnesota Statutes, section 256B.49;
- (6) nursing services and home health services under Minnesota Statutes, section 256B.0625, subdivision 6a;
- (7) personal care services and nursing supervision of personal care services under Minnesota Statutes, section 256B.0625, subdivision 19a;
- (8) private duty nursing services under Minnesota Statutes, section 256B.0625, subdivision 7;
- (9) day training and habilitation services for adults with mental retardation or related conditions under Minnesota Statutes, sections 252.40 to 252.46; ..

c) For services funded through Minnesota disability health options, the rate increase under this section shall apply to all medical assistance payments, including former group residential housing supplementary rates under Minnesota Statutes, chapter 256I.

(d) Providers that receive a rate increase under this section shall use 75 percent of the additional revenue to increase wages and benefits and pay associated costs for all employees, except for management fees, the administrator, and central office staffs. The wage adjustment eligible employees may receive may vary based on merit, seniority, or other factors determined by the provider.

(e) For public employees, the increase for wages and benefits for certain staff is available and pay rates shall be increased only to the extent that they comply with laws governing public employees collective bargaining. Money received by a provider for pay increases under this section may be used only for increases implemented on or after the first day of the rate period in which the increase is available and must not be used for increases implemented prior to that date.

***Each provider must develop a written plan that complies with the above requirements.*** A copy of the provider's plan for complying with paragraph ~~(e)~~ (d) must be made available to all employees by giving each employee a copy or by posting a copy in an area of the provider's operation to which all employees have access. If an employee does not receive the adjustment, if any, described in the plan and is unable to resolve the problem with the provider, the employee may contact the employee's union representative. If the employee is not covered by a collective bargaining agreement, the employee may contact the commissioner at a telephone number provided by the commissioner and included in the provider's plan.

That phone number is: 1-888-234-2687

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## IMPLEMENTING THE RATE INCREASE

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The DHS will calculate and implement the provider rate increase. The DHS will e-mail the COLA increase amount and the new rates first to providers. There will be a week and a half turnaround if the provider wanted the increase to their rates applied in a different way.

## PROVIDERS

It is the DT&H provider's responsibility to inform the DHS in writing if a change to their rates is requested, within the allowable COLA amount, via e-mail [deb.schauffert@state.mn.us](mailto:deb.schauffert@state.mn.us) or fax: 651-431-7411/651-431-7410. **No change in rates will be accepted after July 14, 2006.** If you have verified and accept the rates no action is required.

## HIPAA PROCEDURE CODE CONVERSION

The HIPAA code conversion will be combined with the 10-1-06 COLA increase to accommodate counties not having to adjust service agreements twice during the same time. DHS will allow counties over two months to make the adjustments needed for both processes. DT&H codes will be a part of this code conversion. A separate bulletin will be issued on the HIPAA conversion.

The automation for the COLA and HIPAA code conversion will occur the evening of Tuesday, July 25<sup>th</sup>. Due to the HIPAA conversion of DT&H codes the new rate **will not be automatically entered** on the DT&H lines this year.

Providers may bill for October services under the new increased rate upon receiving an MMIS service agreement letter with the updated information.

## COUNTIES

The DHS will notify the counties of the new DT&H rates effective October 1, 2006. Beginning Friday, July 21, 2006 counties **MUST NOT** make any changes to service agreements because of the HIPAA code conversion and will be able to go into service agreements once they receive an all clear message from the DHS. Counties also have access to the MMIS II rate files if you need to verify DT&H rates using the PF9 key function. These rate files are maintained by MA provider number.

## QUESTIONS

For COLA related questions, e-mail: [DHS.COLA@state.mn.us](mailto:DHS.COLA@state.mn.us)

For policy questions, call Deb Schauffert at 651- 431-2436

FAX: 651-431-7411/651-431-7410

E-mail: [deb.schauffert@state.mn.us](mailto:deb.schauffert@state.mn.us)

HIPAA procedure code conversion questions should be directed to Kristi Grunewald at: 651-431-2391 or by e-mail: [kristi.grunewald@state.mn.us](mailto:kristi.grunewald@state.mn.us) .

## RELATED BULLETINS

- Bulletin # 06-56-02 Phase 2 Conversion to National HIPAA Procedure Codes
- Bulletin # 06-56- 2006 legislative changes for ICF/MR
- Bulletin # 06-56- 2006 legislation increases rates for waivers and MA and home care
- Bulletin # 06-25- 2006 rate increases for EW and AC
- Bulletin # 06-56- 2006 legislative changes for SILS

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## **DT&H PROVIDER RATE STUDY**

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Laws of Minnesota 2006, chapter 282, article 22, sec 2

The commissioner of human services shall review the appropriateness of per diem rates for day training and habilitation services, including the reasonableness of rates paid to lower cost providers, and report the results to the legislature by January 15, 2007. The DHS will be surveying providers, counties and meeting with interested parties to complete this report.

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## **LEGAL AUTHORITY**

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Laws of Minnesota 2006, chapter 282 (HF 4162)

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## **RESOURCES ON THE INTERNET**

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Minnesota Statutes and Rules: [www.leg.state.mn.us](http://www.leg.state.mn.us)

DHS bulletins: [www.dhs.state.mn.us](http://www.dhs.state.mn.us) Click on "Bulletins"

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## **ALTERNATIVE FORMATS**

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This information is available in other forms to people with disabilities by contacting us at 651-431-2400 (voice), toll free at 1-800-747-5484 or through the Minnesota Relay Service at 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).