#07-69-03

Bulletin

July 31, 2007

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

OF INTEREST TO

- County Directors and Social Service Staff
- Nursing Facilities
- ICF/MR Facilities
- Day Habilitation
- Home and Community-Based Waiver Providers
- Home Care Providers
- Alternative Care Providers
- Chemical Dependency Providers
- Therapy Providers
- Mental Health Providers
- Managed Care Organizations
- Semi-independent Living Services
- Consumer and Family Support Grant Programs
- State Grantees and Contractors
- Health Plans
- Tribal Agencies

ACTION/DUE DATE

August 1, 2007

EXPIRATION DATE

October 1, 2008

2007 Legislature provides rate increases for continuing care and other providers

TOPIC

The 2007 Legislature authorized rate increases for certain continuing care and other providers to be effective for services rendered on or after October 1, 2007; and for managed care organizations, on or after January 1, 2008.

PURPOSE

- Notify affected providers of the requirements and actions needed to receive and maintain the rate increase
- Notify county and tribal agencies of the rate increases and actions that are required of them
- Notify state contractors or grantees of the rates increases and actions that are required of them
- Inform health plans of the requirements

CONTACT

COLA Hotline at 651-431-2586 or 1-888-234-2687 (voice).
TTY callers use the Minnesota Relay Service at 1-800-627-3529 TTY, 7-1-1 or 1-877-627-3848 (speech-to-speech relay service).
Other contacts and resources listed in Sections 16 and 17 inside.

SIGNED

LOREN COLMAN
Assistant Commissioner
Continuing Care Administration

INDEX

1. INTRODUCTION

1.1 Information approach

The 2007 Legislature authorized funding increases for providers of certain continuing care and other services (*Minnesota Laws 2007, Chapter 147, Article 7*). Depending upon the service, the increase is either a rate increase or a grant increase, and is sometimes referred to as a cost of living allowance (COLA) increase. In most cases, the increases take effect on October 1, 2007. The Minnesota Department of Human Services (hereinafter "DHS" or "the department") has published this bulletin to provide information about the change and its requirements for each affected service.

To provide some consistency for providers and others who are involved with multiple services, this information is provided in a uniform format. For each service area, this bulletin answers two questions:

- What does the law change?
- What is required by the change?

Then, for each service area, up to four questions are answered (provided that they are germane to the service):

- What do providers need to do?
- What do grant contractors (or grantees) need to do?
- What do counties need to do?
- What will DHS do?

Some terms, including provider, grantee and grant contractor, have different meanings in different service areas. If there is uncertainty about which requirements are applicable, see section 16 of this bulletin for contacts and sources for more information. Unless otherwise indicated, "the commissioner" refers to the commissioner of human services.

1.2 Timeframe

For each service area, the Legislature provided rate increases in 2007, and additional rate increases in 2008. Please note that the information in this bulletin addresses only the processes and procedures for receiving the rate increases for 2007. A future bulletin will address processes and procedures rate increases in 2008. While counties may choose to address both the October 1, 2007 and July 1, 2008, rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will be done separately for each year's increase.

1.3 For more information

Section 16 of this bulletin provides a list of contacts and other resources to answer questions and provide more information.

2. NURSING FACILITIES

2.1 What does the law change?

Minnesota law (Laws 2007, Chapter 147, Article 7) grants a 1.87 percent (%) payment rate adjustment, effective October 1, 2007, for nursing facilities. Requirements in the law affect how the funds can be used.

This adjustment applies to nursing facilities under Minnesota Statutes, section 256B.434. To the extent that nursing facilities receive Medical Assistance payment through a managed care organization (MCO), they need to contact the MCO if they need additional information about their MCO rate adjustment.

2.2 What is required by the change?

2.21 Compensation-related cost and wage increase requirements

Receipt of this increase is subject to several requirements:

2.211 The compensation-related cost requirement – 75% of the money made available by the rate adjustment must be used for increases in compensation related costs for eligible employees (see definition of eligible employees in section 2.22);

2.212 The wage increase requirement – two thirds of the 75%, the money referenced in 2.211, must be used to provide a wage increase to all eligible employees and this increase must be an equal hourly percentage and must be effective on the same date. This requirement does not apply to employees covered by a collective bargaining agreement; and

2.213 Submission of a timely application.

As a simple example: If the rate adjustment will provide $100,000 of new funding, then at least $75,000 must be used for increases in compensation related costs (as defined below in section 2.24) for all eligible employees, and of that $75,000, at least $50,000 must be used specifically for wage increases in an equal hourly percentage and effective on the same date.

2.22 Definition of eligible employees

Eligible employees include all individuals directly employed by the facility on or after the effective date of the rate increase except the administrator, central office staff, and those paid through management fees. Eligible employees would not include contract workers who are self employed or who work for another employer, or workers provided by a supplemental nursing service agency because they are not employed directly by the facility. However, on-call staff are eligible employees because they are employed directly by the facility.

The law specifies that the money subject to the wage increase requirement is for all eligible employees. Eligible individuals who were employed by the facility on or after October 1, 2007, (or on a later date if that later date is the effective date for the wage increase) and who are no longer employed by the facility at the time of the wage increase distribution may not be

excluded. They must receive a wage increase and a retroactive adjustment for the hours actually worked between the effective date of the equal hourly percentage wage increase and the date of the retroactive wage increase distribution. The facility is expected to use the same process to distribute wage increases to former employees as is used to distribute W-2 tax forms to former employees.

Employees hired between the effective date of the wage increase and the date on which the distribution occurs should be hired at a wage level determined in accordance with the old wage plan. They will then participate in the distribution and wage increase when it occurs. Employees hired after the date on which the distribution occurs should be hired at a wage level determined in accordance with the new wage plan and would not need to be given an additional wage increase.

2.23 Costs allowed for the wage increase requirement
The cost of providing a wage increase in an equal hourly percentage to all eligible employees and effective on the same date must be at least the amount of the wage increase requirement. If the costs to be incurred are less than the amount of money subject to the wage increase requirement, the amount of the rate adjustment will be reduced accordingly.

If all eligible employees do not receive their wage increase effective on the same date, only the costs of the increase that are incurred after the date on which all eligible staff increases are effective shall be allowed for purposes of meeting the wage increase requirement. Costs incurred during the rate year October 1, 2007, to September 30, 2008, resulting from wage increases that were effective prior to October 1, 2007, and that were not used during the prior year to meet compensation related requirements, will be allowed for purposes of meeting the wage increase requirement if they were in an equal hourly percentage amount and were provided to all eligible employees. Costs associated with portions of wage increases greater than the percentage increase of the employee who received the smallest percentage increase will be allowed only for purposes of meeting the compensation-related cost requirement not the wage increase requirement.

2.24 Costs allowed for the compensation-related cost requirement
Costs that are allowed for meeting the compensation-related cost requirement include:

2.241 Costs of meeting the wage increase requirement;

2.242 Costs of additional wage increases provided to eligible employees that may not qualify to be used to meet the wage increase requirement because they are not given to all eligible employees in an equal hourly percentage and effective on the same date (see limitation in section 2.26);

2.243 Increased costs for FICA, Medicare taxes, worker's compensation premiums, and federal and state unemployment insurance associated with items 2.241 and 2.242;

2.244 Increased costs for the employer's share of health and dental insurance, life

insurance, disability insurance, long-term care insurance, uniform allowance and pensions; and

2.245 Increased costs for other benefits, subject to the approval of the commissioner.

Estimates of annualized costs for rate increases for health and dental insurance, life insurance, disability insurance, long-term care insurance, and worker's compensation premiums that are effective between April 1, 2007 and March 31, 2008 are allowed.

2.25 Application
To receive the portion of the rate adjustment that must be used for compensation-related costs, a nursing facility must submit an application to the commissioner by March 31, 2008. The department has until June 30, 2008, to approve applications that were submitted on a timely basis. This will allow at least three months for the facility to remove any impediments to the approval of plans. Upon approval of a facility's application by the commissioner, the rate adjustment will be added to the total payment rate effective October 1, 2007.

In our ongoing effort to automate functions, the department has developed the "SNF COLA Calculator;" an Excel tool which may be used to prepare the application. This tool can be accessed at: http://www.dhs.state.mn.us/dhs16_138834.xls.

The COLA Calculator will make it easier for nursing facilities to prepare applications. It pre-fills a great deal of information and performs many calculations. It will also allow review by the department to go faster. The department does not require, but strongly encourages facilities to use the COLA Calculator to prepare their applications. Facilities that choose not to use the COLA Calculator may choose to model their applications after it.

2.26 What counts as a wage increase?
For purposes of the wage increase requirement, only wage increases for all eligible employees in an equal hourly percentage and effective on the same date are allowed. For purposes of the compensation-related cost requirement, additional wage increases will be allowed if they are permanent pay rate increases granted to eligible employees. Costs related to merit pay increases may be included in the distribution plan if they are permanent increases. Employee bonuses (one-time, lump sum payments that are not permanent wage rate changes) do not qualify. Step increases are generally not allowable because they are already part of many wage plans and because the costs of step increases are offset by ongoing patterns of employee turnover. However, if a facility can demonstrate a high historical pattern of employee retention, a portion of the costs related to step increases may be considered as part of the distribution plan. The department has developed a formula that facilities may use for this purpose.

2.27 Accounting for shared employees
In some facilities employees are shared between the nursing facility and another entity such as a hospital or an assisted living facility. These employees must receive the same hourly percentage increase in their pay as all other eligible employees. The costs of this increase that are to be allocated to the wage increase requirement and the compensation-related cost requirement are to

be based on the same allocation method as are all other costs for these employees.

2.3 What do providers need to do?

A nursing facility that decides to take advantage of the available compensation-related rate adjustment must submit an application in accordance with this bulletin. The application for the compensation-related portion of the rate adjustment consists of four parts (A-D):

2.31 Part A: Estimated amount of funds available that are required to be used for the compensation-related cost and wage increase requirements

Part A of the application is an estimate of the total amount of new funding available that must be used to meet the compensation-related cost and wage increase requirements. The COLA Calculator already has the requirements-related portions of the facility's new rates and the Medicaid and Private Pay days for the period October 1, 2005, to September 30, 2006, and will calculate the money available as described in the remainder of this section. If a facility decides not to use the COLA Calculator for Part A, the estimate can be done as follows. Nursing facilities will receive a rate notice from the department specifying the amount of the rate increase for each Resource Utilization Group (RUGS) class and the portions subject to the compensation-related cost and wage increase requirements and the portion of the increase that is not subject to those requirements. Calculate the amount of money available by using the Medicaid and private pay days for each RUGS class (for the year ending September 30, 2007, if available or, if not available, September 30, 2006), multiplied by the values shown on the rate notice that reflect the actual amount of the increase, for each RUGS class, that must be used to meet the compensation-related cost and wage increase requirements. The department will consider the use of a different time frame based on the justification provided in the application. The sum of these amounts is the estimated total amount of funding available which must be distributed as prescribed in order for the department to provide the full, allowable rate adjustments.

The number of days used may be adjusted if the facility changed the number of beds it had in active service during the period October 1, 2006, to September 30, 2007. The adjustment should be done by multiplying the dollars available, as determined above, times the ratio of capacity days defined as the number of beds in active service on October 1, 2007, times 365, and then divided by the actual capacity days of the year October 1, 2006, to September 30, 2007.

2.32 Part B: The distribution plan

Part B of the application should describe how the amounts determined in Part A will be used to meet the compensation-related cost and wage increase requirements for all eligible employees of the nursing facility including calculations showing how the total cost of the increase is determined. The COLA Calculator allows the facility to enter total wage costs for all eligible employees for a one year period to determine the required amount of the equal hourly percentage increase. These must be costs for the same period as for the resident days in Part A. If resident days are adjusted, the total wage costs amount must be adjusted by the same factor. In unusual circumstances the department will consider proposed alternatives.

For nursing facilities in which employees are represented by one or more exclusive bargaining representatives, a letter or letters of acceptance of the distribution plan from the bargaining

representative(s) must be provided with the application. The facility does not need to provide any distribution information regarding employees represented by an exclusive bargaining representative. All requirements for the distribution plan will be deemed as having been met for members of the bargaining unit. If the facility has additional eligible employees who are not represented by an exclusive bargaining representative, a description of the distribution method for only those employees is required in Part B.

Nursing facilities with both represented and non-represented employees must show their allocation of the funds subject to the compensation-related cost and the wage increase requirements for the non-represented employees. The available funds must be allocated to non-represented eligible employees by their proportion of total wages paid to all eligible employees. Facilities may request another allocation method subject to approval by the department.

2.33 Part C: Dispute resolution notice

Part C of the application must include information on how employees may resolve disagreements regarding the implementation of the increases described in the approved application. The COLA Calculator provides a form that may be used for this purpose. If the concern cannot be resolved directly with the facility's management, represented employees may seek assistance through their union representative. All eligible employees may contact the Department of Human Services:

By email: dhs.ltcpolicycenter@state.mn

By regular mail: Compensation Plan Coordinator
Nursing Facility Rates and Policy Division
Department of Human Services
PO Box 64973
St. Paul, Minnesota 55164-0973

By telephone: (651) 431-2282

2.34 Part D: The method of dissemination of the approved application to employees

Notice of the amount of the equal hourly percentage increase and its effective date must be provided to all non-represented employees either by distributing the notice to each employee or by posting it in an area of the nursing facility accessible to the employees. The COLA Calculator provides a form that may be used for this purpose.

2.35 Submission of application

Applications should be sent to:

By email: dhs.ltcpolicycenter@state.mn.us

By regular mail: Compensation Plan Coordinator
Nursing Facility Rates and Policy Division
Department of Human Services

PO Box 64973
St. Paul, Minnesota 55164-0973

2.36 Notice to private pay residents
All nursing facilities must comply with the notice of rate increase requirements for private pay residents as provided in Minnesota Statutes, section 256B.47, subd. 2. This section requires that nursing facilities provide advance notice, in writing, of rate increases, to private pay residents. DHS is required to notify facilities of rate adjustments by August 15, 2007, and facilities must notify private pay residents by September 1, 2007, a thirty (30) day advance notice. If DHS fails to meet the August 15 deadline, facilities may give private pay residents less than 30 days advance notice by reducing the notice period by the number of days DHS was late, as long as the notice is given in advance of the rate increase.

Nursing facilities may raise the per diem rates for private-pay residents on October 1, 2007 to the amount anticipated to be the final total payment rate upon approval of the application. If the amount billed is in excess of the actual final total payment rate, the difference must be repaid to private-pay residents, with interest. The rate of interest is the rate used by the commissioner of revenue for the late payment of taxes which is in effect on the date the application is approved. For 2007 this rate is 8%.

2.4 What will DHS do?

2.41 Rate notices
DHS will distribute rate notices by August 15, 2007.

2.42 Unrestricted portion
The 25% portion of the rate adjustment that is not included in the compensation-related cost and wage increase requirements will be added to the total payment rate effective October 1, 2007, regardless of the status of the application for the requirements-related portion.

