

# Home and Community Based Services Deficiency and Abuse/Neglect/Exploitation Annual Report

## Reform: Pathways to Independence Section 1115 Demonstration No. 11-W-00286/5 Alternative Care

**Demonstration Period:** 2/1/2025 to 1/31/2030

**Report Due Date:** 12/29/2025

**Annual Reporting Period:** 7/1/2024 to 6/30/2025

**Report Submission Date:** 12/19/2025

**Revised Resubmission Date:** 3/24/2026

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### Introduction

This annual report is being submitted to the Centers for Medicare and Medicaid Services (CMS) by the Minnesota Department of Human Services (DHS) for Minnesota’s Reform Section 1115 demonstration as required under item 8.5(a) of the current Special Terms and Conditions (STC) dated June 25, 2025:

*“The state must report annually to CMS on the deficiencies found during the monitoring and evaluation of the HCBS [Home and Community Based Services] performance measures and assurances, an explanation of how these deficiencies have been or are being corrected, as well as the steps that have been taken to ensure that these deficiencies do not reoccur. The state must also report on the number of substantiated instances of abuse, neglect, exploitation and/or unexplained death in the HCBS demonstration, the actions taken regarding the incidents and how they were resolved. Submission to CMS is due 6 months following the end of each Demonstration Year.”*

Paragraph 8.4 of the Reform waiver’s STCs require DHS to submit a Quality Improvement Strategy (QIS) and Performance Measure Plan within 90-days following approval of the waiver. The QIS and Performance Measure Plan were submitted to CMS on April 1, 2025 and were approved by CMS on September 10, 2025. This report is based off of the approved QIS and Performance Measure Plan, and meets the requirements of STC 8.5(a).

### HCBS Deficiencies

This report includes the HCBS deficiencies detected during the annual reporting period, and provides the following details for any performance measure in the approved Performance Measure Plan for which compliance was at or below 85%<sup>1</sup>:

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<sup>1</sup> CMS instructions “Modifications to Quality Measures and Reporting in 1915(c) Home and Community-Based Waivers” March 12, 2014. [3-cmcs-quality-memo-narrative\\_0.pdf \(medicaid.gov\)](#)

1. Summary of the significant areas where deficiencies were detected.
2. Description of each performance measure that fell below the compliance threshold.
3. Explanation of how these deficiencies have been, or are being, corrected as well as the steps taken to ensure these deficiencies do not reoccur.

## Summary of areas where deficiencies were detected

### Findings of Monitoring:

No deficiencies were detected during the monitoring process.

Deficiencies were detected.

Provide a summary of the significant areas where deficiencies were detected:

Deficiencies were detected in two performance measures (PM):

- PM 3: Percent of initial AC [Alternative Care] assessments completed within 20 days of request; and
- PM 11: Percent difference between the dollar amount authorized for AC services compared to the dollar amount claimed for services provided to AC participants.

Deficiencies have been, or are being corrected.

Provide an explanation of how these deficiencies have been, or are being corrected as well as an explanation of what steps have been taken to ensure the deficiencies do not reoccur:

DHS has quality improvement projects for both measures.

- For PM 3, DHS is taking a multi-pronged approach. We are updating policies that are complicated and outdated, streamlining the MnCHOICES assessment application, and making legislative changes.
- For PM 11, DHS will work on best practices for aligning authorized units of service to reflect a person's service needs for the services with the largest discrepancies.

## Performance measure deficiencies and corrections

See Attachment A for the aggregated data for each performance measure that falls below the compliance threshold, and an explanation of how these deficiencies are being corrected.

## Substantiated instances of abuse, neglect, exploitation and/or unexplained deaths

This report also includes the aggregated number of substantiated instances of abuse, neglect, exploitation, and/or death for 1115 demonstration HCBS recipients and the actions taken regarding the incidents and how they were resolved. See Attachment B.

