



Waiver Reimagine Budget Exception Overview

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Waiver Reimagine budget exceptions



Budget ranges were designed to meet the needs of **most** people currently on a disability waiver.



Some people with greater needs than is typical for people in their support level may not be able to meet those needs within their budget range.



There will be a process for people with extraordinary needs to request an exception for additional funding if their needs cannot be met within their budget range.



Each exception request will be reviewed and must meet specific requirements.

Budget exception history

Timeline:

- Lead Agency feedback prior to 2022 with DHS.
- Waiver Reimagine Advisory Committee (WRAC) meetings 2023-2025.
- Legislative WR Task Force meetings beginning Nov 2025 with scenario workgroup meetings beginning Feb 2026.
- Internal meetings among DSD and Human Services Research Institute (HSRI) 2020-current.

Budget exception complexity

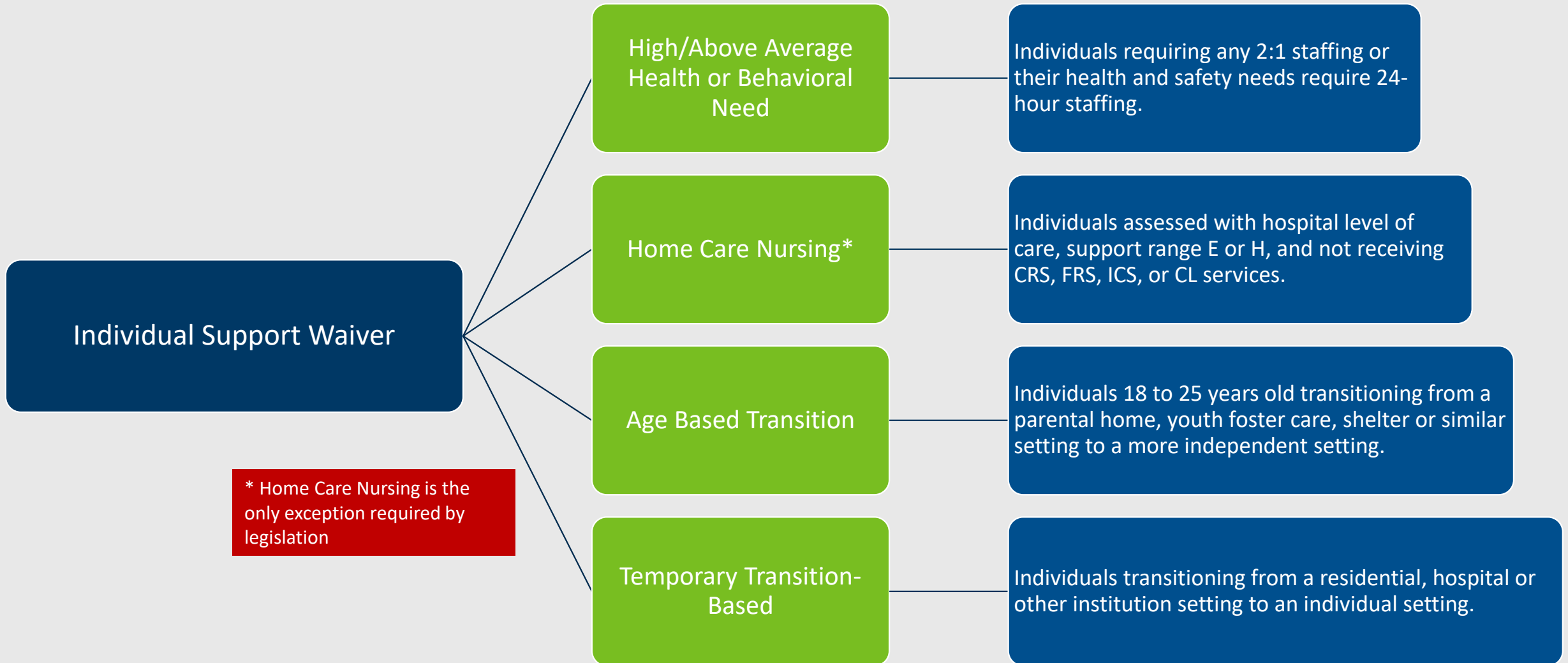
- DSD is drafting new budget exception criteria to support people with extraordinary needs that cannot be met within their budget range.
- As budget exception criteria is developed, the interaction and overlap of Disability Waiver Rate System (DWRS) rate exceptions is integrated into the process.
- Budget exceptions are expected and seen as a feature of the budget model for those with extraordinary needs. They are not intended to operate as a work around to the budget range.