2.43 Review applications
DHS will review applications, work with providers when their application does not comply with the requirements in the law, approve applications and implement the payment rate adjustments allowed for approved applications. The review of the application will consist of assessing whether the amount estimated to be available for distribution is reasonable, ensuring that it is distributed in accordance with the law and ensuring that all other requirements are met. Nursing facilities with approved applications will be notified via a rate notice. Applications will only be considered for approval if submitted to the commissioner by March 31, 2008. If an application is not approved, the nursing facility will be notified by the department and will be permitted until June 30, 2008 to submit modifications to the application. For applications approved after October 1, 2007, the rate adjustments will be made effective retroactive to October 1, 2007. The department is required to respond to applications within three weeks of receipt. The commissioner may, under extraordinary circumstances, agree to waive the deadlines in this section.

2.44 Audits
DHS will conduct investigations in response to employee complaints and may examine facility records to confirm compliance with the approved plan.

2.45 For more information
Please address questions about how to complete the application for the rate adjustment for nursing facilities to the Nursing Facility Policy Center at 651-431-2282, or by email at: DHS.LTCpolicycenter@state.mn.us.

For a complete listing of contacts and resources, refer to section 16 of this bulletin.

3. ICF/MR FACILITIES

3.1 What does the law change?
Minnesota law (Laws 2007, Chapter 147, Article 7) grants a 2 percent (%) operating payment rate adjustment, effective October 1, 2007, for intermediate care facilities for persons with mental retardation or related conditions (ICF/MR). An additional 2% rate adjustment is effective July 1, 2008. Except for facilities whose payment rates are governed by closure agreements, receivership agreements, or Minnesota Rules, part 9553.0075, the DHS commissioner shall offer adjustments on the Medical Assistance payment rate. Requirements in the law affect how the funds can be used.

This change applies to ICF/MR facilities under Minnesota Statutes, section 256B.5012. To the extent that facilities receive Medical Assistance payment through a managed care organization (MCO), they need to contact the MCO if they need additional information about their MCO rate adjustment.

3.2 What is required by the change?
Twenty-five percent of the rate adjustment will be effective on October 1, 2007. The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs, and that two-thirds of that money be used for an equal hourly percentage wage increase for all eligible employees. An application, in the form of a distribution plan, must be submitted by each facility to DHS before March 31, 2008. Once approved, the rate increase can be effective retroactive to October 1, 2007.

3.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions, and other benefits subject to the approval of the commissioner.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

3.22 Wage increase requirement
The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date. This requirement shall not apply to employees covered by a collective bargaining agreement.

3.3 What do providers need to do?
For the compensation-related portion of the rate adjustment, providers must submit a distribution plan to the DHS commissioner for approval. The distribution plan, along with support documentation, must provide details of how the rate adjustment funds will be used. The signed and approved distribution plan serves as the notice to post or distribute to all facility employees.

3.31 Distribution plan
Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of employee increases. The plan must be submitted within six months of the implementation date. DHS will have three weeks to review and approve the plan or to request additional detail from the facility. With sufficient documentation, DHS will sign and return the approved distribution plan to the facility.

The signed and approved distribution plan should be posted in a central location available to all employees for a period of six weeks, and/or a copy provided directly to all employees. The approved distribution plan includes instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address and telephone number of the commissioner's representative.

Providers are directed to go online to the ICF/MR COLA Calculator at http://www.dhs.state.mn.us/dhs16_138857.xls and enter their ICF/MR provider identification number. This will give specific rate increase amounts based on an October 1, 2007 effective date. A sample of the distribution plan worksheet is provided with line-by-line calculation instructions. The worksheet assumes an October 1 effective date. If the employee rate increase is not effective on that date, adjustments to the online worksheet calculations will need to be made. The percentage rate increase must be effective for all qualified employees on the same day. Compensation-related costs needed to qualify for the maximum rate increase must be included on the supporting worksheet. A facility's distribution plan serves as its application for the rate increase.

The distribution plan worksheet to support the rate increase must be turned in by the ICF/MR facilities by March 31, 2008 to the following address:

Department of Human Services
Disability Services
ICF/MR Distribution Plans
P.O. Box 64967
St. Paul, MN 55164-0967

3.4 What will DHS do?

Within three weeks of receiving each application, DHS will respond by signing and approving the application and returning it to the facility to post or distribute to employees. If there is not enough information to approve the distribution plan, DHS will request the missing information from the facility. DHS is responsible for responding to ICF/MR facility employees who believe they did not receive the compensation related increase.

DHS will amend all type D variable rate agreements to include the 2% rate increase effective October 1, 2007. A new service agreement letter with the change will be sent to the provider.

3.41 For more information

Here is the link to the ICF/MR COLA Calculator: http://www.dhs.state.mn.us/dhs16_138857.xls. For a complete listing of contacts and resources, refer to section 16 of this bulletin.

4. HOME and COMMUNITY-BASED SERVICES including waivers, home care and Alternative Care

4.1. What does the law change?

Minnesota law (Laws 2007, Chapter 147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for home and community-based services. An additional 2% rate adjustment is effective July 1, 2008. Requirements in the law affect how the funds can be used.

4.11 Services affected

This change applies to home and community-based waiver services for persons with developmental disabilities or related conditions (DD), including consumer-directed community supports under Minnesota Statutes, section 256B.501; home and community-based waiver services for the elderly ("Elderly Waiver" or "EW"), including consumer-directed community supports under Minnesota Statutes, section 256B.0915; waiver services under Community Alternatives for Disabled Individuals (CADI), including consumer-directed community supports under Minnesota Statutes, section 256B.49; Community Alternative Care (CAC) waiver services, including consumer-directed community supports under Minnesota Statutes, section 256B.49; Traumatic Brain Injury (TBI) waiver services, including consumer-directed community supports under Minnesota Statutes, section 256B.49; nursing services and home health services under Minnesota Statutes, section 256B.0625, subd. 6a; personal care services and qualified professional supervision of personal care services under Minnesota Statutes, section 256B.0625, subd. 19a; private duty nursing services under Minnesota Statutes, section 256B.0625, subd. 7;

and Alternative Care (AC) services under Minnesota Statutes, section 256B.0913, including consumer directed community supports.

To the extent that home and community based service providers receive Medical Assistance payment from a managed care organization (MCO), they need to contact the MCO if they need additional information about their rate adjustment. Refer to section 14 of this bulletin.

4.2 What is required by the change?

The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs, and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

4.21 Compensation-related cost requirement

The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

4.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

4.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

4.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for

employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

4.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement Of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

4.4 What do counties need to do?

Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will be done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

Counties need to adjust authorized service lines beginning October 1, 2007, for individuals with service authorizations that extend beyond September 30, 2007, for waiver, home care and alternative care services, by multiplying the current unit price or service rate limit by 1.02. Counties should refer to the EW and AC program service rate limits that are attached to this bulletin (attachments B and C) and watch for listserv messages referencing service rates.

Instructions for making rate adjustments in the Medicaid Management Information System (MMIS) to service agreements, begun before and ending after October 1, 2007, will be provided in attachment L, MMIS Automation Process for 2007, attached to this bulletin.

4.5 What do tribal agencies need to do?

Tribal agencies that contract to participate in the EW or AC services need to amend provider contracts to reflect the rate increases within 60 days of the effective dates, retroactive to the effective date of October 1, 2007. While tribal agencies may choose to address both the October 1, 2007 and July 1, 2008, rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will done separately for each year's increase. Tribal agencies should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

Tribal agencies need to adjust authorized service lines beginning October 1, 2007, for individuals

with service authorizations that extend beyond September 30, 2007, for waiver and alternative care services, by multiplying the current unit price or service rate limit by 1.02. Tribal agencies should refer to the EW and AC program service rate limits that are attached to this bulletin (attachments B and C) and watch for listserv messages referencing service rates.

Instructions for making rate adjustments in MMIS to service agreements, begun before and ending after October 1, 2007, will be provided in attachment L, MMIS Automation Process for 2007, attached to this bulletin.

This requirement does not apply to federally-negotiated Medical Assistance encounter rate payments.

4.6 What will DHS do?

DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the Provider Statement of Assurance, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS will make specific rate information available for affected providers. For home and community-based programs, rate increases will be available for all services under each program, including the consumer directed community supports (CDCS) option. Rates paid for services contracted by the county or tribal agency are individually authorized for EW and AC programs and are negotiated with the provider. The EW and AC service rate limit maximums are provided as attachments B and C in this bulletin. Rates also are individually authorized for the CAC, CADI, TBI and DD waiver programs and are negotiated with the provider. Rate maximums for these waiver programs are not published, however certain services have rate maximums which cannot be exceeded, and are included as attachments D through G in this bulletin.

DHS will update the rate file in MMIS to reflect the new service rate limits and will accommodate negotiated rate increases to that amount. County budgets for waiver program services will be adjusted commensurately. EW and AC case mix budgets will be increased. The new case mix caps will be adjusted for EW and AC recipients. The new case mix caps will be published in an additional bulletin and also will be effective as of October 1, 2007.

DHS will adjust Medical Assistance Home Care payment rates for: skilled nurse visits including telehomecare, home health aide visits, private duty nursing (PDN), personal care assistance (PCA), supervision of personal care, public health nurse assessment for PCA services, and occupational, physical, speech, and respiratory therapies provided by home health agencies. For home care services, the published rates are the rate limits and are included as attachment H in this bulletin. Also included (as attachments J and K) are the decision tree models for PCA and PDN rates.

DHS will adjust the allowable budgets in the CAC, CADI, TBI and DD waiver management systems so that these increases can be passed onto the providers.

DHS will split the service authorization lines on existing service agreements so that the new rates can be entered effective October 1, 2007. When MMIS service agreement automation is conducted, the new home care rates along with their estimated units are automatically entered. Home care providers may request changes to allocation of units for home care agreements from DHS. When MMIS service agreement automation is conducted for waiver services, the service agreement units will be prorated based on the length of the service agreement. Counties and tribal agencies may adjust the number of units before and after the line splits for waiver services, and will also have to enter the new rates for waiver services. For instructions see attachment L, MMIS Automation Process for 2007, attached to this bulletin.

DHS increased allocations for Alternative Care to counties and tribal agencies so that these increases can be passed onto the providers. The updated grant allocations have been published in DHS bulletin 07-25-03 by the DHS Aging and Adult Services Division.

4.61 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

5. DAY TRAINING & HABILITATION

5.1. What does the law change?
Minnesota law (Laws 2007, Chapter 147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for day training and habilitation (DT&H) services. Requirements in the law affect how the funds can be used.

5.11 Services affected
This change applies to DT&H services for adults with developmental disabilities or related conditions under Minnesota Statutes, sections 252.40 to 252.46, including the additional cost of rate adjustments on day training and habilitation services, provided as a social service under Minnesota Statutes, section 256M.60.

To the extent that DT&H providers receive Medical Assistance payment from a managed care organization (MCO), they need to contact the MCO if they need additional information about their rate adjustment. Refer to section 14 of this bulletin.

5.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

5.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases

in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

5.22 Wage increase requirement
The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

5.3 What do providers need to do?
Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

5.31 Distribution plan
Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

5.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A

statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

5.4 What do counties need to do?

Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

Counties need to adjust authorized service lines beginning October 1, 2007 for individuals with service authorizations that extend beyond September 30, 2007. Counties will be notified of the new DT&H rates effective October 1, 2007, and will be informed by DHS when they will be able to go into service agreements.

If counties need to verify a DT&H rate, they have access to the Medicaid Management Information System (MMIS) II rate files by using the PF9 key function. These rate files are maintained by Medical Assistance provider number. Instructions for making rate adjustments in MMIS to service agreements, begun before and ending after October 1, 2007, are provided in attachment L, MMIS Automation Process for 2007, attached to this bulletin.

5.5 What will DHS do?

DHS will give information and assistance to service providers and their employees and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS will calculate the provider rate increase for DT&H services. 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 providers want the increase to their rates applied in a different way. DHS will finalize the rates and adjust the MMIS provider rate file.

DHS will split the service authorization lines on existing service agreements so that the new rates can be entered effective October 1, 2007. When MMIS service agreement automation is conducted, the new DT&H rates along with their estimated units are automatically entered. Counties and tribal agencies may adjust the number of units before and after the line splits for these services. For instructions see attachment L, MMIS Automation Process for 2007, attached to this bulletin.

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

DHS will increase the Children and Community Service Act (CCSA) grant allocations for DT&H services so that these increases can be passed onto their providers. The updated grant allocations will be published in DHS bulletin number 07-32-11 that will be published by the DHS Financial Management Division.

5.51 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

6. GROUP RESIDENTIAL HOUSING supplemental service rates

6.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for group residential housing, supplemental service rates. Requirements in the law affect how the funds can be used.

6.11 Services affected
This change applies to the group residential housing supplementary service rate under Minnesota Statutes, section 256I.05, subd.1a.

6.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements. DHS may recoup payments from a provider not complying with these requirements.

6.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

6.22 Wage increase requirement
The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after

the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

6.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

6.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

6.32 Statement of assurance

Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

6.4 What do counties need to do?

Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007.
While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

6.5 What will DHS do?

DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS will adjust the group residential housing supplemental service rates by 2%, effective October 1, 2007. DHS will update the rate file in the MAXIS payment system to reflect the new service rate limits and will accommodate negotiated rate increases to that amount.

DHS will increase allocations for group residential housing supplemental services to counties so that these increases can be passed onto the providers.

6.52 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

7. MENTAL HEALTH
adult and child programs

7.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for adult and child mental health services. Requirements in the law affect how the funds can be used.

7.11 Services affected
This change applies to the adult mental health integrated fund grants under Minnesota Statutes, section 245.4661; adult residential program grants under Minnesota Statutes, section 245.73; adult rehabilitative mental health services under Minnesota Statutes, section 256B.0623; children's community-based mental health services grants under Minnesota Rules, parts 9535.1700 to 9535.1760; and children's therapeutic services and support services under Minnesota Statutes, section 256B.0943.

Eligible adult mental health programs. This change applies to adult and community support and case management services grants under Minnesota Rules, parts 9535.1700 to 9535.1760. These grants include: Community Support Program (including Targeted Case Management), Projects for Assistance in Transition from Homelessness (PATH), Adult Mental Health Initiative and Adult Mental Health Integrated Fund. It also applies to Adult Mental Health Rehabilitative Services (ARMHS).

Eligible child mental health programs. The grants that will receive an increase include child welfare/juvenile justice screening grants, and mental health targeted case management (former state share) grants. The rate adjustment also applies to children's therapeutic services and support (CTSS) services.

To the extent that mental health providers receive Medical Assistance payment from a managed care organization (MCO), they need to contact the MCO if they need additional information about their rate adjustment. Refer to section 14 of this bulletin.

7.2 What is required by the change?

The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs, and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

7.21 Compensation-related cost requirement

The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

7.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

7.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

7.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the

commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

7.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

7.4 What do counties need to do?
Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

7.5 What will DHS do?
DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the statement of assurance.

DHS will adjust Medical Assistance payment rates for adult rehabilitative mental health services under Minnesota Statutes, section 256B.0623, and children's therapeutic services and support services under Minnesota Statutes, section 256B.0943 by 2% effective October 1, 2007.