HCBS Deficiency Data

Appendix B – Level of Care (LOC) Determination

Performance Measure 3				
Percent of initial AC assessments completed within 20 days of request				
Evidence				
Numerator	Number of initial AC assessments completed within 20 days of request			
Denominator	Number of initial AC assessments			
Data Source	Other: MnCHOICES Database			
Responsible Party for data collection/generation	Other: County and tribal human service agencies enter data			
Frequency of data collection/generation	Continuously and Ongoing			
Sampling Approach	100% Review			
Responsible Party for Data Aggregation and Analysis	State Medicaid Agency			
Frequency of Data Aggregation and Analysis	Annually			
State Data				
Year	Sample Universe (entire population from which the sample is drawn)	Numerator (# compliant)	Denominator (sample size)	% Compliant (pre-remediation)
07/01/2024 - 06/30/2025	694	217	694	31.3%
State Analysis				
The data shows low rates of compliance are more common in the Twin Cities metro area due to higher case numbers, though there are county and tribal human service agencies of all sizes doing poorly across the state. DHS determined the low performance was primarily due to difficulty county and tribal human service agencies are having with hiring and retaining certified assessors. The problem of workforce shortages cuts across most industries and has heavy impacts on health and human services.				
Remediation				
As part of the Lead Agency Review, education is provided whenever an issue is identified, and corrective action plans are issued if a problem is pervasive within a county or tribal human service agency.				
Quality Improvement Activities				
<b>Actions DHS has already taken to resolve the deficiency</b>				
<ul style="list-style-type: none"> <li>Passed legislation in 2024 to allow assessments to be valid for a full 365 days, with initial assessments effective July 1, 2025, which should reduce the number of assessments per person per year that need to be completed.</li> <li>Added efficiencies as of October 23, 2025 to the MnCHOICES assessment application that allow responses to be copied from a previous assessment to a new assessment.</li> <li>Created a process that allows county and tribal human service agencies to export a text file from the MnCHOICES application, which then can be used to populate the screening document in MMIS. This allows workers to navigate quickly and efficiently, and reduces time spent on data entry activities. This is being deployed in phases, with the first phase completed in June 2025.</li> </ul>				

**Actions DHS is actively working on to resolve the deficiency**

- Exploring options to allow all types of assessments to be valid for a full 365 days by July 2027.
- Implementing a legislative change to the assessor qualifications by removing the requirement to have a bachelor’s degree, which will broaden the potential hiring pool and create additional capacity for certified assessors. This is effective July 1, 2026.
- Implementing a legislative change that allows assessors to respond to assessment requests within 20 business days instead of 20 calendar days. This will be completed by the end of 2026.
- Implementing a legislative change that will allow county and tribal human service agencies to contract with hospital staff to complete assessments which will help reduce waiting times. We anticipate this will be implemented by the end of 2026, depending upon the CMS approval timeline across all impacted programs in Minnesota.
- Proposing several legislative actions for the 2026 session that will result in additional efficiencies. The timelines will be determined based on the legislative authority.

**Appendix D – Service Plans**

<b>Performance Measure 11</b>				
Percent difference between the dollar amount authorized for AC services compared to the dollar amount claimed for services provided to AC participants				
<b>Evidence</b>				
Numerator	Dollar amount claimed for services provided to AC participants			
Denominator	Dollar amount authorized for AC services			
Data Source	MMIS			
Responsible Party for data collection/generation	State Medicaid Agency			
Frequency of data collection/generation	Continuously and ongoing			
Sampling Approach	100% Review			
Responsible Party for Data Aggregation and Analysis	State Medicaid Agency			
Frequency of Data Aggregation and Analysis	Annually			
<b>State Data</b>				
Year	Sample Universe (entire population from which the sample is drawn)	Numerator (# compliant)	Denominator (sample size)	% Compliant (pre-remediation)
07/01/2024 - 06/30/2025	153,400,946.36	94,983,409.34	153,400,946.36	61.92%
<b>State Analysis</b>				
DHS determined a major driver of non-compliance with this measure is provider staffing. Case managers are authorizing services and if a provider does not have adequate staff to provide those services, case managers may need to authorize services through additional agencies. Another major driver is the process county and tribal human service agencies use to predict the number of service units a person will require to meet their needs within the service agreement span. Case managers estimate a maximum allowable number of units based on the person’s assessed needs, which allows county and tribal human service agencies to avoid updating the service agreement every time there is a need for more units. Providers may have a difficult time fulfilling total service units authorized due to staffing shortages, which creates a gap between services authorized and services claimed. Providers have a year to claim, so authorizations cannot readily be changed until the authorization is closed.				
<b>Remediation</b>				
DHS is going to work on developing best practices and providing technical assistance to county and tribal human service agencies for services with the greatest discrepancies.				

