

Bulletin

August 28, 2006

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

OF INTEREST TO

- Administrative
Contacts: CAC,
CADI, MR/RC &
TBI Waivers
- County Directors
- County Public Health
Nursing Services
- CSG Administrators
- Managed Care
Organizations
- SILS Administrators
- Social Services
Supervisors and Staff
- Tribal Directors

ACTION/ DUE DATE

Counties, managed care organizations and tribal agencies should assure provider compliance with the legislative clarification.

Provider criteria to distribute rate increase – effective immediately.

CDCS - Oct. 1, 2006

EXPIRATION DATE

August 28, 2008

Legislature Clarifies Use of Provider Rate Increase for Home Care and other Home and Community Based Services

TOPIC

Clarification regarding the distribution of the provider rate increase.

PURPOSE

Notify county, managed care organizations, and tribal agencies of the provider rate increase clarification.

CONTACT

Disability Services Division: 651-431-2400
(1-800-747-5484).

LOREN COLMAN

Assistant Commissioner

Continuing Care Administration

BACKGROUND

The 2006 Minnesota legislature provided clarification regarding provider application of the provider rate increase.

PROVIDER RESPONSIBILITY

Providers receiving the 2.2553% increases must dedicate at least 75% of the additional revenue to increase wages and benefits and pay associated costs for employees, except for management fees, the administrator, and central office staff. The wage adjustment eligible employees may receive may vary based on merit, seniority, *or other factors determined by the provider.*

The italicized language portion of the clarifying criteria is effective immediately.

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 the laws governing public employees' collective bargaining. Providers must develop and make available a copy of their distribution plan to all employees individually or by posting it in an area that is accessible to all employees. The commissioner of human services will make available a contact telephone number for people who have questions about how the wage adjustment should be applied to them. If an employee does not receive the adjustment as described in the employer's plan and is unable to resolve the problem with their employer, the employee should contact their union representative, or for employees not represented by a union, the commissioner's number. The commissioner's number must be provided in the employer's plan.

The telephone number for people who have questions about how the wage adjustment should be applied to them is **1-800-747-5484**. In addition, an e-mail box for questions about the increases is available at: DHS.COLA@state.mn.us

Additional reimbursement to a provider 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.

Bulletins #05-56-05C *Legislature Provides Increases to Home Care and other Home and Community Based Services* and #05-56-06 *2005 Legislature Provides Increase to Semi-Independent Living Services (SILS)* provides the original information regarding provider responsibility and criteria for distribution of the rate increase effective October 1, 2005 and can be accessed through the following link:

http://www.dhs.state.mn.us/main/groups/publications/documents/pub/DHS_id_052567.pdf

CONSUMER DIRECTED COMMUNITY SUPPORTS (CDCS)

In addition, CDCS provider rate increases effective October 1, 2006 were not noted in Bulletin #05-56-05C, *Legislature Provides Increases to Home Care and other Home and Community*

Based Services. Therefore, this bulletin states that a rate increase is also applicable to CDCS effective as of that date.

Budget maximum resource amounts for people using CDCS with state set budgets will be increased by 2.2553% October 1, 2006. The Legislature directed that 75% of the increase must be used to increase wages or benefits of direct care staff. As a guideline, direct care staffing in CDCS is allocated under the U1 (Personal Assistance) and U2 (Treatment and Training) categories.

ADDITIONAL RESOURCES

For all home care and waiver policy, please refer to the Disability Services Programs Manual (DSPM) available at: <http://www.dhs.state.mn.us/dspm> or through links on the CountyLink and DHS websites.

ATTACHMENT

Attachment A – 2006 Legislation

LEGAL AUTHORITY

Laws of Minnesota 2006, Chapter 282, Article 20, Section 31

ALTERNATIVE FORMATS

This information is available in other forms to people with special needs by contacting us at 651-296-2770 or 1-800-882-6262; or through the Minnesota Relay Service at 7-1-1 or 1-800-627-3529 (TDD) or 1-877-627-3848 (speech-to-speech relay service).

Laws of Minnesota 2006, Chapter 282, Article 20, Section 31

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;

(10) alternative care services under Minnesota Statutes, section 256B.0913;

(11) adult residential program grants under Minnesota Rules, parts 9535.2000 to 9535.3000;

(12) adult and family community support grants under Minnesota Rules, parts 9535.1700 to 9535.1760;

(13) the group residential housing supplementary service rate under Minnesota Statutes, section 256I.05, subdivision 1a;

(14) adult mental health integrated fund grants under Minnesota Statutes, section 245.4661;

(15) semi-independent living services under Minnesota Statutes, section 252.275, including SILS funding under county social services grants formerly funded under Minnesota Statutes, chapter 256I;

(16) community support services for deaf and hard-of-hearing adults with mental illness who use or wish to use sign language as their primary means of communication;

(17) living skills training programs for persons with intractable epilepsy who need assistance in the transition to independent living;

(18) physical therapy services under sections 256B.0625, subdivision 8, and 256D.03, subdivision 4;

(19) occupational therapy services under sections 256B.0625, subdivision 8a, and 256D.03, subdivision 4;

(20) speech-language therapy services under section 256D.03, subdivision 4, and Minnesota Rules, part 9505.0390; and

(21) respiratory therapy services under section 256D.03, subdivision 4, and Minnesota Rules, part 9505.0295.

(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 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.

(f)A copy of the provider's plan for complying with paragraph (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.

EFFECTIVE DATE. This section is effective the day following final enactment.