Reform 2020: Pathways to Independence

Section 1115 Waiver No. 11-W-00286/5

Demonstration Year III
July 1, 2015 through September 30, 2015
Quarterly Report

Submitted to:

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services

Submitted by:

Minnesota Department of Human Services
540 Cedar Street
St. Paul, MN 55164-0983

Table of Contents

1. Introduction

On October 18, 2013, the Centers for Medicare & Medicaid Services approved Minnesota's section 1115 demonstration project, entitled Reform 2020. The five year demonstration provides federal waiver authority to implement key components of Minnesota's broader reform initiatives to promote independence, increase community integration and reduce reliance on institutional care for Minnesota's older adults and people with disabilities. The Reform 2020 waiver provides federal support for the Alternative Care program and provides access to expanded self-directed options under the CFSS program for people who would not be eligible for these services under the 1915(i) and 1915(k) state plan option. The demonstration is effective through June 30, 2018.

1.1 Alternative Care Program

The Alterative Care program provides a home and community services benefit to people age 65 and older who need nursing facility level of care and have income or assets above the Medical Assistance (MA) standards. The Alternative Care program was established as an alternative to provide community services to seniors with modest income and assets who are not yet eligible for MA. This allows people to get the care they need without moving to a nursing home. The Reform 2020 demonstration waiver provides federal matching funds for the Alternative Care program.

1.2 Community First Services and Supports (CFSS)

Minnesota is redesigning its state plan personal care assistance services to expand self-directed options under a new service called Community First Services and Supports (CFSS). This service, designed to maintain and increase independence, will be modeled after the Community First Choice Option. It will reduce pressure on the system as people use the flexibility within CFSS instead of accessing the expanded service menu of one of the state's five HCBS waivers to meet gaps in their needs.

The new CFSS service, with its focus on consumer direction, is designed to comply with the regulations regarding section 1915(k) of the Social Security Act. Minnesota is currently seeking federal approval of the 1915(i) and 1915(k) state plan amendments required to implement this PCA reform initiative. To avoid a reduction in services for people currently using PCA services, CFSS will be available both to people who meet an institutional level of care [via 1915(k)] and people who do not [via 1915(i)]. These two components of CFSS are designed to work together seamlessly to provide appropriate services to people who have a functional need. Services authorized under 1915(i) will be identical to those authorized under 1915(k). The enhanced FMAP rate will apply to the 1915(k) services and the regular FMAP rate will apply to the 1915(i) services. Appropriateness of CFSS services will be based on the CFSS functional eligibility criteria.

Federal authority under the Reform 2020 Section 1115 demonstration waiver allows Minnesota to extend the Community First Services and Supports (CFSS) benefit to people who would not be eligible to receive such services under the state plan. Under the Reform 2020 demonstration waiver, a 1915(i)-like benefit will be available for people with incomes above 150% FPG who do not meet an institutional level of care and who receive the reformed PCA benefit (CFSS). The regular FMAP rate will apply to these services. A 1915(k)-like benefit will be available for people who meet an institutional level of care, receive the reformed PCA benefit (CFSS), are not receiving HCBS waiver services and are financially eligible if using financial eligibility rules for HCBS waivers. The regular FMAP rate will apply to these services. CFSS will be implemented for all populations once Minnesota's 1915(i) and 1915(k) state plan amendments are approved by CMS. Reporting on the 1915(i)-like and 1915(k)-like component of the Reform 2020 demonstration will begin once approval of the state plan amendments has been secured and implementation has begun.

1.3 Children under 21 with Activities of Daily Living (ADL) Needs

The Reform 2020 waiver provides federal expenditure authority for children under 21 who are eligible under the state plan and who meet the March 23, 2010 institutional level of care standard, but do not meet the institutional level of care standard established in state law effective January 1, 2015, and would therefore lose Medicaid eligibility or home and community based services eligibility.

1.4 Goals of Demonstration

The Reform 2020 demonstration is designed to assist the state in its goals to:

- Achieve better health outcomes;
- Increase and support independence and recovery;
- Increase community integration;
- Reduce reliance on institutional care;
- Simplify the administration of the program and access to the program; and
- Create a program that is more fiscally sustainable

2. Enrollment Information

Demonstration Populations (as Hard coded in the CMS 64)	Enrollees at close of quarter (September 30, 2015)	Current Enrollees (as of data pull on November 16, 2015)	Disenrolled in Current Quarter (July 1, 2015 to September 30, 2015)
Population 1: Alternative Care	2,638	2,784	8
Population 2: 1915(i)-like			
Population 3: 1915(k)-like			
Population 4: ADL Children			

3. Alternative Care Program Wait List Reporting

There is no waiting list maintained for the Alternative Care program and there are no plans to implement such a list.

4. Outreach and Innovative Activities

4.1 Minnesota Department of Human Services Public Web Site

Information on the Alternative Care program is available to the public on the Department of Human Services (DHS) website. The Alternative Care web page provides descriptive information about program eligibility, covered services, and the program application process. The web page also refers users to the Senior LinkAge Line® (described in the following section) where they can speak to a human services professional about the Alternative Care program and other programs and services for seniors.

4.2 Senior Linkage Line®

The Senior Linkage Line® is a free telephone information service available to assist older adults and their families find community services. With a single call, people can find particular services near them or get help evaluating their situation to determine what kind of service might be helpful. Information and Assistance Specialists direct callers to the organizations in their area that provide the services in which they are interested. Specialists can conduct three-way calls and offer follow-up as needed. Specialists are trained health and human service professionals. They offer objective, neutral information about senior service and housing options.

4.3 Statewide Training

DHS staff provides on-going consultation and training on Alternative Care program policy to all lead agencies. For the Alternative Care program, the lead agency can be a county social service department, local public health agency or a Tribal entity. Training sessions on the Alternative Care program are offered twice a year via statewide video conferencing. These training sessions cover the policies and procedures for the Alternative Care program. The training targets staff with up to 12 months of program experience. Staff with more experience is encouraged to attend if they have not previously attended or need a refresher in the program basics. The learning objectives for the training include: understanding the Alternative Care program eligibility requirements and service definitions, and case manager roles and responsibilities in administering the Alternative Care program.

DHS also publishes and maintains provider and MMIS manuals and provides technical assistance through a variety of means including written resource material, electronic and call-in help centers and weekly training opportunities via statewide video conferencing on topics related to aging. Ongoing training related to MMIS tools and processes, long term care consultation and level of care determinations, case management, vulnerable adult and maltreatment reporting and

prevention is also provided. DHS staff regularly attends regional meetings convened by lead agencies.

5. Updates on Post-Award Public Forums

In accordance with paragraph 32 of the Reform 2020 special terms and conditions, the State held a public forum on May 22, 2014 to provide the public with an opportunity to comment on the progress of the Reform 2020 demonstration. An overview of the May 22, 2014 public forum is provided in previous quarterly reports. DHS plans to hold the next public forum on December 18, 2015.

6. Operational Developments and Issues

6.1 1915(i) and 1915(k) State Plan Amendments

Operational and systems changes required to implement the 1915(i)-like and 1915(k)-like options under Reform 2020 are underway. Implementation of this component of the Reform 2020 waiver is contingent upon approval of the corresponding 1915(i) and 1915(k) state plan amendments submitted to CMS on December 19, 2013.

6.2 CFSS 1915(b)(4) Waiver

On June 20, 2014, DHS submitted a 1915(b)(4) selective contracting waiver request to limit the number of financial management services contractors and consultation service providers.

Under CFSS, people may directly employ and pay qualified support workers and/or purchase goods or environmental modifications that relate to an assessed need identified in their service delivery plan. Spending must be limited to the authorized amount. A financial management services contractor (FMS) will be the employer-agent assisting participant-employers to comply with state and federal employment laws and requirements and for billing and making payments on behalf of participant-employers. In addition, participants will utilize a consultation services provider to learn about CFSS, select a service delivery model, and develop a person-centered service delivery plan and budget and to obtain information and support about employing, training, supervising and dismissing support workers.

Under this waiver, DHS would contract with FMS and consultation services providers via competitive procurement. Competitive procurement is appropriate for FMS and consultation services providers to ensure that only the most qualified providers are utilized and in order to allow DHS to concentrate provider training and monitoring efforts on a few highly qualified providers. FMS and consultation services providers will have a new and critical role in ensuring that participants learn how to use this self-directed option and experience expected outcomes, funds are spent appropriately and participant's identified needs are met. This waiver authority would help to ensure a smooth transition to this more flexible benefit, and to implement quality

services, by limiting the pool of FMS and consultation services providers to a small number of highly qualified entities. In addition, selective contracting is particularly appropriate because other states offering participant-directed benefits have had success in purchasing financial management services at a lower price when the number of contractors is limited so that the contractors have a sufficient volume of participants. The effective date of the 1915(b)(4) waiver will coincide with the approval of the state plan amendments referenced in Section 6.1 of this report.

