DEPARTMENT OF HUMAN SERVICES

Current MN Department of Human Services Initiatives of Interest to MOHR

Lesli Kerkhoff and Meghan Lindblom

Introductions

- Lesli Kerkhoff: Community Inclusion Manager
- Meghan Lindblom: Program Integrity Supervisor

Updates on...

- Legislative efforts Lesli
- Grant programs Lesli
- Other training and new resources Lesli
- DWRS rate changes Meghan
- Compensation Thresholds Implementation Meghan
- Cost reporting Meghan

Questions and feedback

- Email Lesli or Megan
 - <u>Lesli.Kerkhoff@state.mn.us</u>
 - Megan.Lindblom@state.mn.us
- If there is time, we will take questions at the end





Legislation efforts

Employment package

Driven by the Subminimum Wage Task Force's recommendations

- **1.** State Disability Employment Technical Assistance Center
- 2. Lead Agency Capacity Building Grants
- 3. Case management training
- 4. Informed choice criteria
- 5. Subminimum wage outcome reporting requirements
- 6. Interagency supports alignment study

7. Monitoring employment outcomes

Other related legislation

Exploration rate increase

- Beginning system updates for January 2024 rate changes, including the employment exploration rate changes
- We will be sharing the analysis and results behind the rate changes at the September 27 DWRS Quarterly Webinar
- An eList will go out in October with updated DWRS component values for 2024

MA-EPD asset limit removed

- Effective Jan 1, 2024
- Communications planning in progress

• Elimination of parental fees for TEFRA and HCBS Waivers

- Effective July 1, 2023
- Bulletin coming out soon

State disability employment technical assistance center

Current efforts: MTI

- A research-based framework for building capacity
- A toolkit to guide organizations
- Quarterly trainings open to all providers across Minnesota
- Technical assistance to employment grantees
- Learning community for TCW providers
- Family engagement
- Peer-to-peer self-advocate training

• What next?

Contract amendment

• Feedback question

• What do want to see MTI focus in to expand provider capacity to reach competitive employment outcomes?

Resource

• <u>MN Transformation Initiative | MN</u> <u>Transformation Initiative (umn.edu)</u>

Lead agency capacity building grants

For lead agencies and tribes to:

- Build employment first culture within their systems
- Strengthen internal capacity to advance employment outcomes
- Engage and educate individuals and families
- Build regional provider capacity
- Expand reach and improve outcomes for BIPOC participants
- Use data to drive strategies and measure impact
- Bolster inter-agency coordination
- Meet Olmstead employment goals
- Advance informed choice around employment

• What next?

- Engagement to inform the grant objectives
- Goal is to have an RFP posted by Jan 1

Feedback question

- What would you like to see lead agencies and tribes focus on?
- Resource
 - <u>PIPEin</u>

Subminimum wage outcome reporting

Primary objectives

- Get an accurate count of how many people are earning subminimum wages
- Evaluate progress in reducing the use of subminimum wages and monitor outcomes

Guiding principles

- Keep it simple and useful
- Make data transparent
- Leverage data to help define TA needs

• What next?

- Building a survey tool to support data collection
- Late fall baseline data collection; then annual update
- Feedback
 - What types of questions do you see member agencies having?
 - What TA do you expect will be needed?
 - How might this data help you?
- Resource
 - July eList announcement

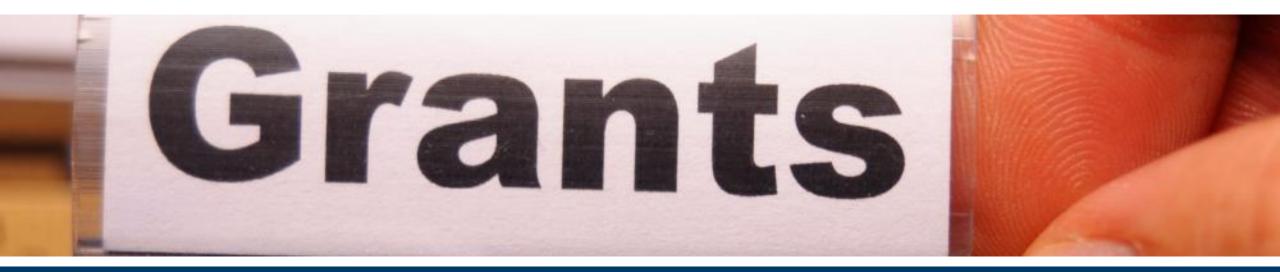
Advisory Taskforce on State Employment and Retention of Employees with Disabilities

- Task force work is completed
- Overview and report is <u>here</u>
- Results:
 - Chapter 43A that governs State Employment Practices has been UPDATED
 - Clarified ADA coordinator positions and it helps us with Connect 700

DSD's 2024 session priorities

- Expect a light policy package 2023 was a big year!
- Priorities:
 - Technical changes
 - Eliminating/reducing structural biases and advancing equity
 - Workforce issues





Other DHS Grants

Grants, Equity, Access and Research (GEAR) GEAR mailbox: <u>MN.GEAR.DHS@state.mn.us</u>

HCBS Provider Capacity Grants for Rural and Underserved Communities

Purpose

Help new organizations looking to become an HCBS provider or existing providers to increase their ability to provide HCBS to one or more of the following communities:

- American Indian and indigenous people Inclusive of Minnesota sovereign tribal nations;
- Asian and Pacific Islander;
- Black and African-born;
- Latine;
- Lesbian, gay, bisexual, transgender, queer, or questioning (LGBTQ+); and
- Rural and regional centers outside the seven-county metro area.