DHS will pay vendors at rates established by county contract through processes established through the Medicaid Management Information System (MMIS). DHS will update the rate file in MMIS to reflect the new service rate and will accommodate negotiated rate increases to that amount.

DHS will increase the grant allocations for mental health services so that these increases can be passed onto grantees. The updated grant allocations will be in DHS bulletin number 07-32-11 that will be published by the DHS Financial Management Division.

7.51 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

8. SEMI-INDEPENDENT LIVING SERVICES

8.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for Semi-Independent Living Services (SILS). Requirements in the law affect how the funds can be used.

8.11 Services affected
This change applies to semi-independent living services (SILS) under Minnesota Statutes, section 252.275, including SILS funding under county social services grants formerly funded under Minnesota Statutes, section 2561.

8.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

8.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

8.22 Wage increase requirement
The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the

increase is available. Funds may not be used to fund increases implemented prior to that date.

8.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

8.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

8.32 Statement of assurance

Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

8.4 What do counties need to do?

Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendment, the provider assurance statements along with service agreement adjustments will done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

8.5 What will DHS do?

DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the statement of assurance.

DHS will pay vendors at rates established by county contract through processes established through the Medicaid Management Information System (MMIS). DHS will update the rate file in

MMIS to reflect the new service rate limits and will accommodate negotiated rate increases to that amount.

DHS will increase the grant allocations for semi-independent living services so that these increases can be passed onto grantees. The updated grant allocations will be in DHS bulletin number 07-32-11 that will be published by the DHS Financial Management Division.

8.51 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

9. STATE GRANT CONTRACTS
for deaf and hard of hearing services, epilepsy services, HIV case management services, living at home/block nurse programs, eldercare development partnerships, and community services/services development grants

9.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for deaf and hard-of-hearing services, epilepsy services, HIV case management services, living at home/block nurse program, eldercare development partnerships, and community services/services development grants. Requirements in the law affect how the funds can be used.

9.11 Services affected
This change applies to 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 under Minnesota Statutes, section 256.01, subd. 2; deaf and hard-of-hearing grants under Minnesota Statutes, sections 256C.233 and 256C.25; Laws 1985, chapter 9, article 1; and Laws 1997, First Special Session chapter 5, section 20; training programs for persons with intractable epilepsy who need assistance in the transition to independent living under Laws 1988, Chapter 689; grants for case management services to persons with HIV or AIDS under Minnesota Statutes, section 256.01, subd. 19; and selected aging grants under Minnesota Statutes, sections 256.975 to 256.977, 256B.0917, and 256B.0928.

9.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

9.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and

dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

9.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

9.3 What do grant contractors need to do?

Grant contractors (providers) are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

9.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

9.32 Statement of assurance

Within six months of the effective date, grant contractors (providers) receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

Grant contractors need to print, sign and return the amendment to their DHS grant managers.

9.4 What will DHS do?

DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS grant managers will send each grant contractor (provider) a contract amendment by e-mail, including the contract number, the adjusted budget accounting for the appropriate rate increase, and language about related requirements. This information can be used by grant contractors in completing the *Provider Statement of Assurance*.

While it is the role of DHS to determine the gross amount of the rate adjustment for each contract, the grantee is responsible for distribution of that amount. If a grantee is unable to distribute the total amount to appropriate personnel-related costs because of the distribution formula, they need to contact their DHS grant manager.

9.41 For more information

For a complete listing of contacts and resources, refer to section 16 of this bulletin.

10. THERAPY SERVICES
including physical, occupational, respiratory and speech language therapy

10.1 What does the law change?

Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for therapy service providers. Requirements in the law affect how the funds can be used.

10.11 Services affected

This change applies to physical therapy services under Minnesota Statutes, sections 256B.0625, subd. 8, and 256D.03, subd. 4; occupational therapy services under Minnesota Statutes, sections 256B.0625, subd. 8a, and 256D.03, subd. 4; speech-language therapy services under Minnesota Statutes, section 256D.03, subd. 4, and Minnesota Rules, part 9505.0390; respiratory therapy services under Minnesota Statutes, section 256D.03, subd. 4, and Minnesota Rules, part 9505.0295.

To the extent that therapy providers receive Medical Assistance payment from a managed care organization (MCO), they need to contact the MCO if they need additional information about their rate adjustment. Refer to section 14 of this bulletin.

10.2 What is required by the change?

The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

10.21 Compensation-related cost requirement

The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

10.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

10.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

10.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the

commissioner's representative.

10.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

10.3 What will DHS do?
DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 COLA.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor the completion of the track provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS will increase the rates for the affected therapy services by October 1, 2007. DHS will update the rate file in the Medicaid Management Information System (MMIS) to reflect the new service rate limits.

10.31 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

11. CHEMICAL DEPENDENCY

11.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for chemical dependency service providers. A second 2% payment rate increase will be required effective July 1, 2008, for chemical dependency treatment providers. The calendar year 2008 rate for vendors reimbursed under Minnesota Statutes, Chapter 254B will be at least 2 percent above the rate in effect on January 1, 2007. Calendar year 2009 rates will be at least 2 percent above the rate in effect on January 1, 2008. Requirements in the law affect how the funds can be used.

11.11 Services affected
This change applies to chemical dependency treatment services under Minnesota Statutes, Chapter 254B. In this case, *chemical dependency treatment services* refers to services provided through the consolidated chemical dependency treatment fund (CCDTF).

To the extent that chemical dependency providers receive Medical Assistance payment from a managed care organization (MCO), they need to contact the MCO if they need additional

information about their rate adjustment. Refer to section 14 of this bulletin.

11.2 What is required by the change?

The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs, and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

11.21 Compensation-related cost requirement

The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

11.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees, who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

11.3 What do providers need to do?

Providers are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

11.31 Distribution plan

Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

11.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

11.4 What do counties need to do?

Counties need to amend contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While counties may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendments, the provider assurance statements along with service agreement adjustments will be done separately for each year's increase. Counties should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

Instructions for making rate adjustments in the Medicaid Management Information System (MMIS) to service agreements, begun before and ending after October 1, 2007, will be provided in an e-mail communication to follow.

11.5 What do tribal agencies need to do?

Tribal agencies that contract to participate in the CCDTF need to amend provider contracts to reflect the rate increases within 60 days of the effective dates. The first increase will be retroactive to the effective date of October 1, 2007. While tribal agencies may choose to address both the October 1, 2007 and July 1, 2008 rate increases in their contract amendments, the provider assurance statements along with service agreement adjustments will be done separately for each year's increase. Tribal agencies should check to be sure their contracted providers have completed the *Provider Statement of Assurance.*

This requirement does not apply to federally-negotiated Medical Assistance encounter rate payments.

Instructions for making rate adjustments in MMIS to service agreements, begun before and ending after October 1, 2007, will be provided in an e-mail communication to follow.

11.6 What will DHS do?

DHS will give information and assistance to service providers and their employees, and to counties, tribal agencies and other affected agencies and organizations as they implement the 2007 rate increase.

DHS will make available a form to complete the *Provider Statement of Assurance*, will monitor

the completion of the provider assurances, and will provide regular reports on providers that have completed the Statement of Assurance.

DHS will pay vendors at rates established by county contract through processes established through MMIS. DHS will update the rate file in MMIS to reflect the new service rate limits and will accommodate negotiated rate increases to that amount.

DHS has adjusted CCDTF allocations to counties and tribal agencies so that these increases can be passed onto the providers. This information is found in DHS bulletin number 07-51-01, DHS Updates CCDTF Operations, Eligibility for State Fiscal Year 2008.

DHS will coordinate a manual process to split service authorization lines so that the new rates can be entered effective October 1, 2007. County agencies will make changes to those county service agreements that start before and end after October 1, 2007. DHS will make manual changes to those tribal service agreements that start before and end after October 1, 2007. Specific instructions will be sent by CCDTF e-memo.

11.61 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

12. FAMILY and CONSUMER SUPPORT GRANTS

12.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for Family Support and Consumer Support Grants. Requirements in the law affect how the funds can be used.

12.11 Services affected
This change applies to Consumer Support Grants (CSG) under Minnesota Statutes, section 256.476; and Family Support Grants (FSG) under Minnesota Statutes, section 252.32.

12.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs and that two-thirds of that money be used for employee wages.

12.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

12.22 Wage increase requirement

The law further requires that two-thirds of the 75% increase be used for equal hourly percentage wage increases for all eligible employees who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

12.3 What do grantees need to do?

For the purpose of the Family and Consumer Support Grants (FSG, CSG), *grantee* (or provider) refers to the consumer or their authorized representative who acts as the employer of persons providing care to a participant or who purchases supports for the grantee. This employer relationship carries the same requirement as formal agency providers. All employers of direct support workers are expected to increase the wages and compensation costs of employees as required in law and adjust their grant budgets accordingly.

12.31 Distribution plan

A formal distribution plan is not needed from the grantees since their grant budgets are reviewed and approved by the county agency.

12.32 Statement of assurance

A statement of assurance is not needed from grantees.

12.4 What do counties need to do?

Counties must increase grant amounts to consumers or their authorized representative by 2%, effective October 1, 2007 and inform them of the requirements and conditions of the increase.

Counties will review the budgets of grantees to assure the appropriate adjustments have been made, as part of their annual review process.

12.5 What will DHS do?

DHS is providing counties with a sample letter that can be used by counties to inform FSG and CSG grantees of the intent of the increase and of the actions that grantees need to take. This sample letter has been included in this bulletin as attachment M, sample letter to FSG and CSG grantees.

DHS will increase the grant allocations for the family support and consumer support grant programs so that these increases can be passed onto grantees. The updated FSG grant allocations will be published in DHS 2008 allocation bulletin number 07-32-11, by the DHS Financial Management Division. Attachment I, CSG monthly limits as of October 1, 2007, is attached to this bulletin.

12.51 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

13. MINNESOTA BOARD ON AGING GRANTS including area agencies on aging

13.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) grants a 2 percent (%) payment rate adjustment, effective October 1, 2007, for Board on Aging and area agency on aging (AAA) grants. Requirements in the law affect how the funds can be used.

13.11 Services affected
This change applies to aging grants under Minnesota Statutes, sections 256.975 to 256.977, 256B.0917, and 256B.0928. These include Minnesota Board on Aging (MBA) grants, including the RSVP, Foster Grandparent and Senior Companion grant programs as well as AAA contracts that involve state funds.

13.2 What is required by the change?
The law requires that 75% of money made available by the rate adjustment be used for employee compensation costs, and that two-thirds of that money be used for employee wages. DHS may recoup payments from a provider not complying with these requirements.

13.21 Compensation-related cost requirement
The law requires that 75% of money made available by the rate adjustment be used for increases in compensation-related costs for eligible employees.

Compensation-related costs refers to: wages and salaries, FICA taxes, Medicare taxes, state and federal unemployment taxes, worker's compensation, and the employer's share of health and dental insurance, life insurance, disability insurance, long-term care insurance, uniform allowance, and pensions.

Eligible employees refers to: employees directly employed by the program on or after the effective date of the rate adjustments, except: the administrator; persons employed in the central office of a corporation or entity that has ownership interest in the provider or exercises control over the provider; and persons paid by the provider under a management contract.

13.22 Wage increase requirement
The law further requires that two-thirds of the 75% increase be used for equal hourly percentage

wage increases for all eligible employees who are directly employed by the provider on or after the effective date of the rate adjustment. The increases must be effective on the same date.

The law has three exceptions: (1) The wage increase requirements do not apply to employees covered by a collective bargaining agreement. (2) Increases granted under this year's legislation apply to public employees only to the extent that the provisions comply with the laws governing public employee collective bargaining. (3) Funds received from this increase by providers may only be used for increases implemented on or after the first day of the rate period in which the increase is available. Funds may not be used to fund increases implemented prior to that date.

13.3 What do grantees need to do?

Grantees (providers) are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

13.31 Distribution plan

Grantees need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit, including the mailing address, e-mail address, and telephone number of the commissioner's representative.

13.32 Statement of assurance

Within six months of the effective date, grantees (providers) receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each grant as identified by the appropriate Notice of Grant Award (NGA) identifier, the Project Identification number. A draft of the online tool is included as attachment A to this bulletin.

13.4 What will the MBA or AAA do?

The MBA will inform its direct grantees and AAAs that the allocation for the grant has changed and the amount of the change. The direct grantees and AAAs will provide a budget revision reflecting that change to the MBA, which will act to revise the current NGA.

MBA and AAA grant managers will determine as necessary the gross amount of the adjustment for each grant and the appropriate NGA identifier to use in completing a *Provider Statement of Assurance*.

While it is the role of the MBA or the AAA to determine the gross amount of the rate adjustment

for each grant, the grantee is responsible for distribution of that amount. If a grantee is unable to distribute the total amount to appropriate personnel-related costs because of the distribution formula, the excess funds may be reallocated with prior written approval of the MBA or AAA grants manager.

The MBA will issue official notification of this process in a subsequent informational memorandum.

13.41 For more information
For a complete listing of contacts and resources, refer to section 16 of this bulletin.

14. MANAGED CARE

14.1 What does the law change?
Minnesota law (Laws 2007, Chapter147, Article 7) states that a managed care plan (managed care organization), receiving state payments for the services in section 71 of the law, must include these increases in their payments to providers on a prospective basis, effective on January 1, 2008, following the effective date of the rate increase.

14.11 Services affected
Affected are services paid through a managed care organization (MCO) including nursing facilities (section 2 of this bulletin), home and community based services (section 4), day training and habilitation (section 5), mental health (section 7), therapy services (section 10), and chemical dependency (section 11).

14.2 What is required by the change?
The rate change will be addressed in contract negotiations between DHS and managed care organizations prior to January 1, 2008. Managed care organizations need to adjust the rates paid to providers.

14.3 What do providers (vendors of the MCO) need to do?
Providers (vendors of the MCO) are required to develop a distribution plan, share the plan with employees, and then provide the DHS commissioner with an assurance that they have complied with the law.

14.31 Distribution plan
Providers need to develop a distribution plan detailing the implementation method for their employees. The plan must include an estimate of the amount of money that will be used for employee increases, and the detail of the distribution of the funds. The plan shall be available within six months of the implementation date, and be posted in a conspicuous accessible location for employees for at least six weeks. The plan shall also be available for review by the commissioner or by contracting counties upon request.

The plan needs to include instructions for redress for employees who believe they did not receive the benefit including the mailing address, e-mail address, and telephone number of the

commissioner's representative.

14.32 Statement of assurance
Within six months of the effective date, providers receiving the increase shall provide information to the commissioner assuring that they have complied with the law's provisions. The prescribed format is a Web-based *Provider Statement of Assurance* tool. By September 1, 2007, the tool will be available through a link found at http://www.dhs.state.mn.us/dhs16_138858. A statement of assurance is needed for each distribution plan. A draft of the online tool is included as attachment A to this bulletin.