### Quality Improvement Activities

#### **Actions DHS has already taken to resolve the deficiency**

- Continued to provide reports to county and tribal human service agencies that show the amount authorized and paid to better align authorized units.
- Implemented tiered rates effective January 1, 2026 for personal care assistance and some Community First Services and Supports services so workers that have more experience receive higher wages. We are hopeful this will address some of the workforce shortage issues.

#### **Actions DHS is actively working on to resolve the deficiency**

- Increasing the number of direct support professionals by participating in state-sponsored workforce shortage initiatives, including working toward a “thriving direct care workforce” as part of Age-Friendly MN’s Multisector Blueprint for Aging. The Blueprint was released in 2024 and the work is ongoing.
- Creating an email list for care professionals to receive information directly from DHS that is relevant to their career. This is intended to improve retention, professionalism, and quality of service. DHS has email addresses for 110,000 workers who will be invited to sign up for the email list in the spring of 2026, and messages will start going out during the summer of 2026. In the meantime, care professionals can get information from DHS through the Disability and Aging Services email lists that are targeted toward broader audiences.
- Reviewing which services are least in compliance with this measure, and working with county and tribal human service agencies on developing targeted best practices for aligning authorized units of service to reflect a person’s service needs by the end of 2026.

## Abuse, Neglect, Exploitation Report

Reform: Alternative Care

Reporting Period: 7/1/2024 – 6/30/2025

Table 1 shows the total number of allegations reported to the Minnesota Adult Abuse Reporting Center (MAARC) by allegation type where the alleged victim was on Alternative Care (AC) at the time the allegation was reported, and a county was the Lead Investigative Agency (LIA) responsible for the report. It also summarizes the disposition of county investigations of maltreatment involving AC participants, including the number of allegations opened for investigation and service assessment by a county adult protection program. Table 2 summarizes investigation final determinations by allegation. Table 3 shows interventions offered or provided to remediate maltreatment.

Each allegation reported to MAARC is assessed by the LIA responsible. Counties use a standardized tool, provided by the department, to determine if referred adults meet policy criteria as potentially vulnerable and maltreated as defined in the Vulnerable Adults Act. County agencies may apply their own prioritization in final decisions for which referred adults are accepted for adult protection assessment. Counties may make referrals and provide supports during the intake process for adults not accepted for adult protective services. Vulnerable adults who are accepted for adult protective services are offered emergency and continuing protective social services through assessment of strengths, needs, and service planning with protective interventions to stop, reduce the risk of, and prevent maltreatment. The county, as the LIA, may change the allegation reported or add new allegations discovered during assessment. Resources are offered to the adult regardless of the final investigative determination.

<b>Table 1: MAARC-Reported Adult Maltreatment Involving AC Participants (07/01/2024 - 06/30/2025)</b>							
	<b>Allegations Reported to MAARC Where Alleged Victim is a Participant</b>		<b>Allegations Investigated by the County</b>		<b>County Investigations with Final Disposition as of</b>	<b>% Substantiated Maltreatment (of Allegations Investigated with Final Disposition)</b>	
	<b>#</b>	<b>% Total Allegations</b>	<b># Allegations Investigated by the County</b>	<b>% of Total Allegations Investigated by the County</b>	<u>10/10/2025</u>	<b># Substantiated</b>	<b>% Substantiated of Total Investigated with Final Disposition</b>
<b>Emotional Abuse</b>	59	10.50%	26	14.13%	21	2	1.57%