6.3 Alternative Care Program Operational Protocol

On August 8, 2014, DHS submitted the Operational Protocol for Alternative Care that is to be appended to the Reform 2020 STCs. The protocol was updated to incorporate changes in response to CMS' questions and comments and resubmitted on January 26, 2015. On October 16, 2015 DHS submitted an updated protocol to reflect changes in state law and other program modifications.

7. Policy Developments and Issues

7.1 NF LOC Delay and Children with ADL Needs

In 2009, the Minnesota Legislature passed legislation that changes nursing facility level of care criteria for public payment of long-term care. These revised criteria were implemented January 1, 2015. The change affects the most independent people who would receive publicly-funded nursing facility services or publicly-funded long-term care services in the community through programs such as Elderly Waiver (EW), Alternative Care (AC), and Community Alternatives for Disabled Individuals (CADI). Governor Dayton requested this delay in order to provide additional time to make sure that the appropriate supports are available to Minnesotans affected by this change.

Finally, the Reform 2020 waiver provides federal expenditure authority for children under age 21 who are eligible under the state plan and who met the March 23, 2010 institutional level of care standard, but who do not meet the revised NF LOC and would therefore lose Medicaid eligibility or home and community-based services eligibility. Quarterly enrollment and member-month reporting for children meeting these criteria will begin January 1, 2015.

7.2 HCBS Settings Final Rule

The State has reviewed the Medicaid home and community-based services settings final rule issued by CMS in January 2014. The final regulation addresses several sections of Medicaid law under which states may use federal Medicaid funds to pay for home and community-based services. In particular, the state has assessed requirements established in the rule for the qualities of settings that are eligible for Medicaid reimbursement for home and community-based services provided under sections 1915(c), 1915(i) and 1915(k) and the potential implications for Minnesota's personal care assistance services redesign initiative and the state's efforts to expand self-directed options under CFSS. On January 7, 2015 DHS submitted Minnesota's plan to transition to compliance with the CMS regulation governing home and community –based

settings. The transition plan applies to all five of Minnesota's home and community-based waiver programs under authority of §1915(c) of the Social Security Act.

8. Financial and Budget Neutrality Development Issues

Demonstration expenditures are reported quarterly using Form CMS-64, 64.9 and 64.10.

9. Member Month Reporting

Eligibility Group	Month 1	Month 2	Month 3	Total for Quarter Ending September 30, 2015
Population 1: Alternative Care	2,725	2,714	2,703	8,142
Population 2: 1915(i)-like				
Population 3: 1915(k)-like				

Population 4: ADL Children During the period of July 1, 2015 through September 30, 2015, there were no children identified as meeting the criteria outlined in the Special Terms and Conditions paragraph 18 for the ADL Children eligibility group.

10. Consumer Issues

10.1 Alternative Care Program Beneficiary Grievances and Appeals

A description of the State's grievance system and the dispute resolution process is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver. These processes apply to the Alternative Care Program. Grievances and appeals filed by Alternative Care program recipients are reviewed by DHS on a quarterly basis. Alternative Care program staff assist in resolving individual issues and identify significant trends or patterns in grievances and appeals filed. Following is a summary of Alternative Care program grievance and appeal activity during the period July 1, 2015 through September 30, 2015.

Alternative Care Program Beneficiary Grievance and Appeal Activity
July 1, 2015 through September 30, 2015

	Affirmed	Reversed	Dismissed	Withdrawn
AC Appeals	0	0	0	0

10.2 Alternative Care Program Adverse Incidents Consistent with 1915(c) EW Waiver Requirements

A detailed description of participant safeguards applicable to Alternative Care enrollees, including the infrastructure for vulnerable adult reporting, the management process for critical event or incident reporting, participant training and education, and methods for remediating individual problems is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver.

Incidents of suspected abuse, neglect, or exploitation are reported to the common entry point (CEP) established by each county. The CEP forwards all reports to the respective investigative agency. In addition, CEP staff also screen all reports for immediate risk and make all necessary referrals. Immediate referral is made by the CEP to county social services when there is an identified safety need. Reports containing information regarding an alleged crime are forwarded immediately by the CEP to law enforcement. Reports of suspicious death are forwarded immediately to law enforcement, the medical examiner and the ombudsman for mental health and developmental disabilities.

For reports not containing an indication of immediate risk, the CEP notifies the lead agency responsible for investigation within two working days. The lead investigative agency provides information, upon request of the reporter, within five working days as to the disposition of the report. Each lead investigative agency evaluates reports based on prioritization guidelines. DHS has made a structured decision-making tool available to county lead investigative agencies to promote safety through consistent, accurate and reliable assessment of safety needs.

Investigation guidelines for all lead investigative agencies are established in statute and include interviews with alleged victims and perpetrators, evaluation of the environment surrounding the allegation, access to and review of pertinent documentation and consultation with professionals.

Supported in part by funding under a CMS Systems Change Grant, DHS developed, implemented and manages a centralized reporting data collection system housed within the Social Services Information System (SSIS). This system stores adult maltreatment reports for the CEP. All of Minnesota's 87 county-based CEPs receive reports of suspected Vulnerable Adult (VA) maltreatment and are required to enter their VA maltreatment reports into SSIS. This system supports county functions related to vulnerable adult report intake, report distribution to the agency responsible for investigation, and maintenance of county investigative results. Once maltreatment investigations are completed the county investigative findings are documented within SSIS.

The SSIS system has the capacity to provide statewide maltreatment summary information, supplies comprehensive and timely maltreatment information to DHS, allows the department to review maltreatment incidents statewide and analyze by program participation, provider and agency responsible for follow-up. Data from SSIS is drawn on a quarterly and annual basis. This allows DHS to review data and analyze for patterns and trends including program specific patterns and trends that may be addressed through DHS and partners in maltreatment response

and prevention, or policy. Maltreatment data gathered from SSIS is also used by DHS to evaluate quality in preventative and protective services provided to vulnerable adults, assess trends in maltreatment, target training issues and identify opportunities for program improvement.

Please refer to the table at Attachment A for a quarterly update on the number and type of allegations of maltreatment where the alleged victim is receiving Alternative Care services and the number and type of county investigation determinations where the alleged victim is receiving Alternative Care services.

11. Quality Assurance and Monitoring Activity

11.1 Alternative Care Program and HCBS Quality Strategy under the 1915(c) EW Waiver

As described in the pending 1915(c) EW waiver renewal, the DHS Continuing Care Administration's Quality Essentials Team (QET) will meet twice a year to review and analyze collected performance measure and remediation data. The QET is a team made up of program and policy staff from the Alternative Care and HCBS waiver programs. The QET is responsible for integrating performance measurement and remediation association with monitoring data and recommending system improvement strategies, when such strategies are indicated for a specific program, and when DHS can benefit from strategies that impact individuals served under the Alternative Care and HCBS programs.

Problems or concerns requiring intervention beyond existing remediation processes (i.e. system improvement) are directed to the Policy Review Team (working with QET) for more advanced analysis and improved policy and procedure development, testing, and implementation.
The QET has identified and implemented a quality monitoring and improvement process for determining the level of remediation and any systems improvements required as indicated by performance monitoring.

11.2 Update on Comprehensive Quality Strategy

DHS submitted Minnesota's comprehensive quality strategy to CMS on February 12, 2015. The quality improvement process required for Minnesota's five HCBS waiver programs serves as the foundation for the Reform 2020 demonstration comprehensive quality strategy. Minnesota's proposed 1915(i) and 1915(k) state plan amendments in support of CFSS also derive from the existing quality improvement strategies in the waiver programs. This report will continue to provide updates on the development and implementation of the Reform 2020 comprehensive quality strategy.

12. Demonstration Evaluation

DHS has contracted with researchers at the University of Minnesota and Indiana State University for development of an evaluation design and analysis plan that covers all elements outlined in paragraph 60 of the Reform 2020 waiver special terms and conditions. A draft evaluation design was submitted to CMS on February 14, 2014. In response to CMS feedback, DHS modified the draft evaluation design so that it aligns with the desired format for section 1115 demonstrations. A revised evaluation design was submitted on December 9, 2014. On April 6, 2015 CMS provided additional feedback and requested an updated evaluation. DHS is currently working to modify the draft evaluation design in response to this feedback.