Providers that receive payment from MCOs need to contact the MCO if they need additional information about their MCO rate adjustment. The contact number for each MCO is listed below.

Blue Plus	651-662-5200 or 800-262-0820
First Plan Blue	800-584-9488
HealthPartners	952-883-7699 or 888-663-6464
Itasca Medical Care	218-327-5527 or 800-843-9536
Medica	800-458-5512
Metropolitan Health Plan	877-620-9090
PrimeWest Health System	320-335-5359 or 866-431-0802
South Country Health Alliance	507-444-7770
UCare	612-676-3300 or 888-531-1493

If the provider has questions about distribution plans or *Provider Statement of Assurance*, contact the DHS provider help desk at 651-431-2700 or toll-free at 1-800-366-5411. For a complete listing of contacts and resources, refer to section 16 of this bulletin.

15. PROVIDER ASSURANCE PROCESS

15.1 What assurance is needed?
While this section does not apply to nursing facility or intermediate care facility (ICF/MR) providers, the section does apply to all other providers that receive a rate adjustment under the new law (Minnesota Laws 2007, Chapter 147, Article 7).

The law specifies that, within six months after the effective date of each rate adjustment, providers must submit a letter to the DHS commissioner and those counties and participating tribal agencies

with which they have a contract. In a format specified by the commissioner, the letter must assure that the provider has developed and implemented a distribution plan, detailing the implementation method for their employees.

The *Provider Statement of Assurance* will be used to fulfill this requirement. As an online form, it will be available by September 1, 2007, at http://www.dhs.state.mn.us/dhs16_138858. A draft is included as attachment A to this bulletin.

15.2 Who needs to complete Provider Statements?

The *Provider Statement of Assurance* must be completed for each Medical Assistance (MA) provider or provider affected by this legislation that has a contract for services with:

- A county
- A tribal agency that opts to participate in the rate increase
- The Minnesota Department of Human Services (DHS)
- The Minnesota Board on Aging (MBA) or
- An Area Agency on Aging (AAA)

15.21 Medical Assistance (MA) providers

If you are a MA provider, please complete one *Provider Statement of Assurance* for each distribution plan that has been implemented. If a single distribution plan is used for a number of facilities with the same or different MHCP (Minnesota Health Care Programs) provider numbers or NPI (National Provider Identifier) numbers), only one *Provider Statement of Assurance* needs to be completed.

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15.22 County-contracted vendor of services

If you are a county-contracted vendor of services, please complete a *Provider Statement of Assurance* for services that have received a rate increase for each distribution plan that has been implemented. If you provide services in more than one county and a single distribution plan is utilized, only one *Provider Statement of Assurance* needs to be completed.

15.23 Providers who are both a MA provider and a county -contracted vendor of services

If you are both a MA provider and a county contracted vendor of services, complete one *Provider Statement of Assurance* as a MA provider and another as a county-contracted vendor of service.

MA providers who are providing services under contract with counties (such as waiver services, mental health services, or chemical dependency services) should complete a *Provider Statement of Assurance* as a MA provider for these services.

15.24 DHS, MBA, or AAA grantees

If you have a grant contract with DHS, MBA, or AAA, you must complete a *Provider Statement of Assurance* for each contract for services that have received a rate increase. If you have multiple DHS, MBA, or AAA grant contracts, only one *Provider Statement of Assurance* needs to be completed for each category.

If you also provide services as a MA provider and/or a county contracted vendor of services, separate assurances will need to be submitted for each category.

15.25 Tribal agencies
Tribal agencies that opt to participate and choose to accept the rate increase for services they manage or provide must submit *a Provider Statement of Assurance* for each distribution plan that has been implemented. If a single distribution plan is used for a number of facilities with the same or different MHCP (Minnesota Health Care Programs) provider numbers or NPI (National Provider Identifier) numbers), only one *Provider Statement of Assurance* needs to be completed.

15.3 What else is required?
The *Provider Statement of Assurance* must be completed within six months after the effective date of the rate adjustment but after the provider has developed and posted the distribution plan relating to the rate increase.

The *Provider Statement of Assurance* must be completed by an authorized agent or an individual authorized to sign on behalf of the authorized agent for the organization.

To obtain a copy of the *Provider Statement of Assurance* for your records, be sure to click "print" upon completion of the assurance questions.

15.4 What will DHS do?
Unless you hear from DHS to the contrary, submission of this questionnaire will serve as the DHS acceptance of your *Provider Statement of Assurance*.

A summary of *Provider Statement of Assurance* results, by county, will be available on-line on the DHS 2007 COLA Web page at: http://www.dhs.state.mn.us/dhs16_138858.

For any questions regarding the completion of the *Provider Statement of Assurance*, send an e-mail to: Dhs.Cola@state.mn.us.

16. RESOURCES AND CONTACTS

16.1 For more information
As a primary source of additional information, DHS has established a Web page to provide more detailed and additional information, including frequently asked questions (FAQ) and a link to the rate adjustment law. This can be found at http://www.dhs.state.mn.us/dhs16_138858.

16.2 Further questions
To make sure that questions are referred to the correct people, DHS has arranged for a standard mail address, an e-mail "mail box" and various telephone numbers for rate adjustment questions.

16.21 Standard mail
For anyone with any questions about the rate adjustments, letters can be mailed to the following

address. Be sure to include "2007 COLA" in the address.

Minnesota Department of Human Services
2007 COLA
PO Box 64967
St. Paul, MN 55164-0967

16.22 E-mail mail box

For anyone with any questions about the rate adjustments, an e-mail "mail box" has been set at Dhs.Cola@state.mn.us. Questions sent to this address will be referred to the person who can best provide an answer. Recurring questions and their answers will be added to the FAQ on the Web page.

16.23 Telephone numbers

Most of the telephone numbers listed in this section are voice numbers. For TTY and other communication options, refer to section 17, Alternative formats.

For service employees, the department has a hotline specifically to respond to employee concerns about whether they are receiving compensation and wage increases in keeping with the law's requirements. The hotline can be reached at 651-431-2586 or toll-free at 1-888-234-2687.

For counties**,** DHS has a help desk that provides technical assistance for the Medicaid Management Information System (MMIS). The help desk can be reached at 651-431-2450 or toll-free at 1-888-968-8463. For MMIS-related questions, emails can be sent to DHS.ResourceCenter@state.mn.us.

For tribal agencies that opt to participate in the rate adjustment, Kathleen Vanderwall of DHS is the primary contact and can be reached at 651-431-2186 or at Kathleen.Vanderwall@state.mn.us.

For providers, the department's MHCP provider call center is prepared to answer basic questions, and to route other questions to the appropriate person. The call center can be reached at 651-431-2700 or toll-free at 1-800-366-5411.

For questions or more information regarding *vendor rate adjustments from managed care organizations*, contact the managed care organization at the number listed below.

Blue Plus	651-662-5200 or 800-262-0820
First Plan Blue	800-584-9488
HealthPartners	952-883-7699 or 888-663-6464
Itasca Medical Care	218-327-5527 or 800-843-9536

Medica	800-458-5512
Metropolitan Health Plan	877-620-9090
PrimeWest Health System	320-335-5359 or 866-431-0802
South Country Health Alliance	507-444-7770
UCare	612-676-3300 or 888-531-1493

17. ALTERNATIVE FORMATS

This information is available in other forms to people with disabilities by contacting 651-431-2590 (voice), toll-free at 1-800-882-6262 or through the Minnesota Relay Service at 1-800-627-3529 (TTY), 7-1-1 or 1-877-627-3848 (speech-to-speech relay service).

Attachments

A *Provider Statement of Assurance* (draft form)

B Elderly Waiver Program HCPC Service Rate Limits as of October 1, 2007

C Alternative Care Program HCPC Service Rate Limits as of October 1, 2007

D CADI Waiver Program HCPC Service Rate Limits as of October 1, 2007

E CAC Waiver Program HCPC Service Rate Limits as of October 1, 2007

F TBI Waiver Program HCPC Service Rate Limits as of October 1, 2007

G DD Waiver Program HCPC Service Rate Limits as of October 1, 2007

H Home Care Program HCPC Service Rate Limits as of October 1, 2007

I Consumer Support Grant Monthly Limits as of October 1, 2007

J PCA Decision Tree as of October 1, 2007

K PDN Decision Tree as of October 1, 2007

L MMIS Automation Process for 2007

M Sample letter to FSG and CSG grantees

Attachment A

Provider Statement of Assurance: 2007 COLA Rate Increases DRAFT

All questions included in the Provider Statement of Assurance must be answered. If you have questions about completion of the assurance, please e-mail DHS.COLA@state.mn.us.

Background and instructions

Q1 **Provider name: Enter your MHCP enrolled provider name or legal corporation name or grantee name from the contract provided by your grant manager.**

Q2 **Does this *Provider Statement of Assurance* replace a previously submitted assurance?**

- ○ *Yes*
- ○ *No*

Q3 **What is the Unique ID number for the assurance that is being replaced?**

Q4 **What are the funding sources used to pay for services provided by your organization.? Check all that apply.**

- ☐ *Medical Assistance*
- ☐ *Medical Assistance Managed Care*
- ☐ *Tribal Agency*
- ☐ *Area Agency on Aging (AAA)*
- ☐ *County*
- ☐ *Department of Human Services (DHS)*
- ☐ *Minnesota Board on Aging (MBA)*

Q5 **Do you use to a Minnesota Health Care Programs (MHCP) number to bill MMIS?**

- ○ *Yes*
- ○ *No*

Q6 **Check how many MHCP provider numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You checked other than one to ten MHCP provider numbers. Please specify the number.

Q7 **Enter all the MHCP numbers you indicated are included in the distribution plan for which this assurance is being submitted.**

Q8 **Do you use a National Provider Index (NPI) Number to bill MMIS?**

- *Yes*
- *No*

Q9 **Check how many NPI numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You checked other than one to ten NPI numbers. Please specify the number.

Q10 **Enter all the NPI numbers you indicated are included in the distribution plan for which this assurance is being submitted.**

Q11 **Do you use a Uniform Master Provider Index (UMPI) to bill?**

- *Yes*
- *No*

Q12 **Check how many UMPI numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You check other than one to ten UMPI grant contract numbers. Please specify the number.

Q13 **Enter all the UMPI numbers you indicated are included in the distribution plan for which this assurance is being submitted.**

Q14 **Check how many AAA Notice of Grant Award numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You checked other than one to ten AAA NGA numbers. Please specify the number.

Q15 **Enter all the AAA grant contract numbers you indicated are included in the distribution plan for which this assurance is being submitted. Please use the grant numbers that were provided to you by the grants manager.**

Q16 **Check how many DHS grant contract numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You checked other than one to ten DHS grant numbers. Please specify the number.

Q17 **Enter all the DHS grant contract numbers you indicated are included in the distribution plan for which this assurance is being submitted. Please use the grant numbers that were provided to you by the grants manager.**

Q18 **Check how many MBA Notice of Grant Awards numbers are included in the distribution plan for which this assurance is being submitted.**

- *One*
- *Two*
- *Three*
- *Four*
- *Five*
- *Six*
- *Seven*
- *Eight*
- *Nine*
- *Ten*
- *Other*

You check other than one to ten MBA NGA numbers. Please specify the number.

Q19 **Enter all the MBA grant contract numbers you indicated are included in the distribution plan for which this assurance is being submitted. Please use the grant numbers that were provided to you by the grants manager.**

Q20 **What is your service area? Check all that apply.**

- ☐ *Chemical Dependency*
- ☐ *Day Training and Habilitation*
- ☐ *Consumer or Family Support Grants*
- ☐ *Group residential housing supplemental service rates*
- ☐ *Home and community-based waiver services, home care and alternative care*
- ☐ *Minnesota Board on Aging (includes Area Agency on Aging)*
- ☐ *Mental Health (adult or child)*
- ☐ *Semi-Independent Living Services*
- ☐ *DHS grant contracts for deaf and hard of hearing services, epilepsy services, HIV case management services, living at home/block nurse programs, eldercare development partnerships and community services/services development grants*
- ☐ *Therapy services (including physical, occupational, respiratory and speech language therapy)*
- ☐ *Other*

You checked other. Please contact DHS.COLA@state.mn.us to verify if a Provider Statement of Assurance must be completed for your service area.

Attachment A

Q21 **Check all the counties and tribes in which you provide services related to this distribution plan.**

- ☐ *Aitkin*
- ☐ *Anoka*
- ☐ *Becker*
- ☐ *Beltrami*
- ☐ *Benton*
- ☐ *Big Stone*
- ☐ *Blue Earth*
- ☐ *Brown*
- ☐ *Carlton*
- ☐ *Carver*
- ☐ *Cass*
- ☐ *Chippewa*
- ☐ *Chisago*
- ☐ *Clay*
- ☐ *Clearwater*
- ☐ *Cook*
- ☐ *Cottonwood*
- ☐ *Crow Wing*
- ☐ *Dakota*
- ☐ *Dodge*
- ☐ *Douglas*
- ☐ *Faribault*
- ☐ *Fillmore*
- ☐ *Freeborn*
- ☐ *Goodhue*
- ☐ *Grant*
- ☐ *Hennepin*
- ☐ *Houston*
- ☐ *Hubbard*
- ☐ *Isanti*
- ☐ *Itasca*
- ☐ *Jackson*
- ☐ *Kanabec*
- ☐ *Kandiyohi*
- ☐ *Kittson*
- ☐ *Koochiching*
- ☐ *Lac Qui Parle*
- ☐ *Lake*
- ☐ *Lake of the woods*
- ☐ *Le Sueur*
- ☐ *Lincoln*
- ☐ *Lyon*
- ☐ *Mahnomen*
- ☐ *Marshall*
- ☐ *Martin*
- ☐ *McLeod*
- ☐ *Meeker*
- ☐ *Mille Lacs*
- ☐ *Morrison*
- ☐ *Mower*
- ☐ *Murray*
- ☐ *Nicollet*
- ☐ *Nobles*
- ☐ *Norman*
- ☐ *Olmsted*
- ☐ *Ottertail*
- ☐ *Pennington*
- ☐ *Pine*
- ☐ *Pipestone*
- ☐ *Polk*
- ☐ *Pope*
- ☐ *Ramsey*
- ☐ *Red Lake*
- ☐ *Redwood*
- ☐ *Renville*
- ☐ *Rice*
- ☐ *Rock*
- ☐ *Roseau*
- ☐ *Scott*
- ☐ *Sherburne*
- ☐ *Sibley*
- ☐ *St. Louis*
- ☐ *Stearns*
- ☐ *Steele*
- ☐ *Stevens*
- ☐ *Swift*
- ☐ *Todd*
- ☐ *Traverse*
- ☐ *Wabasha*
- ☐ *Wadena*
- ☐ *Waseca*
- ☐ *Washington*
- ☐ *Watonwan*
- ☐ *Wilkin*
- ☐ *Winona*
- ☐ *Wright*
- ☐ *Yellow Medicine*
- ☐ *Bois Forte (Nett Lake) Band*
- ☐ *Fond du Lac Band*
- ☐ *Grand Portage Band*
- ☐ *Leech Lake Band*
- ☐ *Mille Lacs Band*
- ☐ *White Earth Band*
- ☐ *Red Lake Band*
- ☐ *Lower Sioux Community*
- ☐ *Prairie Island Community*
- ☐ *Shakopee Mdewakanton Community*
- ☐ *Upper Sioux Communit*

Q22 **Is the effective date of the cost of living rate or allocation adjustment 10/1/2007?**

- ○ *Yes*
- ○ *No*

You checked no. Please explain why not.