<b>Physical Abuse</b>	29	5.16%	16	8.70%	12	3	2.36%
<b>Sexual Abuse</b>	0	0.00%	0	0.00%	0	0	0.00%
<b>Financial Exploitation (Fid. Rel.)</b>	34	6.05%	14	7.61%	8	0	0.00%
<b>Financial Exploitation (Non-Fid. Rel.)</b>	79	14.06%	39	21.20%	26	3	2.36%
<b>Caregiver Neglect</b>	97	17.26%	37	20.11%	24	1	0.79%
<b>Self-Neglect</b>	264	46.98%	52	28.26%	36	21	16.54%
<b>Total</b>	562	100.00%	184	100.00%	127	30	23.62%
<b>Total Deduplicated AC Participants with Substantiated Maltreatment</b>							<b>27</b>

Source: Department of Human Services (DHS) Data Warehouse 10/10/2025 (this should be at least 3 months following the end of the reporting period)

<b>Table 2: Disposition of County Investigations of Maltreatment Allegations Involving AC Participants</b>					
<b>MAARC Reported Allegations: 07/01/2024 to 06/30/2025</b>					
	<b>Allegation Disposition</b>				<b>Total</b>
	<b>Substantiated Maltreatment</b>	<b>False Allegation</b>	<b>Inconclusive</b>	<b>No Determination - Investigation Not Possible*</b>	
<b>Emotional Abuse</b>	2	11	5	3	21
<b>Physical Abuse</b>	3	7	1	1	12
<b>Sexual Abuse</b>	0	0	0	0	0
<b>Financial Exploitation (Fid. Rel.)</b>	0	5	2	1	8
<b>Financial Exploitation (Non-Fid. Rel.)</b>	3	12	6	5	26
<b>Caregiver Neglect</b>	1	15	6	2	24
<b>Self-Neglect</b>	21	14	0	1	36
<b>Total</b>	<b>30</b>	<b>64</b>	<b>20</b>	<b>13</b>	<b>127</b>

\* Includes No Determination: Not a Vulnerable Adult

Source: DHS Data Warehouse 10/10/2025 (this should be at least 3 months following the end of the reporting period)

## **Interventions Offered and Provided by County Adult Protective Services to Remediate Maltreatment of a Vulnerable Adult (VA)**

Interventions are recommended, referred or implemented by county Adult Protective Services (APS) as part of safety planning for the VA during the investigation and through case closure. Intervention may be for the VA or the Primary Support Person (PSP) for the VA. The PSP is the individual who is providing or managing the majority of ongoing care for the vulnerable adult. The PSP can be different than a caregiver.

Completion of the intervention field is required when maltreatment is substantiated following investigation by a county LIA when the case is closed. Case closure may occur during a period of time following determination of the allegation. Interventions are selected and documented in the state's Social Services Information System (SSIS).

### **Intervention Key and Definitions:**

**Addiction Assessment, Treatment, or Counseling** – Services and activities to deter, reduce or eliminate substance abuse or chemical dependency. Includes referral for assessment, treatment, and counseling services for gambling and other addictions.

**Animal Control** – Office or agency responsible for enforcement or control, impounding or disposition of animals.

**Caregiver Support Services or Education** – Assistance for family or other informal caregivers to improve or sustain capacity for caregiving. Includes counseling, support groups, training, or respite.

**Case Management/Care Coordination** – Assessment of needs, development and monitoring of a service plan, service referral, coordination, and advocacy to ensure the safety and well-being of the adult who is vulnerable.

**Commitment** – Court process for involuntary treatment of mental illness or chemical dependency under circumstances of danger to self or others.

**Education and Support** – APS worker provides information, help, or support to the adult who is vulnerable to improve insight, understanding, or change behavior to prevent/reduce risk of maltreatment.

**Education, Employment, and Training Services** – Services, education, coaching, or other activities to assist in achieving or maintaining economic self-support.

**Emergency Assistance** – Food, shelter, clothing, transportation, social services, or financial assistance provided on an emergency basis. Includes counseling or supervision.

**Emergency Hold** – 72-hour hold by law enforcement, physician, or public health.

**Family Counseling or Mediation** – To help family members improve communication, resolve conflict, or identify and change patterns. Provided by a trained or licensed therapist or mediator.