13. State Contact

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Analysis of Adult Maltreatment Reported for AC Participants
(07/01/2015 - 09/30/2015)

Allegations reported while the alleged victim was Eligible for Alternative Care Services and where:
Reports were received by the Common Entry Point between 07/01/2015 and 09/30/2015
Determinations made any time on or after 07/01/2015

CEP- Reported Adult Maltreatment Involving AC Participants
(07/01/2015 - 09/30/2015)

	Allegations Reported to CEP where Alleged Victim is an enrollee*		Allegations Investigated by the County		County Investigations with Final Disposition as of *3/24/2016*	% Substantiated Maltreatment (of Allegations Investigated with Final Disposition)	
	#	% Total Allegations	# Allegations Investigated by the County	% of Total Allegations Investigated by the County	# County Investigations with Final Disposition	# Substantiated	% Substantiated of Total Investigated with Final Disposition
Emotional Abuse	25	13.51%	10	14.29%	9	0	0.00%
Mental Abuse	0	0.00%	0	0.00%	0	0	0.00%
Physical Abuse	9	4.86%	5	7.14%	5	0	0.00%
Sexual Abuse	1	0.54%	1	1.43%	1	0	0.00%
Financial Exploitation (Fid. Rel.)	11	5.95%	4	5.71%	4	0	0.00%
Financial Exploitation (Non-Fid. Rel.)	37	20.00%	15	21.43%	11	4	6.78%
Involuntary Servitude	0	0.00%	0	0.00%	0	0	0.00%
Caregiver Neglect	48	25.95%	22	31.43%	19	1	1.69%
Self-Neglect	54	29.19%	13	18.57%	10	1	1.69%
Total	185	100.00%	70	100.00%	59	6	10.17%

Source: DHS Data Warehouse 03/24/2016 (this should be at least 3 mos 10d following end of waiver reporting period.)

Dispostion of County Investigations of Maltreatment Allegations Involving AC Adult Participants
CEP Reported Allegations any time on or after 07/01/2015

	Allegation Dispostion				
	Substantiated Maltreatment	False Allegation*	Inconclusive	No Determination - Investig Not Possible^	Total
Emotional Abuse		6	3		9
Mental Abuse					0
Physical Abuse		1	4		5
Sexual Abuse		1			1
Fin. Exploitation (Fid Rel)		3	1		4
Fin. Exploitation (Non-Fid Rel)	4	1	6		11
Involuntary Servitude					0
Caregiver Neglect	1	3	15		19
Self -Neglect	1	5	4		10
Total	**6**	**20**	**33**	**0**	**59**

* Includes No Determination: No Maltreatment

^ Includes No determination - Not a Vulnerable Adult

Source: DHS Data Warehouse 03/24/2016 (this should be at least 3 mos 10d following end of waiver reporting period.)

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8. Financial and Budget Neutrality Development Issues

Demonstration expenditures are reported quarterly using Form CMS-64, 64.9 and 64.10.

9. Member Month Reporting

Eligibility Group	Month 1	Month 2	Month 3	Total for Quarter Ending December 31, 2015
Population 1: Alternative Care	2,693	2,680	2,683	8,056
Population 2: 1915(i)-like				
Population 3: 1915(k)-like				

Population 4: ADL Children During the period of October 1, 2015 through December 31, 2015, there were no children identified as meeting the criteria outlined in the Special Terms and Conditions paragraph 18 for the ADL Children eligibility group.

10. Consumer Issues

10.1 Alternative Care Program Beneficiary Grievances and Appeals

A description of the State's grievance system and the dispute resolution process is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver. These processes apply to the Alternative Care Program. Grievances and appeals filed by Alternative Care program recipients are reviewed by DHS on a quarterly basis. Alternative Care program staff assist in resolving individual issues and identify significant trends or patterns in grievances and appeals filed. Following is a summary of Alternative Care program grievance and appeal activity during the period October 1, 2015 through December 31, 2015.

Alternative Care Program Beneficiary Grievance and Appeal Activity
October 1, 2015 through December 31, 2015

	Affirmed	Reversed	Dismissed	Withdrawn
AC Appeals	0	0	0	0

10.2 Alternative Care Program Adverse Incidents Consistent with 1915(c) EW Waiver Requirements

A detailed description of participant safeguards applicable to Alternative Care enrollees, including the infrastructure for vulnerable adult reporting, the management process for critical event or incident reporting, participant training and education, and methods for remediating individual problems is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver.

Incidents of suspected abuse, neglect, or exploitation are reported to the common entry point (CEP) established by each county. The CEP forwards all reports to the respective investigative agency. In addition, CEP staff also screen all reports for immediate risk and make all necessary referrals. Immediate referral is made by the CEP to county social services when there is an identified safety need. Reports containing information regarding an alleged crime are forwarded immediately by the CEP to law enforcement. Reports of suspicious death are forwarded immediately to law enforcement, the medical examiner and the ombudsman for mental health and developmental disabilities.

For reports not containing an indication of immediate risk, the CEP notifies the lead agency responsible for investigation within two working days. The lead investigative agency provides information, upon request of the reporter, within five working days as to the disposition of the report. Each lead investigative agency evaluates reports based on prioritization guidelines. DHS has made a structured decision-making tool available to county lead investigative agencies to promote safety through consistent, accurate and reliable assessment of safety needs.

Investigation guidelines for all lead investigative agencies are established in statute and include interviews with alleged victims and perpetrators, evaluation of the environment surrounding the allegation, access to and review of pertinent documentation and consultation with professionals.

Supported in part by funding under a CMS Systems Change Grant, DHS developed, implemented and manages a centralized reporting data collection system housed within the Social Services Information System (SSIS). This system stores adult maltreatment reports for the CEP. All of Minnesota's 87 county-based CEPs receive reports of suspected Vulnerable Adult (VA) maltreatment and are required to enter their VA maltreatment reports into SSIS. This system supports county functions related to vulnerable adult report intake, report distribution to the agency responsible for investigation, and maintenance of county investigative results. Once maltreatment investigations are completed the county investigative findings are documented within SSIS.

The SSIS system has the capacity to provide statewide maltreatment summary information, supplies comprehensive and timely maltreatment information to DHS, allows the department to review maltreatment incidents statewide and analyze by program participation, provider and agency responsible for follow-up. Data from SSIS is drawn on a quarterly and annual basis. This allows DHS to review data and analyze for patterns and trends including program specific patterns and trends that may be addressed through DHS and partners in maltreatment response and prevention, or policy. Maltreatment data gathered from SSIS is also used by DHS to evaluate

quality in preventative and protective services provided to vulnerable adults, assess trends in maltreatment, target training issues and identify opportunities for program improvement.

The reporting of suspected maltreatment for all vulnerable adults in Minnesota recently changed from a county based reporting system to a centralized reporting system operated under the Minnesota Department of Human Services. The centralized reporting system includes more robust data for use in analysis for prevention and remediation. Modifications to the existing data warehouse are required to accommodate the increased data being reported. These modifications are underway and are expected to be completed soon. A report on allegations and county investigation determinations of maltreatment where the alleged victim is receiving Alternative Care for the quarter ending December 31, 2015 will be provided once the data becomes available.

11. Quality Assurance and Monitoring Activity

11.1 Alternative Care Program and HCBS Quality Strategy under the 1915(c) EW Waiver

As described in the pending 1915(c) EW waiver renewal, the DHS Continuing Care Administration's Quality Essentials Team (QET) will meet twice a year to review and analyze collected performance measure and remediation data. The QET is a team made up of program and policy staff from the Alternative Care and HCBS waiver programs. The QET is responsible for integrating performance measurement and remediation association with monitoring data and recommending system improvement strategies, when such strategies are indicated for a specific program, and when DHS can benefit from strategies that impact individuals served under the Alternative Care and HCBS programs.

Problems or concerns requiring intervention beyond existing remediation processes (i.e. system improvement) are directed to the Policy Review Team (working with QET) for more advanced analysis and improved policy and procedure development, testing, and implementation.
The QET has identified and implemented a quality monitoring and improvement process for determining the level of remediation and any systems improvements required as indicated by performance monitoring.

11.2 Update on Comprehensive Quality Strategy

DHS submitted Minnesota's comprehensive quality strategy to CMS on February 12, 2015. The quality improvement process required for Minnesota's five HCBS waiver programs serves as the foundation for the Reform 2020 demonstration comprehensive quality strategy. Minnesota's proposed 1915(i) and 1915(k) state plan amendments in support of CFSS also derive from the existing quality improvement strategies in the waiver programs. This report will continue to provide updates on the development and implementation of the Reform 2020 comprehensive quality strategy.