Q23 **What is the date the rate increase distribution plan was posted and made available to employees? (MM/DD/YYYY)**

Q24 **Does the posted distribution plan instruct employees whom to contact at the Minnesota Department of Human Services should they believe they have not received the wage and other compensation-related increases?**

- ○ *Yes*
- ○ *No*

Q25 **Does the posted distribution plan include the designated DHS contact information? All three must be checked for the assurance to be accepted by the commissioner.**

- ☐ *E-mail address*
- ☐ *Mailing address*
- ☐ *Telephone number*

Q26 **Does the posted distribution plan provide an estimate of the amounts of money that will be used for the rate increase?**

- ○ *Yes*
- ○ *No*

You checked no. You must have a "yes" response for the assurance to be accepted by the commissioner.

Q27 **Does the basis for your estimate included in your distribution plan assure:**

- ○ *At least 75 percent of the additional revenue is used to increase compensation-related costs for eligible employees directly employed by the program on or after the effective date of the rate adjustments?*
- ○ *At least two-thirds of the money (of the 75%) is used for wage increases for all eligible employees directly employed by the provider on or after the effective date of the rate adjustments?*
- ○ *For eligible public employees, the increase for wages and benefits for certain staff is available and pay rates must 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?*

Attachment A

Provider Statement of Assurance: 2007 COLA Rate Increases

I assure that the information provided covers all program areas provided by my organization and accurately represents my organization's distribution plan.. I further certify that I am an authorized agent and have the authority to sign on behalf of my organization.

Organization name: {Q1}

Area Agency on Aging Notice of Grant Award number(s): {Q19}

Department of Human Services grant contract number(s): {Q19}

Minnesota Board on Aging Notice of Grant Award number(s): {Q25}

Minnesota Health Care Program provider number(s): {Q21}

NPI number(s): {Q23}

UMPI number(s): {Q25}

Name of person submitting the *Provider Statement of Assurance*

Title

Street address (mailing)

City

Attachment A

State

--Click Here--
- Iowa
- Minnesota
- North Dakota
- South Dakota
- Wisconsin
- Other

You checked other. Please explain.

Zip (5 or 9-digit)

Phone number

E-mail address

Date of submission (MM/DD/YYYY)

Be sure to print a copy of this assurance prior to submitting to DHS. Thank you!

Attachment B

Elderly Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	"Up to" Rate as of October 1, 2007
Adult Day Care	15 minutes	S5100			$3.20
Adult Day Care	Daily	S5102			$42.86
Adult Day Care Bath	15 minutes	S5100	TF		$7.17
Caregiver Training and Education	Per session	S5116			$68.79
Case Management	15 minutes	T1016	UC		$24.17
Case Management, Paraprofessional	15 minutes	T1016	TF	UC	$8.91
CDCS Background Checks	15 minutes	T2040			$25.00
CDCS Mandatory Case Management	15 minutes	T2041			Up to the MCM Cap Amount.
Chore Services	15 minutes	S5120			$3.55
Companion Services	15 minutes	S5135			$2.06
Consumer Directed Community Supports (CDCS)	Per session	T2028			Up to the CDCS Case Mix Cap Amount.
Customized Living Services	Monthly	T2030			Non-federal share of case mix cap amount
Extended Home Health Aide	15 minutes	G0156			$7.60
Extended Home Health Medical Supplies and Equipment		T2029			Per item
Extended Personal Care 1:1	15 minutes	T1019	UC		$3.98
Extended Shared Personal Care 1:2 Ratio	15 minutes	T1019*	TT	UC	$2.99
Extended Shared Personal Care 1:3 Ratio	15 minutes	T1019*	HQ	UC	$2.63
Foster Care, Corporate	Monthly	S5141	HQ		Up to case mix budget cap
Foster Care, Family	Monthly	S5141			Up to case mix budget cap
Home Delivered Meal	1 meal per day	S5170			$6.20
Homemaker Service	15 minutes	S5130			$4.38
Homemaker Service	Per Diem	S5131			$42.25
LPN Complex Extended	15 minutes	T1003**	TG	UC	$7.44
LPN Regular Extended 1:1	15 minutes	T1003	UC		$6.34
LPN Shared Extended 1:2	15 minutes	T1003**	TT	UC	$4.76

Elderly Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Modifications/Adaptations	Per item	S5165			$4,942
PPHP/MSHO/MSC+ Home Care Services	None	X5609			Total amount of state plan services (PCA, HHA, SN, PDN) provided by the health plan provider
Residential Care Services	Monthly	T2032			Non-federal share of case mix cap amount
Respite, certified facility	Per diem	H0045			NF's per diem for the client's case mix
Respite, hospital	Per diem (24 hours)	H0045			$140.32
Respite, in home	15 minutes	S5150			$5.15
Respite, in home	Per diem	S5151			$92.67
Respite, out of home	15 minutes	S5150	UB		$5.15
Respite, out of home	Per diem	H0045			$92.67
RN Complex Extended	15 minutes	T1002***	TG	UC	$9.91
RN Regular Extended 1:1	15 minutes	T1002	UC		$8.26
RN Shared Extended 1:2	15 minutes	T1002***	TT	UC	$6.20
Transitional Services	Per service	T2038			Up to the case mix cap
Transportation	One-way trip	T2003	UC		$14.18
Transportation, non commercial	Mileage	S0215	UC		0.48
24 hour Customized Living Services	Monthly	T2030	TG		Up to case mix budget cap

* **PCA**: For Extended Share PCA 1:2 and 1:3, use T1019 with a "Y" in the Share Care field and modifier UC. For Extended Share PCA 1:2 use T1019 with modifiers UC and TT on the claim. For Extended Share PCA 1:3, use T1019 with modifiers UC and HQ on the claim.

** **LPN:** For LPN Regular Extended 1:2, use T1003 with a "Y" in the Share field and modifiers UC and TT on the Service Agreement as well as the claim form. For LPN Complex Extended, use T1003 with a "Y" in the Share field and modifier UC on the Service Agreement. Use modifiers UC and TG on the claim form.

*** RN: For RN Regular Extended 1:2, use T1002 with a "Y" in the Share field and modifiers UC and TT on the Service Agreement as well as the claim form. For RN Complex Extended, use T1002 with modifier UC on the Service Agreement. Use modifiers UC and TG on the claim form.

Alternative Care Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Units	MMIS Code	Mod 1	Mod 2	"Up to" Rate as of October 1, 2007
Adult Day Care	15 minutes	S5100			$3.20
Adult Day Care	Daily	S5102			$42.86
Adult Day Care Bath	15 minutes	S5100	TF		$7.17
Caregiver Training and Education	Per session	S5116			$68.79
Case Management	15 minutes	T1016	UC		$24.17
Case Management, Conversion	15 minutes	T1016			$24.18
Case Management, Paraprofessional	15 minutes	T1016	TF	UC	$8.91
CDCS Background Checks	15 minutes	T2040			$25.00
CDCS Mandatory Case Management	15 minutes	T2041			Up to the MCM cap amount
Chore Services	15 minutes	S5120			$3.55
Companion Services	15 minutes	S5135			$2.06
Consumer Directed Community Supports (CDCS)	Per session	T2028			Up to the CDCS case mix cap amount
Discretionary Services Option		X5527			Limited to 25% of the county's base allocation amount
Home Delivered Meal	1 meal per day	S5170			$6.20
Home Health Service – Aide	Visit	T1021			$54.64
Home Health Service – Aide	15 minutes	G0156			$7.60
Home Health Service – Skilled Nursing	Visit	T1030			$71.20
Home Health Service – Skilled Nursing	15 minutes	G0154			$8.68
Home Health Service – Telehomecare		T1030	GT		$71.20
Homemaker Service	15 minutes	S5130			$4.38
Homemaker Service	Per Diem	S5131			$42.25
Modifications/Adaptations	Per item	S5165			$4,942
Nutrition Services	Visit	S9470			$76.53
Personal Care Assistant	Per Diem	T1020			$48.20
Personal Care Assistant - RN Supervision	15 minutes	T1019	UA		$7.00
Personal Care Assistant 1:1	15 minutes	T1019			$3.98
Personal Care Assistant,	15 minutes	T1019*	TT		$2.99

Alternative Care Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Units	MMIS Code	Mod 1	Mod 2	"Up to" Rate as of October 1, 2007
Shared 1:2					
Personal Care Assistant, Shared 1:3	15 minutes	T1019*	HQ		$2.63
Private Duty Nursing – LPN Complex	15 minutes	T1003**	TG		$7.44
Private Duty Nursing - LPN Regular	15 minutes	T1003			$6.34
Private Duty Nursing – LPN Shared 1:2	15 minutes	T1003**	TT		$4.76
Private Duty Nursing - RN Complex	15 minutes	T1002***	TG		$9.91
Private Duty Nursing - RN Regular	15 minutes	T1002			$8.26
Private Duty Nursing - RN Shared 1:2	15 minutes	T1002***	TT		$6.20
Respite, certified facility	Per diem	H0045			NF's per diem for the client's case mix
Respite, hospital	Per diem (24 hours)	H0045			$140.32
Respite, in home	15 minutes	S5150			$5.15
Respite, in home	Per diem	S5151			$92.67
Respite, out of home	15 minutes	S5150	UB		$5.15
Respite, out of home	Per diem	H0045			$92.67
Supplies and Equipment	Per item	E1399			
Transportation	One-way trip	T2003			$14.18
Transportation, non commercial	Per mile	S0215	UC		0.48

* **PCA**: For Share PCA 1:2 and 1:3, use T1019 with a "Y" in the Share Care field. For Share PCA 1:2 use T1019 with modifier TT on the claim. For Share PCA 1:3, use T1019 with modifier HQ on the claim.

** **LPN**: For LPN Regular 1:2, use T1003 with a "Y" in the Share field and modifier TT on the Service Agreement as well as the claim form. For LPN Complex, use T1003 with a "Y" in the Share. Use modifier TG on the Service Agreement as well as the claim form.

*** **RN**: For RN Regular 1:2, use T1002 with a "Y" in the Share field and modifier TT on the Service Agreement as well as the claim form. For RN Complex, use T1002 with modifier TG on the Service Agreement as well as the claim form.

Community Alternatives for Disabled Individuals (CADI) Waiver Program HCPC Service Rate Limits - Effective October 1, 2007

Bolded rates may not exceed published limits.

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Adult Day Care Services[1]	15 Minutes	S5100			Y	See Note 1
Adult Day Care Services	Daily	S5102			Y	See Note 1
Adult Day Care Services, Bath	15 Minutes	S5100	TF		Y	See Note 1
Assisted Living Services	Daily	T2031			Y	See Note 1
Assisted Living Services	Monthly	T2030			Y	See Note 1
Assisted Living Plus	Monthly	T2030	TG		Y	See Note 1
Assisted Living Plus, Licensed Adult Foster Care	Monthly	T2030	TG	U9	Y	See Note 1
Case Management	**15 Minutes**	**T1016**	**UC**		**N**	**$ 23.24**
Case Management Aide (Paraprofessional)	**15 Minutes**	**T1016**	**TF**	**UC**	**N**	**$ 8.91**
CDCS Background Check	One Print	T2040			N	**$ 25.00**
Consumer Directed Community Supports (CDCS)[2]	Decremental	T2028	U1 U2 U3 U4 U8		Y	Individual Budget
Family Counseling & Training	15 Minutes	S5110			N	See Note 1
Foster Care, Adult	Daily	S5140			Y	See Note 1
Foster Care, Adult, Corporate	Daily	S5140	U9		Y	See Note 1
Foster Care, Adult	Monthly	S5141			Y	See Note 1
Foster Care, Adult, Corporate	Monthly	S5141	U9		Y	See Note 1
Foster Care, Child	Daily	S5145			Y	See Note 1
Foster Care, Child	Monthly	S5146			Y	See Note 1
Home Delivered Meals	Per Meal	S5170			N	See Note 1
Home Health Aide, Extended	**15 Minutes**	**G0156**			**Y**	**$ 5.22**
Homemaker Services	**15 Minutes**	**S5130**			**N**	**$ 4.38**
Independent Living Skills Counseling	15 Minutes	H2032	TF		Y	See Note 1
LPN/LVN - Regular, Extended	**15 Minutes**	**T1003**	**UC**		**Y**	**$ 6.34**
LPN/LVN - Shared 1:2 Ratio, Extended[3]	**15 Minutes**	**T1003**	**TT**	**UC**	**Y**	**$ 4.76**
LPN/LVN - Complex, Extended	**15 Minutes**	**T1003**	**TG**	**UC**	**Y**	**$ 7.44**
Modifications	Item	S5165			N	See Note 1
Occupational Therapy, Extended	**Visit**	**S9129**	**UC**		**Y**	**$ 68.17**
Occupational Therapy Assistant, Extended	**Visit**	**S9129**	**TF**	**UC**	**Y**	**$ 44.31**

Community Alternatives for Disabled Individuals (CADI) Waiver Program HCPC Service Rate Limits - Effective October 1, 2007

Personal Care Services (PCA) - 1:1 Ratio, Extended	**15 Minutes**	**T1019**	**UC**		**Y**	**$ 3.98**
Personal Care Services (PCA) - Shared 1:2 Ratio, Extended[4]	**15 Minutes**	**T1019**	**TT**	**UC**	**Y**	**$ 2.99**
Personal Care Services (PCA) - Shared 1:3 Ratio, Extended[4]	**15 Minutes**	**T1019**	**HQ**	**UC**	**Y**	**$ 2.63**
Physical Therapy, Extended	**Visit**	**S9131**	**UC**		**Y**	**$ 66.80**
Physical Therapy Assistant, Extended	**Visit**	**S9131**	**TF**	**UC**	**Y**	**$ 43.42**
Prevocational Services[5]	Hourly	T2015			N	See Note 1
Prevocational Services[5]	Daily	T2014			N	See Note 1
Residential Care Services	Daily	T2033			Y	See Note 1
Residential Care Services	Monthly	T2032			Y	See Note 1
Respiratory Therapy, Extended	**Visit**	**S5181**	**UC**		**Y**	**$ 47.21**
Respite Care Services, in Home	15 Minutes	S5150			Y	See Note 1
Respite Care Services, in Home	Daily	S5151			Y	See Note 1
Respite Care Services, out of Home	15 Minutes	S5150	UB		Y	See Note 1
Respite Care Services, out of Home	Daily	H0045			Y	See Note 1
RN - Regular, Extended	**15 Minutes**	**T1002**	**UC**		**Y**	**$ 8.26**
RN - Shared 1:2 Ratio, Extended	**15 Minutes**	**T1002**	**TT**	**UC**	**Y**	**$ 6.20**
RN - Complex, Extended	**15 Minutes**	**T1002**	**TG**	**UC**	**Y**	**$ 9.91**
Speech Therapy, Extended	**Visit**	**S9128**	**UC**		**Y**	**$ 67.81**
Supplies/Equipment	Item	T2029			N	See Note 1
Supported Employment[5]	15 Minutes	T2019			N	See Note 1
Supported Employment[5]	Daily	T2018			N	See Note 1
Transitional Services[6]	**Decremental**	**T2038**			**N**	**$3,000.00**
Transitional Services, Furniture[6]	**Decremental**	**T2038**	**U1**		**N**	**$1,000.00**
Transitional Services, Household Supplies[6]	**Decremental**	**T2038**	**U2**		**N**	**$300.00**
Transportation, One Way Trip	One Way Trip	T2003	UC		N	See Note1
Transportation, Mileage (Commercial Vehicle)[7]	Per Mile	S0215	UC		N	See Note 1
Transportation, Mileage (Noncommercial Vehicle)[7]	**Per Mile**	**S0215**	**UC**		**N**	**$ 0.48**
Transportation, Extra Attendant	Extra Attendant	T2001	UC		N	See Note 1

Community Alternatives for Disabled Individuals (CADI) Waiver Program HCPC Service Rate Limits - Effective October 1, 2007

[1]**Beginning with the 2007 Rate Increases,** DHS will no longer publish waiver service rate maximums. Service rates are to be individually negotiated and authorized according to client need. For October 1, 2007, rates on existing service lines should be multiplied by 1.02 to reflect the legislated increase.