**Financial Fiduciary** – Power of attorney or trustee to assist with finances.

**Financial Management Assistance** – Services or activities to assist in managing finances or planning for future financial needs. Includes meeting with financial institutions, financial planning, estate planning, money management and planning to meet needs associated with impaired capacity.

**Guardian/Conservator Appointment or Replacement** – Court order, including state or tribal courts, resulting in appointment, appointment revocation or modification of a guardian or conservator.

**Health and Welfare Check** – Requested by APS and performed by law enforcement.

**Health Care Directive Completed or Modified** – Executing a new health care directive or modifying an existing directive to name or change an agent or identify advance health care planning.

**Home or Community Based Services** – Supports provided outside of a nursing home or hospital to meet needs for food, shelter, clothing, health care or supervision.

**Housing Clean-Up or Repair** – Supports to clean up or repair dilapidated or hazardous housing conditions or meet housing codes.

**Housing Code Inspection** – Housing or fire code inspection. Includes coordination with inspection or support to meet code.

**Law Enforcement** – Coordination with law enforcement when the allegations include potential crimes.

**Legal Services** – Includes legal advice, counsel or representation or asset recovery, fiduciary appointment, supported decision making, or advocacy.

**Medical Assistance Hardship Waiver** – Applying and meeting verifications for a hardship waiver.

**Medical or Dental Services** – Services to attain or maintain physical health.

**Mental Health Services** – Services to attain or maintain mental health.

**MNCHOICES Assessment/Long Term Care Consultation** – Referral and/or support through the process.

**Moved or Relocated the Adult Vulnerable to Maltreatment** – Assistance or support.

**Moved or Relocated the Person Alleged Responsible** – Assistance or support.

**Multidisciplinary Adult Protection Team Review** – Using a multidisciplinary team for service recommendations, support of safety planning, case review or coordination with team members.

**Office of the Inspector General** – Fraud investigation.

**Ombudsman** – Advocacy for rights of people receiving long-term services and supports or mental health and developmental disability services.

**Public Assistance Benefits** – Includes cash assistance, Supplemental Nutrition Assistance Program (SNAP), medical assistance, energy, or childcare assistance.

**Referral to Prosecutor Office** – Includes coordination with city, county, state, or federal prosecuting attorney and may or may not result in conviction.

**Restraining Order for Removal of Person Alleged Responsible** – Order for protection, harassment order, restraining order for the protection of the adult who is vulnerable.

**Representative Payee Appointed or Modified** – New or modified Social Security, Veterans Administration, or other government retirement income payee.

**Sexual Assault Examination and Treatment** – Medical forensic services to diagnose, treat and preserve evidence of assault.

**Sought Legal Authority to Remove the Adult Who is Vulnerable** – Court order for protective arrangement, 72-hour hold, emergency hold order.

**Support System for the Adult Who is Vulnerable Engaged** – Family, responsible party, informal supports identified, located, engaged to support, meet, or monitor needs, or provide safety to prevent maltreatment.

**Supportive Decision-Making** – Includes facilitation of surrogate decision makers less restrictive than guardianship or conservatorship to assist with personal and/or financial decisions which do not result in removal of a person's rights.

**Transaction Hold** – The delay, stop or hold of a financial transaction by an investment advisor, broker dealer, bank, trust, or credit union through the authority of the Commerce Department under MN Statutes, Chapter 45A to stop or prevent financial exploitation.

**Transportation** – Provide or arrange travel to access services, medical care, or employment.

**Tribal Agency for Social Services** – Tribal social or health services.

**Unique Services** – Selected when the intervention type is not listed.

**Victim Services** – Provided to or on behalf of victims in the criminal justice system. Includes post-sentencing services and supports for crime victims handled by a prosecutor’s office. Includes all services for victims of maltreatment such as domestic violence/abuse, sexual assault, and financial exploitation. Also, includes the recovery of assets or property of the vulnerable adult.