12. Demonstration Evaluation

DHS has contracted with researchers at the University of Minnesota and Indiana State University for development of an evaluation design and analysis plan that covers all elements outlined in paragraph 60 of the Reform 2020 waiver special terms and conditions. A draft evaluation design was submitted to CMS on February 14, 2014. In response to CMS feedback, DHS modified the draft evaluation design so that it aligns with the desired format for section 1115 demonstrations. A revised evaluation design was submitted on December 9, 2014. On April 6, 2015 CMS provided additional feedback and requested an updated evaluation. DHS is currently working to modify the draft evaluation design in response to this feedback.

13. State Contact

Stacie Weeks, Federal Relations
Minnesota Department of Human Services
P.O. Box 64983
St. Paul, MN 55164-0983
(651) 431-2118
Stacie.weeks@state.mn.us

Attachment A

HCBS Partners Panel

December 18, 2015

Welcome and Introductions

Lori Lippert, *Disability Services Division*

Overview of Reform 2020

Jean Wood, *Aging and Adult Services Division*
Alex Bartolic, *Disability Services Division*
See powerpoint.

Autism – Early Intensive Developmental and Behavioral Intervention Benefit

Heidi Hamilton, *Disability Services Division*
See powerpoint.

Community First Services and Supports (CFSS)

Katherine Finlayson, *Disability Services Division*
See powerpoint.

HCBS Settings Rule – Transition Plan update

Heidi Hamilton, *Disability Services Division*

DHS submitted the transition plan to the federal government on Jan. 8, 2015. CMS undertook an intensive review and responded to DHS on Oct. 8, 2015 with additional questions and a request for additional information. At this point CMS has not approved any state's plan. All states have to provide additional information to CMS. As of Oct. 8, 2015 DHS had 75 days to resubmit. The deadline for that is Feb. 24, 2016. DHS is required to do a 30 day public comment period prior to the submission deadline so that will be announced sometime in January. CMS anticipates approving plans beginning in mid-2016. DHS will continue to implement the transition plan because we cannot wait for CMS and meet the ultimate deadline to be in compliance.

Q: Is DHS still targeting July 2016 for implementing CFSS? Yes.
A: Yes. One reason we had to wait is because there were 125 people who may not be in a setting that meets the HCBS settings requirement and are interested in receiving CFSS. DHS needs to operationalize how MN will address settings that isolate. The current understanding is that the 125 people are vent-dependent and living in group settings. It is premature at this point to contact the providers for these individuals.

Q: What will be the scope for the Financial Management Services Request (FMS) for Proposals (RFP)?

A: The RFP for FMS is for Consumer Directed Community Supports (CDCS) and Consumer Support Grant (CSG). DHS will phase in how this will work for people receiving PCA services.

Q: Is DHS considering paying for the cost of transportation in the Medical Assistance reimbursement for PCA?
A: DHS is trying to understand what those costs are.

Q: Would current PCA providers have to re-enroll in order to provide CFSS?
A: DHS does not know at this time.

A request was made for a DHS staff person to come to a future Partners Panel meeting to talk about the transition plan that is underway related to the HCBS Settings Rule.

Q: Can you tell us more about the HCBS Advisory Group?
A: The HCBS Advisory Group provides input and recommendations to DHS regarding the CMS HCBS Settings Rule and Minnesota's transition plan. The group was established by members of the Home and Community-Based Services Partner Panel and other key stakeholders. The 20-member HCBS advisory group is comprised of lead agencies (including managed care organizations), provider organizations and advocacy organizations. Members not only represent their organizations, but also older adults and people with disabilities. The advisory group met several times in 2014. In September 2015, the group was reconvened and meets monthly. The focus of the advisory group's work is provide recommendations to DHS regarding: policy expectations and practice considerations; setting and service standards to align with the rule; and engaging stakeholders. See attached job description for HCBS Advisory Group members. If you have questions contact Michael Saindon at Michael.saindon@state.mn.us or Leah Zoladkiewicz at leah.zoladkiewicz@state.mn.us.

Empower and Encourage Independence through Employment

Mary Chilvers, *Disability Services Division*

See powerpoint.

Q: How many people will be assisted with the Whole Life Tool? Is that the pilot?
A: 12 people are participating in the pilot with 4 staff members. DHS will be working towards serving a total of 800 people.

Q: How are people identified with any of these efforts?
A: For the Group Residential Housing (GRH) outreach, Disability Services Division is identifying people who are using GRH. This group includes youth in transition on Supplemental Security Income (SSI) (ages 14-20) and people receiving Social Security Disability Insurance (SSDI) (ages 21-26).

Q: Is this effort in collaboration with the Department of Employment and Economic Development (DEED)?

A: We are working with Vocational Rehabilitation Services at DEED regarding the SSI population. Last fall, we collaborated to serve people who are VRS eligible and receiving SSI to encourage the use of DB 101. And we are supporting DEED to conduct a rapid engagement piece – substantial gainful activity grant – which seeks to engage people within 30 days of starting VRS to understand their benefits and gain employment.

Q: Is there a crosswalk with the Independent Living Skills functions in the Centers for Independent Living?
A: I don't know.

Housing Quality Assurance Measures and Work Incentives

Jeremy Galley, *Group Residential Housing Program*

See powerpoint.

Q: Is DHS going to increase the service rate, particularly for long-term homeless?
A: DHS is currently studying the service rate and what it is paying for to determine if changes are needed.

Q: Is the original GRH Reform 2020 proposal off the table?
A: No, DHS would still like to move that forward.

First Contact/Preadmission Screening Redesign
HCBS Finder
PCA Registry

Krista Boston, *Aging and Adult Services Division*

See powerpoint.

Q: What factors went into the decision to go from phone to in-person visits in the Return to Community Initiative?
A: Other states were doing in-person visits through Money Follows the Person and the Area Agencies on Aging felt that they could be more effective if they did in-person visits.

Enhancing the Protections for Vulnerable Adults
MN Adult Abuse Reporting Center (MAARC)

Jennifer Kirchen, *Aging and Adult Services Division*

See powerpoint.

Q: What components were changed this month?
A: SSIS changes took place on Dec. 7 and 8. The technology was updated along with the web form.

Q: Where is the web form located?
A: The web form is not open to the public but the link is available upon request.

Planning and Service Development
Essential Community Supports
Alzheimer's Health Care Home

Jean Wood, *Aging and Adult Services Division*

Q: Will there be additional work to disseminate the Alzheimer's Health Care Home model?
A: We will continue disseminating best practices related to Alzheimer's. The evaluation will inform other health care systems' efforts to adopt these practices.

Q: When will the evaluation results be available?
A: Wilder Research is just finishing up the evaluation. The results will be available within the next couple months.

Case Management Redesign
Technical Assistance to Divert Commitments and Address Crisis

Lori Lippert, *Disability Services Division*

Katherine Finlayson will come back to the Partners Panel to talk about case management redesign. Efforts related to diverting commitments and addressing crisis are included in one of the current Olmstead Plan goals.

Nursing Facility Level of Care change in criteria
New budget methodology for vent dependent seniors

Jean Wood, *Aging and Adult Services Division*

Public Comment Period

Anne Henry

- We didn't get the update on mental health reform so please have.
- Autism Benefit:
    - The benefit is described as either developmental or behavioral. This is an artificial and confusing distinction and is not valid.
    - DHS seems to be pretending that people with an ASD diagnosis are not going to have mental health diagnoses. This needs to be clarified. Most children have more than one diagnosis and they need access to mental health services. We have to provide services based on individual needs and to meet the federal requirement against anti-discrimination.
- CFSS – hope that the focus will be on training that will help participants
- 125 people with PCA who might be affected by HCBS Setting Rule – should let the providers know that these people might be affected. The people should be informed about the situation and what their other options are.

Susan McGeehan

- I really appreciate what DHS set out to do in this proposal and am excited to see that many of the items are continuing to move forward.
- Is there a grid that exists that tracks the status and funding of each item? If so, please share.

Patti Cullen

- I would assume that the grid includes information on evaluations that are required to happen. These should inform whether or not initiatives continue and, if they do, how they should move forward.

Other

At a future Partners Panel meeting, Manfred Tatzmann would like to share information about research being conducted related to services for people with brain injuries that builds on the Gaps Analysis study.

A more thorough discussion regarding the new Spousal Deeming requirement will be added to the February 2016 Partners Panel meeting. In addition, a summary of the HCBS Settings Rule update that will be provided on Feb. 8 will be provided at this meeting.

