

Working group: Early indicators

Red flag areas:

- Degree of budget change (especially reductions)
- Early Olmstead non-compliance potential
- Medicaid laws and requirements
- Budget exception process (#'s, speed to process, \$\$)
- Confirm people are receiving services during time to find providers
- Confirm people are not being moved to a more restrictive condition
- Degree of informed choice

Early monitoring and continuous improvement

Waiver Reimagine represents a sea change in how Medicaid waiver benefits are organized and implemented. As with the first model year of any major redesign, learning from the experiences of the first participants served will be critical to assessing the alignment between design intent and participant impact. While extensive planning has informed the initiative, some assumptions can only be tested through implementation and observation of real-world outcomes.

The Early Indicators Work Group began by identifying a series of "red flag" indicators intended to detect and address situations in which services and supports, to which individuals are entitled, are denied, lapsed, reduced, delayed or terminated. These indicators were developed to provide an early warning system capable of identifying emerging concerns before they become systemic problems. The work group believed that establishing these measures prior to implementation could help inform the Waiver Reimagine submission to CMS and provide a foundation for ongoing monitoring and continuous improvement.

As discussions evolved, the work group expanded its focus beyond immediate implementation concerns to include longer-term measures of participant experience, system performance, service access and compliance with community integration goals. Members recognized that both short-term and long-term indicators will be necessary to understand the effects of Waiver Reimagine on individuals, families, providers and public resources. This information may be particularly valuable if a more measured approach, like piloting or phasing implementation, is pursued. It would allow policymakers and administrators to learn from the experiences of early participants and adjust before comprehensive implementation.

The group recognizes that the Minnesota Department of Human Services Office of Strategy and Performance is developing indicators to assess Waiver Reimagine/DHS readiness and to monitor implementation. The indicators identified below are intended to complement the department's efforts.

The work group also agreed that collecting data alone is insufficient. Information gathered through monitoring should be actively used to inform future decisions and improve implementation over time. All areas of monitoring require clarity surrounding responsibilities associated with collecting, analyzing and acting on the data. Continuous improvement approaches like the Deming, or other continuous improvement, models may help provide a framework for learning, adaptation, and accountability throughout implementation. Data collection alone does not drive continuous improvement.

A: Early indicators: Red flag areas

1) Degree and direction of budget change

One of the earliest indicators of success will be whether actual budget outcomes align with a core assumption of Waiver Reimagine; that most participants will maintain or improve their experiences on the waiver. Monitoring the degree and direction of budget changes will provide important insight into whether this assumption is being realized in practice.

This analysis should examine not only the amount of budget allocated to participants, but also whether participants are able to access and use the services for which funding has been authorized. Low utilization may reflect a lack of available services or other market factors and not a lack of need.

2) Budget exception data set

The frequency and use of budget exceptions will serve as an early indicator of Waiver Reimagine's financial viability for both the state and participants. Is the process working as envisioned?

Real-time monitoring should include:

- The number of budget exceptions requested, categorized by support range.
- The number of budget exceptions approved.
- The financial value associated with approved exceptions.
- Turnaround time and speed of processing exception requests.

Tracking these measures over time can help identify patterns, emerging risks, and potential gaps in budget sufficiency.

3) Integration mandate and case management

The two-waiver structure proposed under Waiver Reimagine introduces potential risks related to choice and compliance with the federal integration mandate. Participants must decline community-based, integrated support before residential options are offered. Process rigor will help to make sure the participant retains control.

Nuanced questions, explanations or framing by experienced and well-intentioned professionals may unintentionally shape participant decisions. To make sure process fidelity occurs, qualitative evaluation methods should be incorporated. Cognitive interviewing and similar approaches with assessors, case managers and support planners may help determine whether choice is being presented consistently and in a manner that reflects participant preferences. Retraining of experienced staff may be required.

(**Note:** Concerns associated with MnCHOICES are discussed in another section of the legislative report.)

4) Integration mandate and the participant experience

A central measure of success is whether participants genuinely experience choice in their planning and service decisions. One approach would be to incorporate a confirmation measure within case plans that documents active choice.

While a simple checkbox may give one data point, additional methods are needed to understand participant experience more fully. A representative sample of participants could be engaged through qualitative methods like interviews, focus groups or participant surveys. This helps to better understand whether they felt informed, supported and free to choose among available options.

If DHS does not have the capacity to collect or analyze these data, consideration should be given to identifying external partners that could support this work.

5) Where are people going?

Monitoring changes in living arrangements will help assess whether Waiver Reimagine is supporting movement toward more integrated community settings or unintentionally contributing to more restrictive environments.