<b>Table 3: Interventions Offered/Provided to Remediate Maltreatment for AC Participants (07/01/2024 - 06/30/2025)</b>				
Interventions Offered/Provided to Remediate Maltreatment for AC participants and where: <ul style="list-style-type: none"> <li>• Reports were received by MAARC between 07/01/2024 and 06/30/2025</li> <li>• Maltreatment determined to be substantiated following investigation and limited to those made between 07/01/2024 and 10/10/2025</li> <li>• Interventions offered/provided to the Vulnerable Adult (VA) and the Primary Support Person (PSP)</li> <li>• County is the Lead Investigative Agency</li> <li>• Determinations of the following types were included: Substantiated</li> </ul>				
<b>Intervention Type</b>	<b>Intervention Code</b>	<b>Intervention Description</b>	<b># of Intervention Offered/Provided</b>	<b>% of Interventions by Intervention Code</b>
VA	3	Addiction Assessment, Treatment, or Counseling	1	0.83%
VA	49	Caregiver Support Services or Education	4	3.31%
VA	2	Case Management/Care Coordination	20	16.53%
VA	4	Commitment	1	0.83%
VA	50	Education and Support	14	11.57%

VA	8	Emergency Hold	2	1.65%
VA	12	Financial Management Assistance	2	1.65%
VA	14	Guardian/Conservator Appointment or Replacement	1	0.83%
VA	15	Health and Welfare Check	10	8.26%
VA	16	Health Care Directive Completed or Modified	1	0.83%
VA	18	Home or Community Based Services	14	11.57%
VA	19	Housing Clean-Up or Repair	2	1.65%
VA	21	Law Enforcement	5	4.13%
VA	22	Legal Services	1	0.83%
VA	23	Medical or Dental Services	4	3.31%
VA	24	Mental Health Services	4	3.31%
VA	27	MnCHOICES Assessment/Long Term Care Consultation (LTCC)	3	2.48%
VA	28	Moved or Relocated the Adult Vulnerable to Maltreatment	6	4.96%
VA	30	Multidisciplinary Adult Protection Team Review	6	4.96%
VA	9	Public Assistance Benefits	2	1.65%
VA	34	Representative Payee Appointed or Modified	1	0.83%
VA	35	Restraining Order for Removal of Person Alleged Responsible	2	1.65%
VA	37	Sought Legal Authority to Remove the Adult Who is Vulnerable	2	1.65%
VA	38	Support System for the Adult Who is Vulnerable Engaged	8	6.61%
VA	53	Supportive Decision-Making	1	0.83%
VA	39	Transportation	2	1.65%
VA	48	Unique Services	1	0.83%
VA	42	Victim Services	1	0.83%
<b>Total Interventions Offered/Provided</b>			<b>121</b>	<b>100.00%</b>
<b>Total De-duplicated AC Participants with Substantiated Maltreatment</b>			<b>27</b>	
<b>Total AC Participants with Remediated Maltreatment</b>			<b>27</b>	
<b>Percent of AC participants Included with an Intervention Listed</b>				<b>100.00%</b>

Source: DHS Data Warehouse 10/10/2025 (this should be at least 3 months following the end of the reporting period)

**Data Limitations:**

The data reflects reported allegations of suspected maltreatment made to MAARC and entered into SSIS where the county was the LIA responsible for the report and the vulnerable adult, who was the subject of the report, was able to be identified in the state's data warehouse as a recipient of the Medical Assistance waiver type identified in this report. The data does not reflect allegations where DHS or the Minnesota Department of Health were the LIA responsible for the report.

The data includes only allegations of suspected maltreatment of a vulnerable adult reported to MAARC that received an investigative response and were determined by a LIA. Not all people who are the subject of reports and not all alleged incidents reported meet the definitions of vulnerable adult and maltreatment established under Minnesota laws. Not all allegation investigations are completed within the calendar/fiscal year in which the allegation was reported. Not all investigations are able to be completed by the LIA. Not all allegations investigated are able to be determined.

This data does not reflect investigation decisions related to maltreatment allegations made to MAARC when the investigation was not completed within 3 months and 10 days following the end of the reporting period.

The data is from a working database; thus, numbers can change over time due to data cleanup and statutory requirements for data destruction after three years.