Proposals for waiver amendments submitted to CMS can be found here:
http://mn.gov/dhs/general-public/about-dhs/public-participation/index.jsp

Legislative Efforts

Partners Panel members discussed efforts related to the upcoming legislative session. One member noted that whatever happens on the spousal impoverishment issue, there may need to be legislative changes. The MN State Council on Disability is holding their legislative forum on February 9, 12:30 – 4:00 p.m. at the new Minnesota Senate Building. For more information, go to: http://www.disability.state.mn.us.

2016 Meeting Schedule

The HCBS Partners Panel will meet in a new location for most meetings in 2016 (except February and June meetings): Hi-Way Credit Union.

Attachment A

Meeting Schedule for 2016

THIRD Friday of every other month, 9-noon

Tentative Date	Location
February 19	Dakota County
April 15	Hi-Way Federal Credit Union Administrative Office
June 17	Minnesota State Retirement Systems
August 19	Hi-Way Federal Credit Union Administrative Office
October 21	Hi-Way Federal Credit Union Administrative Office
December 16	Hi-Way Federal Credit Union Administrative Office

Attendance

Organizational Affiliation	Name	Present?
AARP	Mary Jo George	
Advocating Change Together (ACT)	Mary Kay Kennedy	
Leading Age Minnesota	Dani Salisbury	x
Alzheimer's Association	Linda Lorentzen	x
Arc Minnesota	Steve Larson	
Association of Minnesota Counties/CBP	Julie Ring Rochelle Westlund	 x
Association of Residential Resources of Minnesota	Barb Turner Luana Slayton	 x
Brain Injury Alliance	David King	x
Care Providers of Minnesota	Patti Cullen	x
Consumer Directions, Inc.	Lisa Kampfel	
Governor's Council on Developmental Disabilities	Lynne Megan	
Heading Home Minnesota	Laura Kadwell	
HIV Housing Coalition	Chuck Peterson	x
Institute on Community Integration	Amy Hewitt (Dr.)	
Minnesota Network of Hospice and Palliative Care	Susan Marschalk	
Lifeworks	Judy Lysne Mary Lenertz	x x
Local Public Health Association	Kay Dickison Andrea Zuber	 x
LTC Ombudsman	Cheryl Hennen	
Lutheran Social Services	Jeri Schoonover Susie Schatz	x
MACSSA - Anoka County	Jerry Pederson	

Attachment A

Medica - representing MN Council of Health Plans	Susan McGeehan	x
Mid-Minnesota Legal Aid – Senior Law Project	Genevieve Gaboriault	x
Minnesota Adult Day Services Association	Gail Skoglund	
Minnesota Area Geriatric Education Center	Robert Kane	
Minnesota Association of Area Agencies on Aging	Lori Vrolson	x
Minnesota Association of Centers for Independent Living	Victoria Dalle Molle	
Minnesota Association for Children's Mental Health	Debora Saxhaug	
Minnesota Association of Mental Health Centers	Ron Brand	
Minnesota Board on Aging	Gretchen Scheffel	
Minnesota Consortium of Citizens with Disabilities	Rebecca Covington	
Minnesota Council of Child-Caring Agencies	Mary Regan	
Minnesota Department of Human Services, Disability Services Division	Alex Bartolic	x
Minnesota Department of Human Services, Aging and Adult Services Div.	Jean Wood	x
Minnesota Disability Law Center	Anne Henry	x
Minnesota Organization for Habilitation and Rehabilitation	John Wayne Barker	x
Minnesota Home Care Association	Kathy Messerli	
Minnesota Hospital Association	Jen McNertney	x
Minnesota Leadership Council on Aging	Rajean Moone	
MN Legislature, Chair House Health and Human Services Finance Comm.	Thomas Huntley	
MN Legislature, Chair House Health and Human Services Policy Comm.	Tina Liebling	
MN Legislature, Chair Senate Health, Human Services Finance Committee	Tony Lourey	
MN Legislature, Chair Senate Health, Human Services Policy Committee	Kathy Sheran	
Minnesota State Council on Disability	Joan Willshire David Fenley	x x
	Bob Niemiec	
MnDACA	John Wayne Barker	x
NAMI Minnesota	Sue Abderholden	x
Ombudsman for MH/DD	Roberta Opheim	
SEIU Healthcare MN	David Zaffrann Galen Smith	
State Advisory Council on Mental Health	James Jordan	
TBI Advisory Committee	Manfred Tatzmann	x
White Earth Home Health Agency	Jen Stevens	
MACMHP	Claire Wilson	
AccraCare	Jane Vujovich	x
AccraCare (State Quality Council)	Vicki Gerrits	x
Courage Kenny Rehabilitation Institute	Cynthia Guddal	x
Fredrikson & Byron	Anni Simons	x
Swift County DAC	Alethea Koehler	x
Caringhands Home Health Care	John Awuku	x

Reform 2020: Pathways to Independence

Section 1115 Waiver No. 11-W-00286/5

Demonstration Year III
January 1, 2016 through March 31, 2016
Quarterly Report

Submitted to:

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services

Submitted by:

Minnesota Department of Human Services
540 Cedar Street
St. Paul, MN 55164-0983

Table of Contents

1. Introduction

On October 18, 2013, the Centers for Medicare & Medicaid Services approved Minnesota's section 1115 demonstration project, entitled Reform 2020. The five year demonstration provides federal waiver authority to implement key components of Minnesota's broader reform initiatives to promote independence, increase community integration and reduce reliance on institutional care for Minnesota's older adults and people with disabilities. The Reform 2020 waiver provides federal support for the Alternative Care program and provides access to expanded self-directed options under the CFSS program for people who would not be eligible for these services under the 1915(i) and 1915(k) state plan option. The demonstration is effective through June 30, 2018.

1.1 Alternative Care Program

The Alterative Care program provides a home and community services benefit to people age 65 and older who need nursing facility level of care and have income or assets above the Medical Assistance (MA) standards. The Alternative Care program was established as an alternative to provide community services to seniors with modest income and assets who are not yet eligible for MA. This allows people to get the care they need without moving to a nursing home. The Reform 2020 demonstration waiver provides federal matching funds for the Alternative Care program.

1.2 Community First Services and Supports (CFSS)

Minnesota is redesigning its state plan personal care assistance services to expand self-directed options under a new service called Community First Services and Supports (CFSS). This service, designed to maintain and increase independence, will be modeled after the Community First Choice Option. It will reduce pressure on the system as people use the flexibility within CFSS instead of accessing the expanded service menu of one of the state's five HCBS waivers to meet gaps in their needs.

The new CFSS service, with its focus on consumer direction, is designed to comply with the regulations regarding section 1915(k) of the Social Security Act. Minnesota is currently seeking federal approval of the 1915(i) and 1915(k) state plan amendments required to implement this PCA reform initiative. To avoid a reduction in services for people currently using PCA services, CFSS will be available both to people who meet an institutional level of care [via 1915(k)] and people who do not [via 1915(i)]. These two components of CFSS are designed to work together seamlessly to provide appropriate services to people who have a functional need. Services authorized under 1915(i) will be identical to those authorized under 1915(k). The enhanced FMAP rate will apply to the 1915(k) services and the regular FMAP rate will apply to the 1915(i) services. Appropriateness of CFSS services will be based on the CFSS functional eligibility criteria.

Federal authority under the Reform 2020 section 1115 demonstration waiver allows Minnesota to extend the CFSS benefit to people who would not be eligible to receive such services under the state plan. Under the Reform 2020 demonstration waiver, a 1915(i)-like benefit will be available for people with incomes above 150% FPG who do not meet an institutional level of care and who receive the reformed PCA benefit (CFSS). The regular FMAP rate will apply to these services. A 1915(k)-like benefit will be available for people who meet an institutional level of care, receive the reformed PCA benefit (CFSS), are not receiving HCBS waiver services and are financially eligible if using financial eligibility rules for HCBS waivers. The regular FMAP rate will apply to these services. CFSS will be implemented for all populations once Minnesota's 1915(i) and 1915(k) state plan amendments are approved by CMS. Reporting on the 1915(i)-like and 1915(k)-like component of the Reform 2020 demonstration will begin once approval of the state plan amendments has been secured and implementation has begun.

1.3 Children under 21 with Activities of Daily Living (ADL) Needs

The Reform 2020 waiver provides federal expenditure authority for children under the age of 21 who are eligible under the state plan and who meet the March 23, 2010 nursing facility level of care criteria, but do not meet the nursing facility level of care criteria established in state law effective January 1, 2015, and would therefore lose Medicaid eligibility or home and community based services eligibility. Please refer to Section 7.1 of this report for more detail.