[2]**CDCS**: Five modifiers for Consumer Directed Community Supports (CDCS), T2028, are used for billing purposes only: U1, Personal Assistance; U2, Treatment and Training; U3, Environmental Modifications and Provisions; U4, Self Direction Support Activities; and U8, Flexible Case Management.

[3]**LPN**: For extended shared LPN/LVN services (1:2), enter T1003 TT UC with a "Y" in the shared care indicator field on the Service Agreement.

[4]**PCA**: For extended shared PCA services (1:2 and 1:3), enter T1019 UC with a "Y" in the shared care indicator field on the Service Agreement. T1019 UC with modifiers TT and HQ are used for billing purposes only.

[5]**Prevocational Services, Hourly and Supported Employment, 15 Minutes**: The total number of units provided during one calendar day may not exceed the full day rate for the service. A full day is equivalent to six or more hours of service provided during one calendar day.

[6] **Transitional Services**: Any combination of services paid cannot exceed $3,000.

[7]**Transportation**: Transportation provided in commercial vehicles (taxis, buses) is limited to the actual cost. For noncommercial vehicles, use the noncommercial vehicle mileage rate. **Note:** Noncommercial mileage rate may need to be adjusted if federal mileage reimbursement rate changes.

Community Alternative Care (CAC) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Bolded rates may not exceed published limits.

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Case Management	**15 Minutes**	**T1016**	**UC**		**N**	**$ 23.24**
Case Management Aide (Paraprofessional)	**15 Minutes**	**T1016**	**UC**	**TF**	**N**	**$ 8.91**
CDCS Background Check	**Print**	**T2040**			**N**	**$ 25.00**
Consumer Directed Community Supports (CDCS)[2]	Decremental	T2028	U1 U2 U3 U4 U8		Y	Individual Budget
Family Counseling	**15 Minutes**	**S5110**			**N**	**$ 24.93**
Family Training	**15 Minutes**	**S5110**	**TF**		**N**	**$ 10.41**
Foster Care, Adult	Daily	S5140			Y	See Note 1
Foster Care, Adult	Monthly	S5141			Y	See Note 1
Foster Care, Adult, Corporate	Daily	S5140	U9		Y	See Note 1
Foster Care, Adult, Corporate	Monthly	S5141	U9		Y	See Note 1
Foster Care, Child	Daily	S5145			Y	See Note 1
Foster Care, Child	Monthly	S5146			Y	See Note 1
Home Health Aide, Extended	**15 Minutes**	**G0156**			**Y**	**$ 5.22**
Homemaker Services	**15 Minutes**	**S5130**			**N**	**$ 4.38**
LPN/LVN - Complex, Extended	**15 Minutes**	**T1003**	**TG**	**UC**	**Y**	**$ 7.44**
LPN/LVN - Regular, Extended	**15 Minutes**	**T1003**	**UC**		**Y**	**$ 6.34**
LPN/LVN - Shared 1:2 Ratio, Extended[3]	**15 Minutes**	**T1003**	**TT**	**UC**	**Y**	**$ 4.76**
Modifications	Item	S5165			N	See Note 1
Nutritional Therapy, Extended	Visit	S9470			Y	See Note 1
Occupational Therapy Assistant, Extended	**Visit**	**S9129**	**TF**	**UC**	**Y**	**$ 44.31**
Occupational Therapy, Extended	**Visit**	**S9129**	**UC**		**Y**	**$ 68.17**
Personal Care Services (PCA) - 1:1 Ratio, Extended	**15 Minutes**	**T1019**	**UC**		**Y**	**$ 3.98**
Personal Care Services (PCA) - Shared 1:2 Ratio, Extended[4]	**15 Minutes**	**T1019**	**TT**	**UC**	**Y**	**$ 2.99**
Personal Care Services (PCA) - Shared 1:3 Ratio, Extended[4]	**15 Minutes**	**T1019**	**HQ**	**UC**	**Y**	**$ 2.63**
Physical Therapy Assistant, Extended	**Visit**	**S9131**	**TF**	**UC**	**Y**	**$ 43.42**
Physical Therapy, Extended	**Visit**	**S9131**	**UC**		**Y**	**$ 66.80**
Respiratory Therapy, Extended	**Visit**	**S5181**	**UC**		**Y**	**$ 47.21**

Community Alternative Care (CAC) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Respite Care Services, in Home	15 Minutes	S5150			Y	See Note 1
Respite Care Services, in Home	Daily	S5151			Y	See Note 1
Respite Care Services, out of Home	15 Minutes	S5150	UB		Y	See Note 1
Respite Care Services, out of Home	Daily	H0045			Y	See Note 1
RN - Complex, Extended	**15 Minutes**	**T1002**	**TG**	**UC**	**Y**	**$ 9.91**
RN - Regular, Extended	**15 Minutes**	**T1002**	**UC**		**Y**	**$ 8.26**
RN - Shared 1:2 Ratio, Extended	**15 Minutes**	**T1002**	**TT**	**UC**	**Y**	**$ 6.20**
Speech Therapy, Extended	**Visit**	**S9128**	**UC**		**Y**	**$ 67.81**
Supplies/Equipment	Item	T2029			N	See Note 1
Transitional Services, Furniture[5]	**Decremental**	**T2038**	**U1**		**N**	**$1,000.00**
Transitional Services, Household Supplies[5]	**Decremental**	**T2038**	**U2**		**N**	**$300.00**
Transitional Services[5]	**Decremental**	**T2038**			**N**	**$3,000.00**
Transportation, Extra Attendant	Extra Attendant	T2001	UC		N	See Note 1
Transportation, Mileage[6] (Commercial Vehicle)	Per Mile	S0215	UC		N	See Note 1
Transportation, Mileage[6] (Noncommercial Vehicle)	**Per Mile**	**S0215**	**UC**		**N**	**$ 0.48**
Transportation, One Way Trip	Trip	T2003	UC		N	See Note 1

[1]**Beginning with the 2007 Rate Increases,** DHS will no longer publish waiver service rate maximums. Service rates are to be individually negotiated and authorized according to client need. For October 1, 2007, rates on existing service lines should be multiplied by 1.02 to reflect the legislated increase.

[2]**CDCS**: Five modifiers for Consumer Directed Community Supports (CDCS), T2028, are used for billing purposes only: U1, Personal Assistance; U2, Treatment and Training; U3, Environmental Modifications and Provisions; U4, Self Direction Support Activities; and U8, Flexible Case Management.

[3]**LPN**: For extended shared LPN/LVN services (1:2), enter T1003 TT UC with a "Y" in the shared care indicator field on the Service Agreement.

[4]**PCA**: For extended shared PCA services (1:2 and 1:3), enter T1019 UC with a "Y" in the shared care indicator field on the Service Agreement. T1019 UC with modifiers TT and HQ are used for billing purposes only.

Community Alternative Care (CAC) Waiver Program HCPC Service Rate Limits Effective October 1, 2007

[5]**Transitional Services**: Any combination of services paid cannot exceed $3,000.

[6]**Transportation, Mileage**: Transportation provided in commercial vehicles (taxis, buses) is limited to the actual cost. For noncommercial vehicles, use the noncommercial vehicle mileage rate. **Note:** Noncommercial mileage rate may need to be adjusted if federal mileage reimbursement rate changes.

Traumatic Brain Injury (TBI) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Bolded rates may not exceed published limits.

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Adult Day Care Services	Daily	S5102			Y	See Note 1
Adult Day Care Services, Bath	15 Minutes	S5100	TF		Y	See Note 1
Adult Day Care Services[1]	15 Minutes	S5100			Y	See Note 1
Assisted Living Services	Daily	T2031			Y	See Note 1
Assisted Living Services	Monthly	T2030			Y	See Note 1
Assisted Living Services Plus	Monthly	T2030	TG		Y	See Note 1
Assisted Living Services Plus, Licensed Adult Foster Care	Monthly	T2030	TG	U9	Y	See Note 1
Behavior Programming by Aide	15 Minutes	S5135	U9		Y	See Note 1
Behavior Programming by Analyst	15 Minutes	H0025			Y	See Note 1
Behavior Programming by Professional[2]	15 Minutes	H0025	TG		Y	See Note 1
Behavior Programming by Specialist	15 Minutes	H0025	TF		Y	See Note 1
Case Management	**15 Minutes**	**T1016**	**UC**		**N**	**$ 23.24**
Case Management Aide (Paraprofessional)	**15 Minutes**	**T1016**	**TF**	**UC**	**N**	**$ 8.91**
CDCS Background Check	**Per Print**	**T2040**			**N**	**$ 25.00**
Chore Services	15 Minutes	S5120			N	See Note 1
Companion Care	15 Minutes	S5135			Y	See Note 1
Consumer Directed Community Supports (CDCS)[3]	Decremental	T2028	U1 U2 U3 U4 U8		Y	Individual Budget
Family Counseling & Training	15 Minutes	S5110			N	See Note 1
Foster Care, Adult	Daily	S5140			Y	See Note 1
Foster Care, Adult	Monthly	S5141			Y	See Note 1
Foster Care, Adult, Corporate	Daily	S5140	U9		Y	See Note 1
Foster Care, Adult, Corporate	Monthly	S5141	U9		Y	See Note 1
Foster Care, Child	Daily	S5145			Y	See Note 1
Foster Care, Child	Monthly	S5146			Y	See Note 1
Home Delivered Meals	Each Meal	S5170			N	See Note 1
Home Health Aide, Extended	15 Minutes	G0156			Y	See Note 1
Homemaker Services	**15 Minutes**	**S5130**			**N**	**$ 4.38**
Independent Living Skills, Counseling	15 Minutes	H2032	TF		Y	See Note 1
Independent Living Skills,	15 Minutes	H2032	HQ		Y	See Note 1

Traumatic Brain Injury (TBI) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Group Therapy						
Independent Living Skills, Individual Therapy	15 Minutes	H2032	TG		Y	See Note 1
Independent Living Skills, Maintenance	15 Minutes	H2032			Y	See Note 1
LPN/LVN - Complex, Extended	**15 Minutes**	**T1003**	**TG**	**UC**	**Y**	**$ 7.44**
LPN/LVN - Regular, Extended	**15 Minutes**	**T1003**	**UC**		**Y**	**$ 6.34**
LPN/LVN - Shared 1:2 Ratio, Extended[4]	**15 Minutes**	**T1003**	**TT**	**UC**	**Y**	**$ 4.76**
Modifications	Item	S5165			N	See Note 1
Night Supervision	15 Minutes	S5135	UA		Y	See Note 1
Occupational Therapy Assistant, Extended	**Visit**	**S9129**	**TF**	**UC**	**Y**	**$ 44.31**
Occupational Therapy, Extended	**Visit**	**S9129**	**UC**		**Y**	**$ 68.17**
Personal Care Services (PCA) - 1:1 Ratio, Extended	**15 Minutes**	**T1019**	**UC**		**Y**	**$ 3.98**
Personal Care Services (PCA) - Shared 1:2 Ratio, Extended[5]	**15 Minutes**	**T1019**	**TT**	**UC**	**Y**	**$ 2.99**
Personal Care Services (PCA) - Shared 1:3 Ratio, Extended[5]	**15 Minutes**	**T1019**	**HQ**	**UC**	**Y**	**$ 2.63**
Physical Therapy Assistant, Extended	**Visit**	**S9131**	**TF**	**UC**	**Y**	**$ 42.57**
Physical Therapy, Extended	**Visit**	**S9131**	**UC**		**Y**	**$ 66.80**
Prevocational Services[6]	Hourly	T2015			N	See Note 1
Prevocational Services[6]	Daily	T2014			N	See Note 1
Residential Care Services	Daily	T2033			Y	See Note 1
Residential Care Services	Monthly	T2032			Y	See Note 1
Respiratory Therapy, Extended	**Visit**	**S5181**	**UC**		**Y**	**$ 47.21**
Respite Care Services, in Home	15 Minutes	S5150			Y	See Note 1
Respite Care Services, in Home	Daily	S5151			Y	See Note 1
Respite Care Services, out of Home	15 Minutes	S5150	UB		Y	See Note 1
Respite Care Services, out of Home	Daily	H0045			Y	See Note 1
RN - Complex, Extended	**15 Minutes**	**T1002**	**TG**	**UC**	**Y**	**$ 9.91**
RN - Regular, Extended	**15 Minutes**	**T1002**	**UC**		**Y**	**$ 8.26**
RN - Shared 1:2 Ratio, Extended	**15 Minutes**	**T1002**	**TT**	**UC**	**Y**	**$ 6.20**
Speech Therapy, Extended	**Visit**	**S9128**	**UC**		**Y**	**$ 67.81**
Structured Day Program	15 Minutes	T2021			N	See Note 1

Traumatic Brain Injury (TBI) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Structured Day Program	Daily	T2020			N	See Note 1
Supplies/Equipment	Item	T2029			N	See Note 1
Supported Employment[6]	15 Minutes	T2019			N	See Note 1
Supported Employment[6]	Daily	T2018			N	See Note 1
Transitional Services, Furniture[7]	**Decremental**	**T2038**	**U1**		**N**	**$1,000.00**
Transitional Services, Household Supplies[7]	**Decremental**	**T2038**	**U2**		**N**	**$300.00**
Transitional Services[7]	**Decremental**	**T2038**			**N**	**$3,000.00**
Transportation, Extra Attendant	Extra Attendant	T2001	UC		N	See Note 1
Transportation, Mileage (Commercial Vehicle)[8]	Per Mile	S0215	UC		N	See Note 1
Transportation, Mileage (Noncommercial Vehicle)[8]	**Per Mile**	**S0215**	**UC**		**N**	**$ 0.48**
Transportation, One Way Trip	One Way Trip	T2003	UC		N	See Note 1

[1]**Beginning with the 2007 Rate Increases,** DHS will no longer publish waiver service rate maximums. Service rates are to be individually negotiated and authorized according to client need. For October 1, 2007, rates on existing service lines should be multiplied by 1.02 to reflect the legislated increase.