Tracking should examine:

- Housing and residential transitions over time.
- Whether people are moving to more or less restrictive settings.
- How the level or nature of restrictions change following implementation.
- Patterns that may indicate steering, service shortages, or budget-driven decisions.

6) What does a person do when they cannot find services?

While an individual may be authorized for services, access may be limited due to provider shortages, workforce limitations, geography, market competition and other constraints. In the past, hospital care has provided a safety net; this may be changing. Understanding the nature of these service gaps and how people respond is central to understanding the complex nature of a changing landscape.

Continuous improvement efforts should seek to understand:

- The barriers that prevent people from accessing authorized services.
- The substitute services or informal supports that are being used when authorized services are not available.
- How unmet service needs are resulting in caregiver burden, hospital utilization or other forms of crisis response.

Effective monitoring may require collaboration with partners beyond DHS, including those monitoring workforce, employment, healthcare and healthcare systems.

B: Long-term monitoring and continuous improvement considerations

In addition to the early indicators described above, the work group identified several areas that deserve longer-term monitoring and assessment. These areas reflect both the complexity of the disability services ecosystem and the recognition that some impacts of Waiver Reimagine may not emerge for several years following implementation.

1) Increase monitoring on the impacts on people

While many implementation measures focus on budgets, authorizations and service utilization, the ultimate test of Waiver Reimagine is its impact on the lives of people receiving services. Long-term monitoring should move beyond system performance measures to examine participant outcomes and experiences.

Areas of interest may include whether individuals are able to maintain stable housing, remain connected to their communities, pursue employment or meaningful daytime activities, sustain important relationships and exercise choice and control over their daily lives. Monitoring should also consider whether participants experience increased reliance on unpaid caregivers, greater use of crisis services, emergency room visits, institutional placements or other indicators that support needs are not being adequately met.

Whenever possible, participant-reported outcomes and direct feedback should be incorporated into monitoring efforts. Administrative data can describe what services were authorized or delivered, but only participants can fully describe whether those services were available and helped them achieve the lives they want to lead.

2) Develop a more complete understanding of what gets in the way of accessing services

The availability of funding does not guarantee access to services. Throughout stakeholder engagement, participants consistently raised concerns that service shortages, workforce challenges, geographic disparities and market conditions may prevent individuals from accessing authorized supports.

Long-term monitoring should seek to better understand the reasons services are unavailable or difficult to access. This includes tracking provider shortages by geography, service type and support needs; identifying emerging service deserts and understanding the barriers faced by individuals seeking services. Monitoring should also look at whether participants receive substitute services, rely on family caregivers, experience delays in service initiation or go without needed supports altogether.

Attention should be given to changes in service availability over time. As payment structures, budgets and market incentives evolve under Waiver Reimagine, the mix of available services may also change. Understanding these shifts will be important in assessing whether participants retain meaningful access to the full range of support envisioned by in the redesign.

3) Monitor trends in provider-controlled and congregate settings

Because Waiver Reimagine is intended to support person-centered planning and access to integrated community living options, it will be important to monitor trends in residential settings over time.

Tracking the licensing and growth of provider-controlled settings, including whether the number or proportion of congregate care settings increases, decreases or remains stable following implementation.

Monitoring should not focus only on where people live, but also on whether participants experience greater or lesser levels of autonomy, choice and community integration. Because these data may not currently be housed within a single data source, collaboration with licensing entities, state agencies, researchers and other partners may be necessary to create a comprehensive picture.

4) Prepare for emerging federal quality measurement requirements

Beginning as early as 2028, CMS may require states to collect and report using a standardized set of Home and Community-Based Services (HCBS) quality measures-- the Medicaid Access Rule.

Given the anticipated timing of this federal requirement, the coherence of this quality framework with the Americans with Disabilities Act (ADA) and the Olmstead decision and the evolving implementation schedule for Waiver Reimagine, the work group recommends that DHS assess the state's readiness to meet these quality reporting requirements and incorporate key measures in the CMS submission ahead of the federal requirements.

5) Work in ways that reflect the complexity of the service ecosystem

The disability services ecosystem is influenced by factors that extend beyond DHS' waiver policy and administration. Workforce availability, housing access, federal policy changes including those in HR1, state policies on provider rates and service moratoriums, private insurance changes, healthcare capacity and family caregiver supports all shape participant outcomes and access to services.

No single entity is likely to possess all the information necessary to fully understand system performance or identify emerging risks. A shared learning approach across stakeholder groups and ecosystem partners can help ensure that monitoring efforts move beyond compliance reporting and contribute to a deeper understanding of how the system functions.

The goal is not simply to collect information, but to use that information to improve outcomes, strengthen accountability and support long-term success for Waiver Reimagine and the people served.