1.4 Goals of Demonstration

The Reform 2020 demonstration is designed to assist the state in its goals to:

- Achieve better health outcomes;
- Increase and support independence and recovery;
- Increase community integration;
- Reduce reliance on institutional care;
- Simplify the administration of the program and access to the program; and
- Create a program that is more fiscally sustainable

2. Enrollment Information

Demonstration Populations (as Hard coded in the CMS 64)	Enrollees at close of quarter (March 31, 2016)	Current Enrollees (as of data pull on April 8, 2016)	Disenrolled in Current Quarter (January 1, 2016 to March 31, 2016)
Population 1: Alternative Care	2,600	2,565	6
Population 2: 1915(i)-like			
Population 3: 1915(k)-like			
Population 4: ADL Children			

3. Alternative Care Program Wait List Reporting

There is no waiting list maintained for the Alternative Care program and there are no plans to implement such a list.

4. Outreach and Innovative Activities

4.1 Minnesota Department of Human Services Public Web Site

Information on the Alternative Care program is available to the public on the Department of Human Services (DHS) website. The Alternative Care web page provides descriptive information about program eligibility, covered services, and the program application process. The web page also refers users to the Senior LinkAge Line® (described in the following section) where they can speak to a human services professional about the Alternative Care program and other programs and services for seniors.

4.2 Senior Linkage Line®

The Senior Linkage Line® is a free telephone information service available to assist older adults and their families find community services. With a single call, people can find particular services near them or get help evaluating their situation to determine what kind of service might be helpful. Information and Assistance Specialists direct callers to the organizations in their area that provide the services in which they are interested. Specialists can conduct three-way calls and offer follow-up as needed. Specialists are trained health and human service professionals. They offer objective, neutral information about senior service and housing options.

4.3 Statewide Training

DHS staff provides on-going consultation and training on Alternative Care program policy to all lead agencies. For the Alternative Care program, the lead agency can be a county social service department, local public health agency or a Tribal entity. Training sessions on the Alternative Care program are offered twice a year via statewide video conferencing. These training sessions cover the policies and procedures for the Alternative Care program. The training targets staff with up to 12 months of program experience. Staff with more experience is encouraged to attend if they have not previously attended or need a refresher in the program basics. The learning objectives for the training include: understanding the Alternative Care program eligibility requirements and service definitions, and case manager roles and responsibilities in administering the Alternative Care program.

DHS also publishes and maintains provider and MMIS manuals and provides technical assistance through a variety of means including written resource material, electronic and call-in help centers and weekly training opportunities via statewide video conferencing on topics related to aging. Ongoing training related to MMIS tools and processes, long term care consultation and level of care determinations, case management, vulnerable adult and maltreatment reporting and prevention is also provided. DHS staff regularly attends regional meetings convened by lead agencies.

5. Updates on Post-Award Public Forums

In accordance with paragraph 32 of the Reform 2020 special terms and conditions (STCs), the State held a public forum on December 18, 2015 to provide the public with an opportunity to comment on the progress of the Reform 2020 demonstration. DHS plans to hold the next public forum in December 2016.

6. Operational Developments and Issues

6.1 1915(i) and 1915(k) State Plan Amendments

Operational and systems changes required to implement the 1915(i)-like and 1915(k)-like options under Reform 2020 are underway. Implementation of this component of the Reform 2020 waiver is contingent upon approval of the corresponding 1915(i) and 1915(k) state plan amendments submitted to CMS on December 19, 2013.

6.2 CFSS 1915(b)(4) Waiver

On June 20, 2014, DHS submitted a 1915(b)(4) selective contracting waiver request to limit the number of financial management services contractors and consultation service providers.

Under CFSS, people may directly employ and pay qualified support workers and/or purchase goods or environmental modifications that relate to an assessed need identified in their service delivery plan. Spending must be limited to the authorized amount. A financial management services contractor (FMS) will be the employer-agent assisting participant-employers to comply with state and federal employment laws and requirements and for billing and making payments on behalf of participant-employers. In addition, participants will utilize a consultation services provider to learn about CFSS, select a service delivery model, and develop a person-centered service delivery plan and budget and to obtain information and support about employing, training, supervising and dismissing support workers.

Under this waiver, DHS would contract with FMS and consultation services providers via competitive procurement. Competitive procurement is appropriate for FMS and consultation services providers to ensure the most qualified providers are utilized and to allow DHS to concentrate provider training and monitoring efforts on a few highly qualified providers. FMS and consultation services providers will have a new and critical role in ensuring that participants learn how to use this self-directed option and experience expected outcomes, funds are spent appropriately and participant's identified needs are met. This waiver authority will help to ensure a smooth transition to this more flexible benefit, and to implement quality services, by limiting the pool of FMS and consultation services providers to a small number of highly qualified entities. In addition, selective contracting is particularly appropriate because other states offering participant-directed benefits have had success in purchasing financial management services at a lower price when the number of contractors is limited so that the contractors have a sufficient volume of participants. The effective date of the 1915(b)(4) waiver

will coincide with the approval of the state plan amendments referenced in Section 6.1 of this report.

6.3 Alternative Care Program Operational Protocol

On August 8, 2014, DHS submitted the operational protocol for Alternative Care that is to be appended to the Reform 2020 STCs. The protocol was updated to incorporate changes in response to CMS' questions and comments and resubmitted on January 26, 2015. On October 16, 2015 DHS submitted an updated protocol to reflect changes in state law and other program modifications.

7. Policy Developments and Issues

7.1 NF LOC Delay and Children with ADL Needs

In 2009, the Minnesota Legislature passed legislation that changes the nursing facility level of care criteria for public payment of long-term care services. These revised criteria were implemented on January 1, 2015. The change affects people who would receive publicly-funded nursing facility services or publicly-funded long-term care services in the community through programs such as Elderly Waiver (EW), Alternative Care (AC), and Community Alternatives for Disabled Individuals (CADI). Governor Dayton requested a delay to provide additional time to make sure the appropriate supports are available to Minnesotans affected by this change.

The Reform 2020 waiver provides federal expenditure authority for children under the age of 21 who are eligible under the state plan and who met the March 23, 2010 nursing facility level of care criteria, but who do not meet the revised nursing facility level of care criteria and would therefore lose Medicaid eligibility or home and community-based services eligibility. Quarterly enrollment and member-month reporting for children meeting these criteria will begin January 1, 2015.

7.2 HCBS Settings Final Rule

The State has reviewed the final rule for the Medicaid home and community-based services settings, issued by CMS in January 2014. The final regulation addresses several sections of Medicaid law under which states may use federal Medicaid funds to pay for home and community-based services. In particular, the state has assessed requirements established in the rule for the qualities of settings that are eligible for Medicaid reimbursement for home and community-based services provided under sections 1915(c), 1915(i) and 1915(k) and the potential implications for Minnesota's personal care assistance services redesign initiative and the state's efforts to expand self-directed options under CFSS. On January 7, 2015 DHS submitted Minnesota's plan to transition to compliance with the CMS regulation governing home and community –based settings. The transition plan applies to all five of Minnesota's home and community-based waiver programs under authority of §1915(c) of the Social Security Act.

8. Financial and Budget Neutrality Development Issues

Demonstration expenditures are reported quarterly using Form CMS-64, 64.9 and 64.10.

9. Member Month Reporting

Eligibility Group	Month 1	Month 2	Month 3	Total for Quarter Ending March 31, 2016
Population 1: Alternative Care	2,671	2,661	2,667	7,999
Population 2: 1915(i)-like				
Population 3: 1915(k)-like				

Population 4: ADL Children During the period of January 1, 2016 through March 31, 2016, there were no children identified as meeting the criteria outlined in the Special Terms and Conditions paragraph 18 for the ADL Children eligibility group.

10. Consumer Issues

10.1 Alternative Care Program Beneficiary Grievances and Appeals

A description of the State's grievance system and the dispute resolution process is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver. These processes apply to the Alternative Care Program. Grievances and appeals filed by Alternative Care program recipients are reviewed by DHS on a quarterly basis. Alternative Care program staff assist in resolving individual issues and identify significant trends or patterns in grievances and appeals filed. Following is a summary of Alternative Care program grievance and appeal activity during the period January 1, 2016 through March 31, 2016.

Alternative Care Program Beneficiary Grievance and Appeal Activity
January 1, 2016 through March 31, 2016

	Affirmed	Reversed	Dismissed	Withdrawn
AC Appeals	1	0	0	2

10.2 Alternative Care Program Adverse Incidents Consistent with 1915(c) EW Waiver Requirements

A detailed description of participant safeguards applicable to Alternative Care enrollees, including the infrastructure for vulnerable adult reporting, the management process for critical event or incident reporting, participant training and education, and methods for remediating individual problems is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver.