[2]**Behavior Programming by Professional**: Master prepared professionals may be reimbursed at 80% of the maximum rate.

[3]**CDCS**: Five modifiers for Consumer Directed Community Supports (CDCS), T2028, are used for billing purposes only: U1, Personal Assistance; U2, Treatment and Training; U3, Environmental Modifications and Provisions; U4, Self Direction Support Activities; and U8, Flexible Case Management.

[4]**LPN**: For extended shared LPN/LVN services (1:2), enter T1003 TT UC with a "Y" in the shared care indicator field on the Service Agreement.

[5]**PCA**: For extended shared PCA services (1:2 and 1:3), enter T1019 UC with a "Y" in the shared care indicator field on the Service Agreement. T1019 UC with modifiers TT and HQ are used for billing purposes only.

[6]**Prevocational Services, Hourly and Supported Employment, 15 Minutes**: The total number of units provided during one calendar day may not exceed the full day rate for the service. Full day is equivalent to six or more hours of service provided during one calendar day.

Traumatic Brain Injury (TBI) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

[7] **Transitional Services**: Any combination of services paid cannot exceed $3,000.

[8]**Transportation, Mileage**: Transportation provided in commercial vehicles (taxis, buses) is limited to the actual cost. For noncommercial vehicles, use the noncommercial vehicle mileage rate. **Note:** Noncommercial mileage rate may need to be adjusted if federal mileage reimbursement rate changes.

Developmental Disabilities (DD) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Bolded rates may not exceed published limits.

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Adult Day Care Services	Daily	S5102			Y	See Note 1
Adult Day Care Services[1]	15 Minutes	S5100			Y	See Note 1
Assistive Technology	Item	T2029			N	See Note 1
Caregiver Training and Education[2]	Per Session	S5116			N	See Note 1
Case Management	**15 Minutes**	**T1016**	**UC**		**N**	**$ 22.01**
CDCS Background Check	**Print**	**T2040**			**N**	**$25.00**
Chore Services	15 Minutes	S5120			N	See Note 1
Consumer Directed Community Supports (CDCS)[3]	Decremental	T2028	U1 U2 U3 U4 U8		Y	Individual Budget
Consumer Training and Education	Per Session	S5109			N	See Note 1
Crisis Respite	15 Minutes	T1005			Y	See Note 1
Crisis Respite	Daily	S9125			Y	See Note 1
Crisis Respite, Specialized	15 Minutes	T1005	TG		Y	See Note 1
DD Screening[4]	**Per Screening**	**T2024**			**N**	**$ 1,247.00**
DT&H Pilot, Rate A	15 Minutes	T2021	TG		N	Provider Specific
DT&H Pilot, Rate B	15 Minutes	T2021	TF		N	Provider Specific
DT&H Pilot, Rate C	15 Minutes	T2021	UB		N	Provider Specific
DT&H Pilot, Rate D	15 Minutes	T2021			N	Provider Specific
DT&H Transportation	Daily	T2002			N	Provider Specific
DT&H Waiver, Non-Pilot	Partial Day	T2020	U5		N	Provider Specific
DT&H Waiver, Non-Pilot	Daily	T2020			N	Provider Specific
Homemaker Services	15 Minutes	S5130			N	See Note 1
Housing Access Coordination	Occurrence	T2038	TF		N	See Note 1
In-Home Family Support	15 Minutes	S5125			Y	See Note 1
In-Home Family Support	Daily	S5126	TG		Y	See Note 1
Live In Personal Caregiver Expenses	Daily	S5126			Y	See Note 1
Modifications	Item	S5165			N	See Note 1

Developmental Disabilities (DD) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Personal Care Services (PCA) - 1:1 Ratio, Extended	**15 Minutes**	**T1019**	**UC**		**Y**	**$ 3.98**
Personal Care Services (PCA) - Shared 1:2 Ratio, Extended[5]	**15 Minutes**	**T1019**	**TT**	**UC**	**Y**	**$ 2.99**
Personal Care Services (PCA) - Shared 1:3 Ratio, Extended[5]	**15 Minutes**	**T1019**	**HQ**	**UC**	**Y**	**$ 2.63**
Personal Support	15 Minutes	S5135			Y	See Note 1
Personal Support	Daily	S5136			Y	See Note 1
Respite Care Services, in Home	15 Minutes	S5150			Y	See Note 1
Respite Care Services, in Home	Daily	S5151			Y	See Note 1
Respite Care Services, out of Home	15 Minutes	S5150	UB		Y	See Note 1
Respite Care Services, out of Home	Daily	H0045			Y	See Note 1
Specialist Service	Hourly	T2013			N	See Note 1
Supported Employment	15 Minutes	T2019			N	See Note 1
Supported Employment	Partial Day	T2018	U5		N	See Note 1
Supported Employment	Daily	T2018			N	See Note 1
Supported Living Services, Adult	15 Minutes	T2017			Y	See Note 1
Supported Living Services, Adult	Daily	T2016			Y	See Note 1
Supported Living Services, Adult	Semi-Monthly	T2032			Y	See Note 1
Supported Living Services, Adult	Monthly	T2032			Y	See Note 1
Supported Living Services, Adult, Corporate Adult Foster Care	15 Minutes	T2017	U9		Y	See Note 1
Supported Living Services, Adult, Corporate Adult Foster Care	Daily	T2016	U9		Y	See Note 1
Supported Living Services, Adult, Corporate Adult Foster Care	Semi-Monthly	T2032	U9		Y	See Note 1
Supported Living Services, Adult, Corporate Adult Foster Care	Monthly	T2032	U9		Y	See Note 1
Supported Living Services, Child	15 Minutes	T2017	HA		Y	See Note 1
Supported Living Services,	Daily	T2016	HA		Y	See Note 1

Developmental Disabilities (DD) Waiver Program HCPC Service Rate Limits
Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Child						
Supported Living Services, Child	Semi-Monthly	T2032	HA		Y	See Note 1
Supported Living Services, Child	Monthly	T2032	HA		Y	See Note 1
Transitional Services, Furniture[6]	**Decremental**	**T2038**	**U1**		**N**	**$1,000.00**
Transitional Services, Household Supplies[6]	**Decremental**	**T2038**	**U2**		**N**	**$300.00**
Transitional Services[6]	**Decremental**	**T2038**			**N**	**$3,000.00**
Transportation, Mileage (Commercial Vehicle)[7]	Per Mile	S0215	UC		N	See Note 1
Transportation, Mileage (Noncommercial Vehicle)[7]	**Per Mile**	**S0215**	**UC**		**N**	**$ 0.48**
Transportation[7]	One Way Trip	T2003	UC		N	See Note 1
24-Hour Emergency Assistance	15 Minutes	S5135	UB		Y	See Note 1
24-Hour Emergency Assistance	Daily	S5136	UB		Y	See Note 1

[1]**Beginning with the 2007 Rate Increases,** DHS will no longer publish waiver service rate maximums. Service rates are to be individually negotiated and authorized according to client need. For October 1, 2007, rates on existing service lines should be multiplied by 1.02 to reflect the legislated increase.

[2]**Caregiver Training, Consumer Training, and Transportation**: The unit of service is defined by the Individual Service Plan or contract.

[3]**CDCS**: Five modifiers for Consumer Directed Community Supports, T2028, are used for billing purposes only: U1, Personal Assistance; U2, Treatment and Training; U3, Environmental Modifications and Provisions; U4, Self Direction Support Activities and U8, Flexible Case Management.

[4] **DD Screening**: This code is used for the purpose of billing MA administrative activity.

[5]**PCA**: For extended shared PCA services (1:2 and 1:3), enter T1019 UC with a "Y" in the shared care indicator field on the Service Agreement. T1019 UC with modifiers TT and HQ are used for billing purposes only.

[6]**Transitional Services**: Any combination of services paid cannot exceed $3,000.

[7]**Transportation, Mileage**: Transportation provided in commercial vehicles (taxis, buses) is limited to the actual cost. For noncommercial vehicles, use the noncommercial vehicle mileage rate. **Note:** Noncommercial mileage rate may need to be adjusted if federal mileage reimbursement rate changes.

Home Care Program HCPC Service Rate Limits Effective October 1, 2007

Service Name	Service Unit	MMIS Code	Mod 1	Mod 2	Diagnosis Required	Reference File Rate Limit
Home Health Aide	Visit	T1021			Y	$ 54.64
LPN/LVN - Complex, Private Duty	15 Minutes	T1003	TG		Y	$ 7.44
LPN/LVN - Private Duty, Shared 1:2 Ratio[1]	15 Minutes	T1003	TT		Y	$ 4.76
LPN/LVN - Regular, Private Duty	15 Minutes	T1003			Y	$ 6.34
Occupational Therapy	Visit	S9129			Y	$ 68.17
Occupational Therapy Assistant	Visit	S9129	TF		Y	$ 44.31
Personal Care Services (PCA) – 1:1 Ratio (PCPO)	15 Minutes	T1019			Y	$ 3.98
Personal Care Services (PCA) - Shared 1:2 Ratio (PCPO)[2]	15 Minutes	T1019	TT		Y	$ 2.99
Personal Care Services (PCA) - Shared 1:3 Ratio (PCPO)[2]	15 Minutes	T1019	HQ		Y	$ 2.63
Personal Care Services (PCA) Temporary 45 Day Increase[2]	15 Minutes	T1019	U6		Y	$3.98
PHN Face to Face Assessment for PCA	Visit	T1001			Y	$ 262.57
PHN Service Update for PCA	Visit	T1001	TS		Y	$ 131.29
PHN Temporary Service Increase for PCA	Visit	T1001	U6		Y	$ 131.29
Physical Therapy	Visit	S9131			Y	$ 66.80
Physical Therapy Assistant	Visit	S9131	TF		Y	$ 43.42
Respiratory Therapy	Visit	S5181			Y	$ 47.21
RN - Complex, Private Duty	15 Minutes	T1002	TG		Y	$ 9.91
RN - Regular, Private Duty	15 Minutes	T1002			Y	$ 8.26
RN - Shared 1:2 Ratio, Private Duty	15 Minutes	T1002	TT		Y	$ 6.20
Skilled Nurse Visit	Visit	T1030			Y	$ 71.20
Skilled Nurse Visit - Telehomecare	Visit	T1030	GT		Y	$ 71.20
Speech Therapy	Visit	S9128			Y	$ 67.81
Supervision of PCA (PCPO)	15 Minutes	T1019	UA		Y	$ 7.00

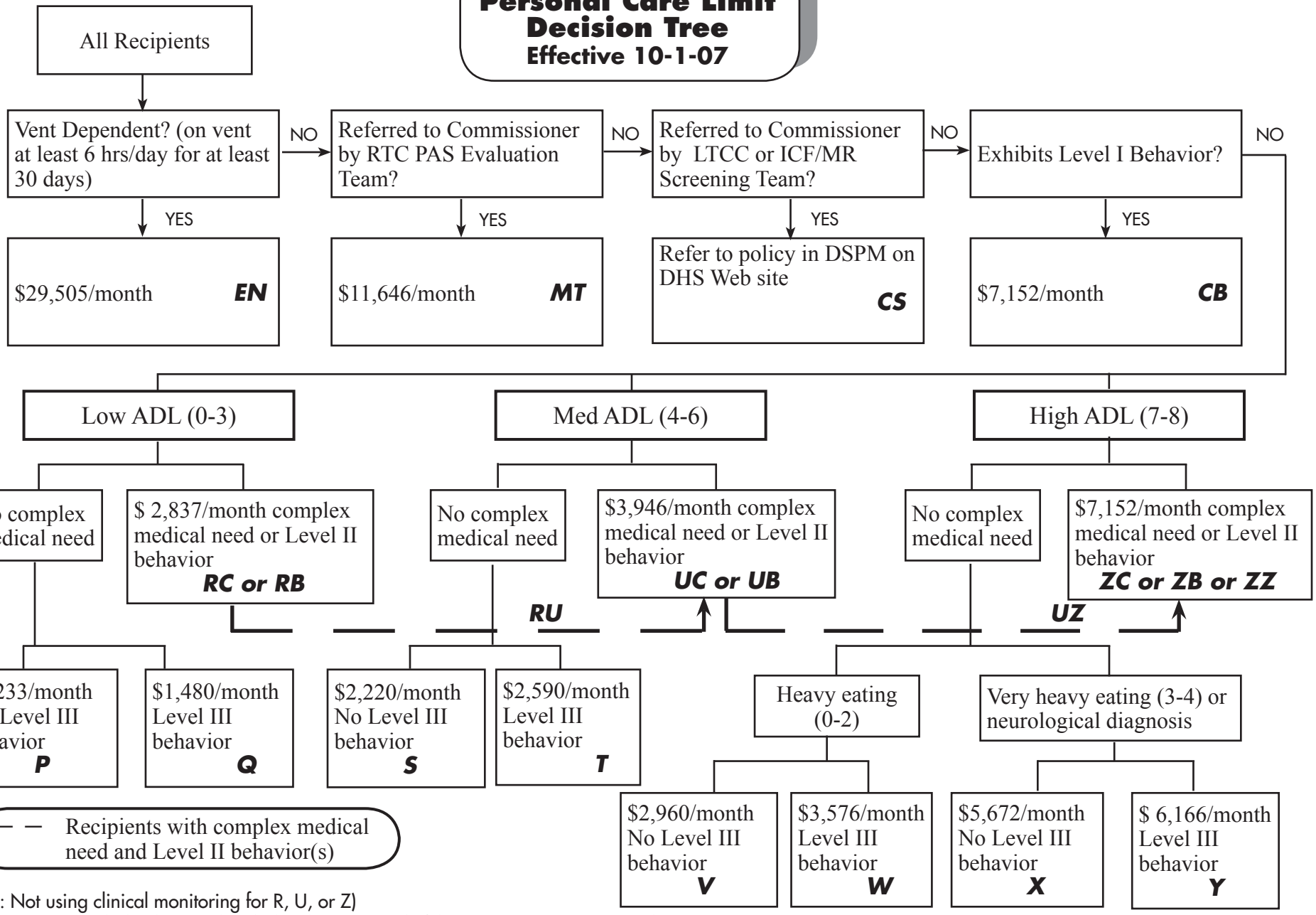
[1]**LPN**: For extended shared LPN/LVN services (1:2), enter T1003 TT UC with a "Y" in the shared care indicator field on the Service Agreement.