Exception development outcomes

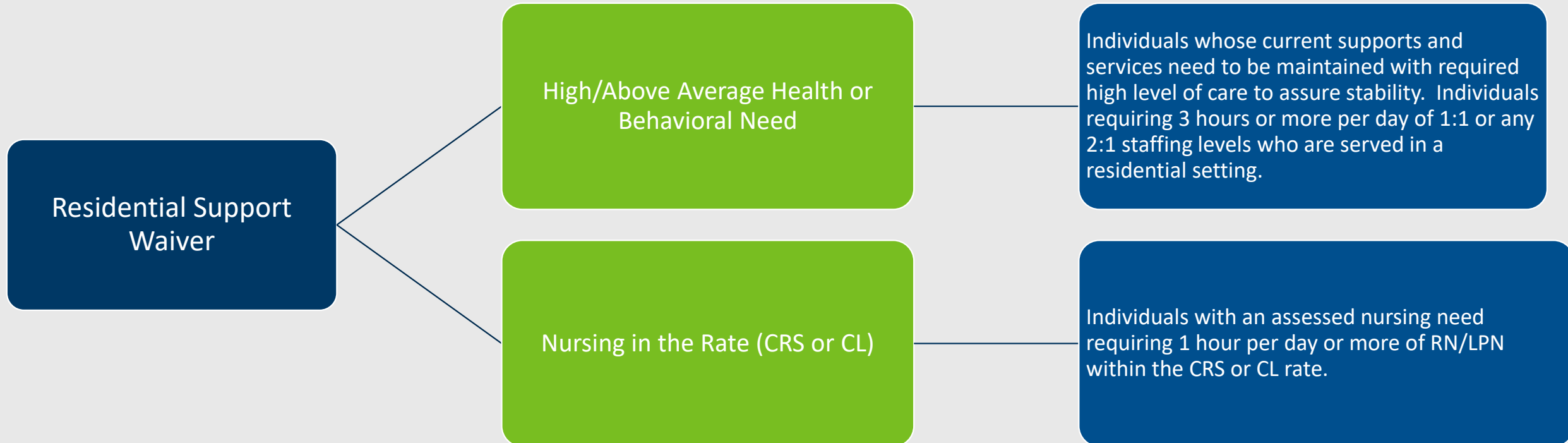
Goals of the budget exception development process:

- Collaborate with external audiences on identifying the types of exceptions
- Define clear and objective criteria
- Streamline and align Disability Waiver Rate System (DWRS) rate exception process and budget exception process
- Establish consistency in the process across lead agencies
- Determine supporting information DHS needs for initial requests and renewals.

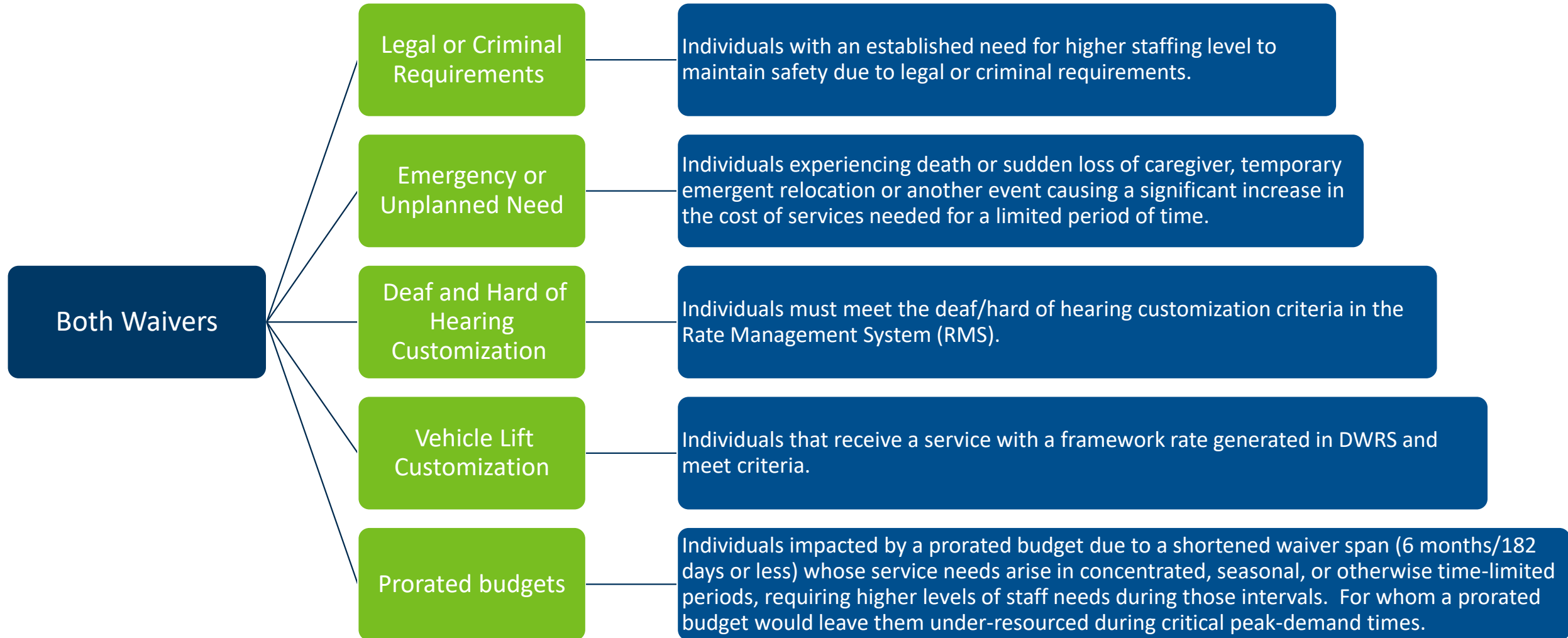
Draft budget exception types & criteria



Draft budget exception types & criteria continued



Draft budget exception types & criteria continued



Role of the Task Force

The Legislative WR Task Force is tasked to make findings and recommendations related to WR, including criteria and processes for provider rate exceptions and budget exceptions.

Core questions for developing the budget exception criteria and process that the Task Force can help answer:

- Who is eligible for an exception?
- What type of exception(s) do they need?
- How much of an exception do they need?
- What is the process for request, review, approval/denial, appeals, and renewal of the exceptions?

- **Set benchmarks**
 - DHS needs to measure certain benchmarks like:
 - Anticipated number of budget exceptions per year.
 - Anticipated total cost allowable for budget exceptions per year.
- **Maintain program integrity**
 - Evaluate the outcomes and performance of the budget model by monitoring budget exception trends.
- **Objectivity**
 - Defining and adhering to set criteria and supporting documentation for all requests.

Thank you!