Incidents of suspected abuse, neglect, or exploitation are reported to the common entry point (CEP) established by each county. The CEP forwards all reports to the respective investigative agency. In addition, CEP staff also screen all reports for immediate risk and make all necessary referrals. Immediate referral is made by the CEP to county social services when there is an identified safety need. Reports containing information regarding an alleged crime are forwarded immediately by the CEP to law enforcement. Reports of suspicious death are forwarded immediately to law enforcement, the medical examiner and the ombudsman for mental health and developmental disabilities.

For reports not containing an indication of immediate risk, the CEP notifies the lead agency responsible for investigation within two working days. The lead investigative agency provides information, upon request of the reporter, within five working days as to the disposition of the report. Each lead investigative agency evaluates reports based on prioritization guidelines. DHS has made a structured decision-making tool available to county lead investigative agencies to promote safety through consistent, accurate and reliable assessment of safety needs.

Investigation guidelines for all lead investigative agencies are established in statute and include interviews with alleged victims and perpetrators, evaluation of the environment surrounding the allegation, access to and review of pertinent documentation and consultation with professionals.

Supported in part by funding under a CMS Systems Change Grant, DHS developed, implemented and manages a centralized reporting data collection system housed within the Social Services Information System (SSIS). This system stores adult maltreatment reports for the CEP. All of Minnesota's 87 county-based CEPs receive reports of suspected Vulnerable Adult (VA) maltreatment and are required to enter their VA maltreatment reports into SSIS. This system supports county functions related to vulnerable adult report intake, report distribution to the agency responsible for investigation, and maintenance of county investigative results. Once maltreatment investigations are completed the county investigative findings are documented within SSIS.

The SSIS system has the capacity to provide statewide maltreatment summary information, supplies comprehensive and timely maltreatment information to DHS, allows the department to review maltreatment incidents statewide and analyze by program participation, provider and agency responsible for follow-up. Data from SSIS is drawn on a quarterly and annual basis. This allows DHS to review data and analyze for patterns and trends including program specific patterns and trends that may be addressed through DHS and partners in maltreatment response and prevention, or policy. Maltreatment data gathered from SSIS is also used by DHS to evaluate quality in preventative and protective services provided to vulnerable adults, assess trends in maltreatment, target training issues and identify opportunities for program improvement.

The reporting of suspected maltreatment for all vulnerable adults in Minnesota recently changed from a county based reporting system to a centralized reporting system operated under the Minnesota Department of Human Services. The centralized reporting system includes more robust data for use in analysis for prevention and remediation. Modifications to the existing data warehouse are required to accommodate the increased data being reported. These modifications are underway and are expected to be completed soon. A report on allegations and county investigation determinations of maltreatment where the alleged victim is receiving Alternative Care for the quarter ending March 31, 2015 will be provided once the data becomes available.

11. Quality Assurance and Monitoring Activity

11.1 Alternative Care Program and HCBS Quality Strategy under the 1915(c) Elderly Waiver

As described in the pending 1915(c) Elderly Waiver renewal, the DHS Continuing Care Administration's Quality Essentials Team (QET) will meet twice a year to review and analyze collected performance measure and remediation data. The QET is a team made up of program and policy staff from the Alternative Care and HCBS waiver programs. The QET is responsible for integrating performance measurement and remediation association with monitoring data and recommending system improvement strategies, when such strategies are indicated for a specific program, and when DHS can benefit from strategies that impact individuals served under the Alternative Care and HCBS programs.

Problems or concerns requiring intervention beyond existing remediation processes (i.e. system improvement) are directed to the Policy Review Team (working with QET) for more advanced analysis and improved policy and procedure development, testing, and implementation.
The QET has identified and implemented a quality monitoring and improvement process for determining the level of remediation and any systems improvements required as indicated by performance monitoring.

11.2 Update on Comprehensive Quality Strategy

DHS submitted Minnesota's comprehensive quality strategy to CMS on February 12, 2015. The quality improvement process required for Minnesota's five HCBS waiver programs serves as the foundation for the Reform 2020 demonstration comprehensive quality strategy. Minnesota's proposed 1915(i) and 1915(k) state plan amendments in support of CFSS also derive from the existing quality improvement strategies in the waiver programs.

12. Demonstration Evaluation

DHS has contracted with researchers at the University of Minnesota and Indiana State University for development of an evaluation design and analysis plan that covers all elements outlined in

paragraph 60 of the Reform 2020 waiver special terms and conditions. A draft evaluation design was submitted to CMS on February 14, 2014. In response to CMS feedback, DHS modified the draft evaluation design so that it aligns with the desired format for section 1115 demonstrations. A revised evaluation design was submitted on December 9, 2014. On April 6, 2015 CMS provided additional feedback and requested an updated evaluation. DHS has revised the evaluation design in response to CMS feedback. The revised plan was submitted to CMS on March 9, 2016.

13. State Contact

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Reform 2020: Pathways to Independence

Section 1115 Waiver No. 11-W-00286/5

Demonstration Year III
April 1, 2016 through June 30, 2016
Quarterly Report

Submitted to:

U.S. Department of Health & Human Services
Centers for Medicare & Medicaid Services
Center for Medicaid & CHIP Services

Submitted by:

Minnesota Department of Human Services
540 Cedar Street
St. Paul, MN 55164-0983

Table of Contents

1. Introduction

On October 18, 2013, the Centers for Medicare & Medicaid Services approved Minnesota's section 1115 demonstration project, entitled Reform 2020. The five year demonstration provides federal waiver authority to implement key components of Minnesota's broader reform initiatives to promote independence, increase community integration and reduce reliance on institutional care for Minnesota's older adults and people with disabilities. The Reform 2020 waiver provides federal support for the Alternative Care program and provides access to expanded self-directed options under the CFSS program for people who would not be eligible for these services under the 1915(i) and 1915(k) state plan option. The demonstration is effective through June 30, 2018.

1.1 Alternative Care Program

The Alterative Care program provides a home and community services benefit to people age 65 and older who need nursing facility level of care and have income or assets above the Medical Assistance (MA) standards. The Alternative Care program was established as an alternative to provide community services to seniors with modest income and assets who are not yet eligible for MA. This allows people to get the care they need without moving to a nursing home. The Reform 2020 demonstration waiver provides federal matching funds for the Alternative Care program.

1.2 Community First Services and Supports (CFSS)

Minnesota is redesigning its state plan personal care assistance services to expand self-directed options under a new service called Community First Services and Supports (CFSS). This service, designed to maintain and increase independence, will be modeled after the Community First Choice Option. It will reduce pressure on the system as people use the flexibility within CFSS instead of accessing the expanded service menu of one of the state's five HCBS waivers to meet gaps in their needs.

The new CFSS service, with its focus on consumer direction, is designed to comply with the regulations regarding section 1915(k) of the Social Security Act. Minnesota is currently seeking federal approval of the 1915(i) and 1915(k) state plan amendments required to implement this PCA reform initiative. To avoid a reduction in services for people currently using PCA services, CFSS will be available both to people who meet an institutional level of care [via 1915(k)] and people who do not [via 1915(i)]. These two components of CFSS are designed to work together seamlessly to provide appropriate services to people who have a functional need. Services authorized under 1915(i) will be identical to those authorized under 1915(k). The enhanced FMAP rate will apply to the 1915(k) services and the regular FMAP rate will apply to the 1915(i) services. Appropriateness of CFSS services will be based on the CFSS functional eligibility criteria.

Federal authority under the Reform 2020 section 1115 demonstration waiver allows Minnesota to extend the CFSS benefit to people who would not be eligible to receive such services under the state plan. Under the Reform 2020 demonstration waiver, a 1915(i)-like benefit will be available for people with incomes above 150% FPG who do not meet an institutional level of care and who receive the reformed PCA benefit (CFSS). The regular FMAP rate will apply to these services. A 1915(k)-like benefit will be available for people who meet an institutional level of care, receive the reformed PCA benefit (CFSS), are not receiving HCBS waiver services and are financially eligible if using financial eligibility rules for HCBS waivers. The regular FMAP rate will apply to these services. CFSS will be implemented for all populations once Minnesota's 1915(i) and 1915(k) state plan amendments are approved by CMS. Reporting on the 1915(i)-like and 1915(k)-like component of the Reform 2020 demonstration will begin once approval of the state plan amendments has been secured and implementation has begun.

1.3 Children under 21 with Activities of Daily Living (ADL) Needs

The Reform 2020 waiver provides federal expenditure authority for children under the age of 21 who are eligible under the state plan and who meet the March 23, 2010 nursing facility level of care criteria, but do not meet the nursing facility level of care criteria established in state law effective January 1, 2015, and would therefore lose Medicaid eligibility or home and community based services eligibility. Please refer to Section 7.1 of this report for more detail.