[2] **PCA**: For shared PCA services (1:2 and 1:3), enter T1019 with a "Y" in the shared care indicator field on the Service Agreement. T1019 with modifiers TT and HQ are used for billing purposes only.

Consumer Support Grant (CSG) Monthly Limits as of October 1, 2007

MA Home Care Rating	Monthly Budget Beginning 10/01/07
CA	$2,060
CB	$976.
CS	$2934
EN	$6,856
HL	$5,655
MT	$4103
P	$2933
PD	$2780
Q	$292
RB	$338
RC	$399
RU	$686
S	$479
T	$465
UB	$599
UC	$673
UZ	$871
V	$709
W	$728
X	$1149
Y	$1028
ZB	$1075
ZC	$1653
ZZ	$1327

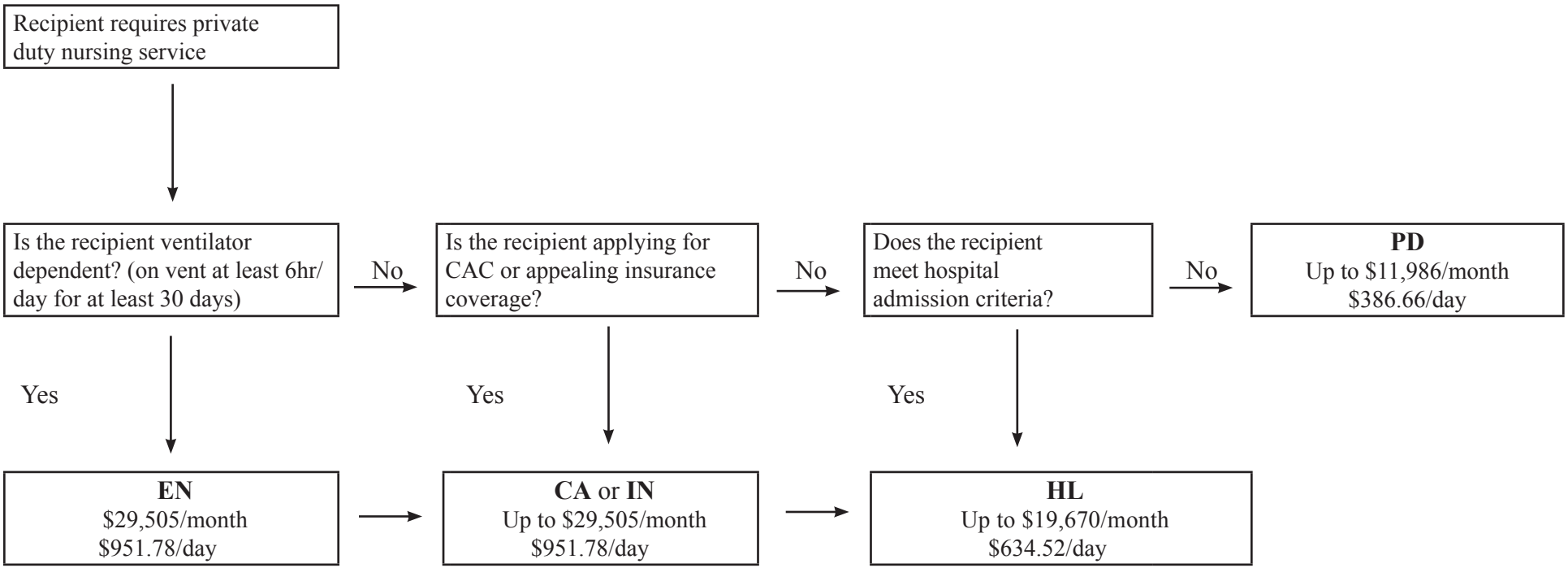
Personal Care Limit Decision Tree
Effective 10-1-07



(Note: Not using clinical monitoring for R, U, or Z)

The cap amount is calculated over and applied to the time period of the entire Service Agreement. The cap must cover any combination services, except PDN, even if the added service is only temporary. The cap is exceeded ONLY when total services authorized on the Service Agreement are greater than the cap calculated over the time period of the entire Service Agreement.

Private Duty Nursing Service Decision Tree
Effective 10-1-2007



Note: If a recipient requires private duty nursing services plus personal care, skilled nurse visits, and/or home health aide visits, use the appropriate limit as specified on Private Duty Nursing Services Decision Tree. The cap amount is re-calculated and applied to the time period of the entire Service Agreement. The cap must cover any combination of services, even if the added service is only temporary. The cap is exceeded only when total services authorized on the Service Agreement are greater than the cap calculated over the time period of the entire Service Agreement.

MMIS AUTOMATION PROCESS FOR 2007

The 2007 Legislature authorized rate increases for certain continuing care and other providers to be effective for services rendered on or after October 1, 2007.

NEW FOR 2007 COLA

The Minnesota Department of Human Services will publish one unified bulletin that provides information about the changes and its requirements for each affected service. Look for bulletin number 07-69-03 which will detail all COLA legislation and processes. The COLA information will be organized by program and bulletin number 07-69-03 will be released on or about August 01, 2007.

TIMEFRAME FOR 2007 COLA

Lead agency staff will refrain from adding or making changes to all service agreements from August 15 to August 23, 2007 until DHS gives counties the all clear message. During this time, rates will be entered in MMIS and the COLA process will be run. An explanation of the COLA process is included on this ListServ and will be repeated on future ListServ notices.

Screening documents can be entered during this time.

REFERENCE FILE RATE LIMITS

Reference file rate limits are attached for: AC, EW, CAC, CADI, TBI, DD and Home Care.

CCDTF is included in the 2007 Legislature which authorized rate increases for certain services on or after October 1, 2007. The CPA (service agreement) COLA process will be a manual process by the lead agency. Watch for specific instructions to be sent by CCDTF E-mail.

UPCOMING NOTIFCATIONS

- COLA 2007 bulletin number 07-69-03 to be published on or about 08/01/07
- ListServ notice "to refrain from adding or making changes to all service agreements" to be sent 08/13/07.
- ListServ notice "you may resume entering and changing service agreements" to be sent on or about 08/23/07.
- CCDTF E-mail with specific instructions for Lead Agencies to manually adjust CCDTF service agreements (CPA's).
- DT&H rates will be handled the same as previous COLAs.

Overview of Automation Process

Service agreement lines for CAC, CADI, EW, AC, TBI and DD (including home care lines on waiver service agreements) will be partially adjusted by MMIS if all the following criteria are met:

- The line item has a status of approved, pended or suspended.
- The line item dates include the date of 10/01/07or later.
- The line item is priced by a rate and unit, not a total amount.

Lines that begin prior to 10/01/07 and end after 10/01/07

MMIS will do the following to the existing line:

- Change the line item end date to 09/30/07.
- Prorate the units of service.
- Add reason code 499 to the line which explains that the line has been changed due to the rate increase. Any existing reason codes will now display after the 499.

MMIS will create a new line for the same procedure code beginning 10/01/07. On the newly created line, MMIS will:

- Use the same end date as the original line item.
- Use the same provider number.
- Leave the rate field blank.
- Prorate the units of service (*REQ TOT UNITS*).
- Enter a "MM" in the *Source* (*SRC*) field if the procedure code requires manual pricing. (Edit 277 will post if the APP RATE/UNIT field is left blank.)
- Add reason code 499. Any other reason code that was displayed on the original line is moved to this line after the 499.
- Suspend the new line.
- Change the SA header status to "T" (partially suspended) if it was originally approved.
- Post edit 380 (Automatic Line Adjustment) on the old and new lines to route the SA to the county for further adjustments.

Lead Agencies must:

- Enter the appropriate rate except for DT&H rates which MMIS enters.
- DHS will calculate and enter the rates for ICF/MR variable rates and services during the day which are type "D" agreements. Lead agencies should not do anything to or with them.
- Review the number of units to determine if adjustments are needed. MMIS will automatically prorate line item units according to logic dependent on the length of the line dates and the number of units authorized. Lead agencies must check to see if the number of units is sufficient based on the person's needs, adding or subtracting units as appropriate.
- Remove existing reason codes that are no longer needed (except the 499).
- Approve the new line.
- Change the header status to "A" (approved).
- For state plan PCA (T1019), edit 889 (PCA line has more than 2 lines for the same provider) will post and should be forced due to the COLA.

Lines that begin on or after 10/01/07

MMIS will:

- Change the line item status to suspend (if previously approved).
- Post edit 380 (Automatic Line Adjustment).
- Add reason code 499 to the line which explains that the line has been changed due to the rate increase. Any existing reason codes will now display after the 499.
- Leave the current rate.

Lead Agencies must:

- Adjust the rate, if appropriate.
- Remove existing reason codes that are no longer needed.
- Approve the line.
- Change the header status to "A" (approved).

Lines that end after 09/30/07 with no unpaid units remaining or with no units left after the calculation is performed to prorate the units

MMIS will:

- Enter a line item end date of 09/30/07.

Lead agencies must:

- Do nothing unless the service is continuing beyond 09/30/07. If the service is continuing, counties must enter a new line beginning 10/01/07 with the correct rate and units and approve the line.
- If the procedure code requires manual pricing, remember to enter "MM" in the *Source* (*SRC*) field prior to approving the line. Procedure codes that require manual pricing are:
  - Assisted Living and Customized Living Services, Monthly (T2030)
  - Assisted Living Plus and 24-hour Customized Living Services, Monthly (T2030 TG)
  - Foster Care, Adult, Monthly (S5141)
  - Foster Care, Child, Monthly (S5146)
  - Out of Home Respite, Daily (H0045)
  - Residential Care, Monthly (T2032)
  - Supported Living Services, Adult, Monthly (T2032)
  - Supported Living Services, Child Monthly (T2032 HA)

Exceptions

Line items for the following procedure codes are priced as a lump sum and are not affected by the COLA automation:

- AC Discretionary Services (X5527)
- Assistive Technology (T2029)
- Caregiver Training and Education, for the DD program only (S5116)
- Consumer Education and Training (S5109)
- CDCS Background Check (T2040)
- Consumer Directed Community Supports - CDCS (T2028)
- Housing Access Coordination-Occurrence (T2038 TF)
- Modifications (S5165)
- PMAP for MSHO and MSC+ (X5609)
- Supplies and Equipment (E1399 – AC; T2029 – Waivers)
- EW Transitional Services (T2038)

o PMAP/MSHO/MSC+ Home Care Services (X5609) represents the total cost of the MA state plan services for Elderly Waiver recipients enrolled with a managed care organization with Pre-paid Managed Care Plan (PMAP now replaced by Minnesota Senior Care Plus – MSC+) or Minnesota Senior Health Options (MSHO).

Action by lead agency: The total amount should be manually increased to reflect the rate increases for these services.

Exceeding the Case Mix Cap for AC and EW
It is possible that the rate increases will cause the total amount encumbered to exceed the client's case mix cap for the entire service agreement period. Edit 672 (Total Authorized Amount is Excessive) will post. The units or total amount on one or more line items must be reduced to bring the amount in the TOTAL AUTHORIZED AMOUNT field to be equal to or less than the TOTAL CAP AMOUNT field on the ASA screen.

The case mix caps for EW and AC will be increased in MMIS in August 2007. If Edit 672 does post on a service agreement, the Total Authorized Amount may be increased after the service caps are entered into MMIS in August by entering a LTC screening document using Activity Type 05 and Assessment Result 98 and dates of October 1 or greater. When the screening document is approved and saved, re-edit the service agreement. An upcoming bulletin will address the EW and AC case mix cap budgets.

Approving Rates Over the MMIS Reference File Limit for CAC, CADI, TBI and DD
Service rates for the CAC, CADI, TBI, and DD waivers are county negotiated **except** for case management, homemaker and home care services. Lead agencies wanting to approve a rate higher than the MMIS Reference File Limit for services other than case management, homemaker and home care services, must manually price the line.

To manually price a line if entering a rate and a unit, counties must:

- Enter the higher rate in the *Requested Rate Per Unit* (*REQ RATE/UNIT*) field.
- Enter the number of units authorized in the *Requested Total Units* (*REQ TOT UNITS*) field.
- Enter the higher rate in the *Approved Rate Per Unit* (*APP RATE/UNIT*) field.
- Enter "MM" in the *Source* (*SRC*) field.

To manually price a line that is a lump sum amount, counties must:

- Enter the total amount in the *Requested Total Amount* (*REQ TOT AMT*) field.
- Enter the total amount in the *Approved Rate Per Unit* (*APP RATE/UNIT*) field.
- Enter "MM" in the *Source* (*SRC*) field.

Manually pricing the line with a rate that is higher than the Reference File Rate Limit will cause service agreement Edit 321 (*Manual Price Greater Than the Allowed Charge*) to post. Lead agencies are able to force Edit 321.

Lead agencies should only approve rates over the MMIS Reference File Rate Limits for services other than case management, homemaker and home care services and only when the county can manage the cost within its aggregate budget.

Manual Option for Adjusting Lines on Service Agreements
Lead agencies may manually adjust line items (including home care lines) on service agreements before the scheduled automatic adjustment. Any changes must be completed prior to August 15, 2007.

Lead agencies must:

- Identify line items with dates that begin prior to and end after 10/01/07.
- Change the line item end date to 09/30/07.
- Create an identical new line beginning 10/01/07.
- Except for DT&H services, enter the appropriate rate for the new line in the REQ RATE/UNIT field. Rates for DT&H will be automatically entered on the new line.
- Decide how to divide the units between two line items.
- Adjust the units on the old line.
- Enter the appropriate units in the REQ TOT UNITS field of the new line.
- Leave the new line item suspended.
- Leave the service agreement header status as ‘T’ (partially suspended) until after the automation.
- After the automation has occurred and the all-clear email sent, counties can approve these suspended lines.

SAMPLE Notification to Family and Consumer Support Grantees

County Letterhead

Date:

To: The Family/Consumer Support Grant Participant

Re: 2007 Grant Increases

Dear Participant:

This letter informs you of recent changes in the law affecting your grant, and provides guidance on what you need to do.

What has changed?

The 2007 Legislature authorized a 2% increase in funding for the [*Family or Consumer*] Support Grants for 2007. The law requires that at least 75% of the new funds be used to increase compensation (wages and benefits) for people who work as direct care staff, and that at least two-thirds of these compensation funds be used for wage increases. If you have more than one worker, then the hourly percentage increase must be the same for all. The Legislature allocated increased funding to counties for this purpose, so that counties can pass the funding along to Family and Consumer Support grantees.

What do you need to do?

Effective October 1, 2007, your grant amount will be increased by 2%. As stated above, the additional funds are to be used to increase the amount you pay to direct support workers. Please adjust your individual budget plan to incorporate the amount and use of these monies.

What if you have questions?

Your county case manager will answer any questions you may have about how to use the additional amount made available to you

Sincerely,

[*Signed by an authorized county representative*]