1.4 Goals of Demonstration

The Reform 2020 demonstration is designed to assist the state in its goals to:

- Achieve better health outcomes;
- Increase and support independence and recovery;
- Increase community integration;
- Reduce reliance on institutional care;
- Simplify the administration of the program and access to the program; and
- Create a program that is more fiscally sustainable

2. Enrollment Information

Demonstration Populations (as Hard coded in the CMS 64)	Enrollees at close of quarter (June 30, 2016)	Current Enrollees (as of data pull on July 6, 2016)	Disenrolled in Current Quarter (April 1, 2016 to June 30, 2016)
Population 1: Alternative Care	2,545	2,520	5
Population 2: 1915(i)-like			
Population 3: 1915(k)-like			
Population 4: ADL Children			

3. Alternative Care Program Wait List Reporting

There is no waiting list maintained for the Alternative Care program and there are no plans to implement such a list.

4. Outreach and Innovative Activities

4.1 Minnesota Department of Human Services Public Web Site

Information on the Alternative Care program is available to the public on the Department of Human Services (DHS) website. The Alternative Care web page provides descriptive information about program eligibility, covered services, and the program application process. The web page also refers users to the Senior LinkAge Line® (described in the following section) where they can speak to a human services professional about the Alternative Care program and other programs and services for seniors.

4.2 Senior Linkage Line®

The Senior Linkage Line® is a free telephone information service available to assist older adults and their families find community services. With a single call, people can find particular services near them or get help evaluating their situation to determine what kind of service might be helpful. Information and Assistance Specialists direct callers to the organizations in their area that provide the services in which they are interested. Specialists can conduct three-way calls and offer follow-up as needed. Specialists are trained health and human service professionals. They offer objective, neutral information about senior service and housing options.

4.3 Statewide Training

DHS staff provides on-going consultation and training on Alternative Care program policy to all lead agencies. For the Alternative Care program, the lead agency can be a county social service department, local public health agency or a Tribal entity. Training sessions on the Alternative Care program are offered twice a year via statewide video conferencing. These training sessions cover the policies and procedures for the Alternative Care program. The training targets staff with up to 12 months of program experience. Staff with more experience is encouraged to attend if they have not previously attended or need a refresher in the program basics. The learning objectives for the training include: understanding the Alternative Care program eligibility requirements and service definitions, and case manager roles and responsibilities in administering the Alternative Care program.

DHS also publishes and maintains provider and MMIS manuals and provides technical assistance through a variety of means including written resource material, electronic and call-in help centers and weekly training opportunities via statewide video conferencing on topics related to aging. Ongoing training related to MMIS tools and processes, long term care consultation and level of care determinations, case management, vulnerable adult and maltreatment reporting and prevention is also provided. DHS staff regularly attends regional meetings convened by lead agencies.

5. Updates on Post-Award Public Forums

In accordance with paragraph 32 of the Reform 2020 special terms and conditions (STCs), the State held a public forum on December 18, 2015 to provide the public with an opportunity to comment on the progress of the Reform 2020 demonstration. DHS plans to hold the next public forum in December 2016.

6. Operational Developments and Issues

6.1 1915(i) and 1915(k) State Plan Amendments

Operational and systems changes required to implement the 1915(i)-like and 1915(k)-like options under Reform 2020 are underway. Implementation of this component of the Reform 2020 waiver is contingent upon approval of the corresponding 1915(i) and 1915(k) state plan amendments submitted to CMS on December 19, 2013.

6.2 CFSS 1915(b)(4) Waiver

On June 20, 2014, DHS submitted a 1915(b)(4) selective contracting waiver request to limit the number of financial management services contractors and consultation service providers.

Under CFSS, people may directly employ and pay qualified support workers and/or purchase goods or environmental modifications that relate to an assessed need identified in their service delivery plan. Spending must be limited to the authorized amount. A financial management services contractor (FMS) will be the employer-agent assisting participant-employers to comply with state and federal employment laws and requirements and for billing and making payments on behalf of participant-employers. In addition, participants will utilize a consultation services provider to learn about CFSS, select a service delivery model, and develop a person-centered service delivery plan and budget and to obtain information and support about employing, training, supervising and dismissing support workers.

Under this waiver, DHS would contract with FMS and consultation services providers via competitive procurement. Competitive procurement is appropriate for FMS and consultation services providers to ensure the most qualified providers are utilized and to allow DHS to concentrate provider training and monitoring efforts on a few highly qualified providers. FMS and consultation services providers will have a new and critical role in ensuring that participants learn how to use this self-directed option and experience expected outcomes, funds are spent appropriately and participant's identified needs are met. This waiver authority will help to ensure a smooth transition to this more flexible benefit, and to implement quality services, by limiting the pool of FMS and consultation services providers to a small number of highly qualified entities. In addition, selective contracting is particularly appropriate because other states offering participant-directed benefits have had success in purchasing financial management services at a lower price when the number of contractors is limited so that the contractors have a sufficient volume of participants. The effective date of the 1915(b)(4) waiver

will coincide with the approval of the state plan amendments referenced in Section 6.1 of this report.

6.3 Alternative Care Program Operational Protocol

On August 8, 2014, DHS submitted the operational protocol for Alternative Care that is to be appended to the Reform 2020 STCs. The protocol was updated to incorporate changes in response to CMS' questions and comments and resubmitted on January 26, 2015. On October 16, 2015 DHS submitted an updated protocol to reflect changes in state law and other program modifications.

7. Policy Developments and Issues

7.1 NF LOC Delay and Children with ADL Needs

In 2009, the Minnesota Legislature passed legislation that changes the nursing facility level of care criteria for public payment of long-term care services. These revised criteria were implemented on January 1, 2015. The change affects people who would receive publicly-funded nursing facility services or publicly-funded long-term care services in the community through programs such as Elderly Waiver (EW), Alternative Care (AC), and Community Alternatives for Disabled Individuals (CADI). Governor Dayton requested a delay to provide additional time to make sure the appropriate supports are available to Minnesotans affected by this change.

The Reform 2020 waiver provides federal expenditure authority for children under the age of 21 who are eligible under the state plan and who met the March 23, 2010 nursing facility level of care criteria, but who do not meet the revised nursing facility level of care criteria and would therefore lose Medicaid eligibility or home and community-based services eligibility. Quarterly enrollment and member-month reporting for children meeting these criteria will begin January 1, 2015.

7.2 HCBS Settings Final Rule

The State has reviewed the final rule for the Medicaid home and community-based services settings, issued by CMS in January 2014. The final regulation addresses several sections of Medicaid law under which states may use federal Medicaid funds to pay for home and community-based services. In particular, the state has assessed requirements established in the rule for the qualities of settings that are eligible for Medicaid reimbursement for home and community-based services provided under sections 1915(c), 1915(i) and 1915(k) and the potential implications for Minnesota's personal care assistance services redesign initiative and the state's efforts to expand self-directed options under CFSS. On January 7, 2015 DHS submitted Minnesota's plan to transition to compliance with the CMS regulation governing home and community –based settings. The transition plan applies to all five of Minnesota's home and community-based waiver programs under authority of §1915(c) of the Social Security Act.

8. Financial and Budget Neutrality Development Issues

Demonstration expenditures are reported quarterly using Form CMS-64, 64.9 and 64.10.

9. Member Month Reporting

Eligibility Group	Month 1	Month 2	Month 3	Total for Quarter Ending June 30, 2016
Population 1: Alternative Care	2,647	2,623	2,594	7,864
Population 2: 1915(i)-like				
Population 3: 1915(k)-like				

Population 4: ADL Children During the period of April 1, 2016 through June 30, 2016, there were no children identified as meeting the criteria outlined in the Special Terms and Conditions paragraph 18 for the ADL Children eligibility group.

10. Consumer Issues

10.1 Alternative Care Program Beneficiary Grievances and Appeals

A description of the State's grievance system and the dispute resolution process is outlined in the 1915(c) HCBS Waiver application and the 372 report for the Elderly Waiver. These processes apply to the Alternative Care Program. Grievances and appeals filed by Alternative Care program recipients are reviewed by DHS on a quarterly basis. Alternative Care program staff assist in resolving individual issues and identify significant trends or patterns in grievances and appeals filed. Following is a summary of Alternative Care program grievance and appeal activity during the period April 1 2016 through June 30, 2016.

Alternative Care Program Beneficiary Grievance and Appeal Activity
April 1, 2016 through June 30, 2016

	Affirmed	Reversed	Dismissed	Withdrawn
AC Appeals	0	0	1	1

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