Update

Round 2 of grants recently awarded. Nearly 14 million in capacity funding out to 120 HCBS organizations serving rural and underserved communities.

More information can be found <u>here</u>

New Americans in the Long-Term Care Workforce

Purpose

Fund community-based organizations equipped to serve and support new immigrants and refugees acclimating to the United States. Grant funds will provide:

- training, connection, and other supports to those interested in joining the long-term care workforce.
- support the retention and career advancement of New Americans Already in the long-term care workforce.
- connect LTC employers with a trained, skilled, and culturally diverse workforce.

Update

The grant program is still in development. A Request for Information (RFI) from interested parties and applicants will be published this fall.

Long-Term Services and Supports Workforce Incentive Funds

Purpose

Assist long-term services and support providers in recruiting and retaining direct support professionals.

Grant funds most be used to provide payments to eligible workers for recruitment or retention purposes. Eligible workers may receive payments up to \$1,000 per year from the incentive fund.

Update

A Request for Proposal (RFP) to administer to the fund is in development. The target date for the funds to be available is beginning of 2024.



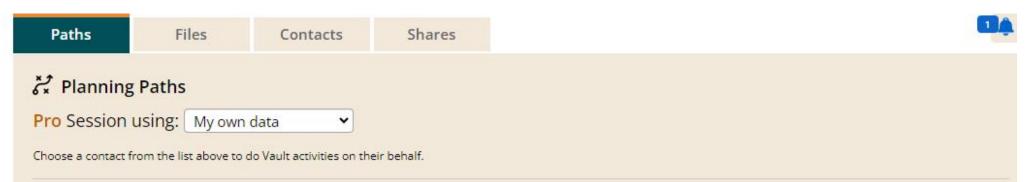


Other training and resources





Disability Hub –new Best Life Path



Best Life Paths



ABOUT ME How do I get started?

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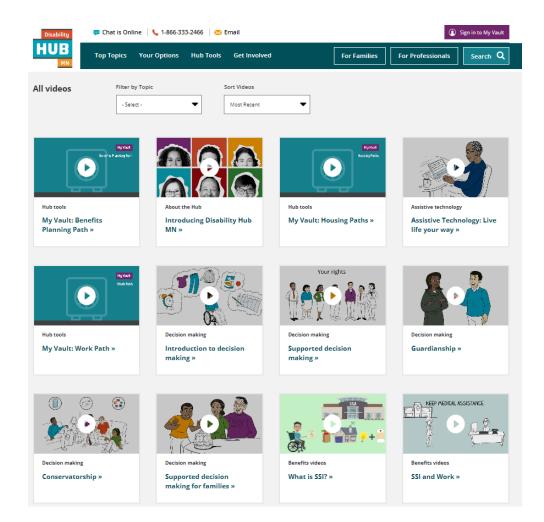
MY LIFE: NEEDS & WANTS What do I want for my life?



BEST LIFE BUDGET Does the money add up?

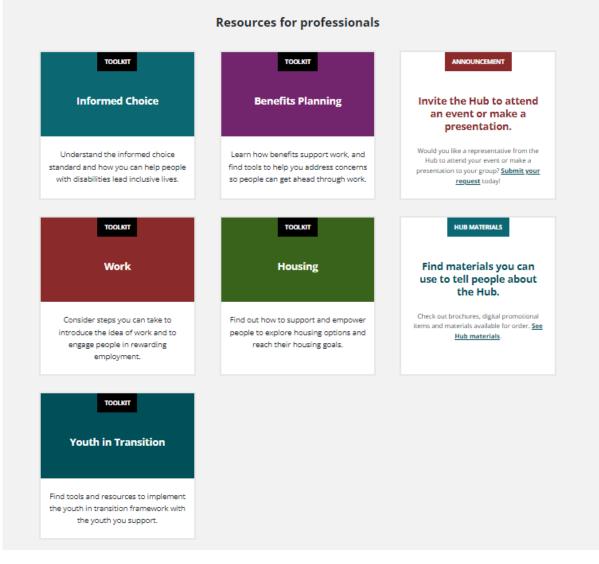


Disability Hub videos



- Topics include...
 - Work and benefits
 - Independent living
 - Housing supports
 - Decision making
 - Assistive technology
 - Hub tools My Vault
 - Professional tools

Disability Hub toolkits



Work toolkit: new E1MN roles training



Basic training for all roles

Start here and learn how to fulfill the core responsibilities you and other professionals have in supporting people on waivers with work.



Waiver case managers

Learn about your responsibilities, as a case manager, supporting people on waivers with work.



<u>VRS/SSB staff</u>

Learn about your responsibilities, as a vocational rehabilitation staff, supporting people on waivers with work.



<u>Waiver employment service providers</u>

Learn about your responsibilities as a waiver employment service provider, supporting people on waivers with work.



VRS/SSB job placement providers

Learn about your responsibilities, as a VRS/SSB job placement provider, supporting people on waivers with work.

Work toolkit: waiver employment service providers

E1MN training to support provider role



Provide activities and experiences to explore employment

Learn how to provide waiver employment exploration services during the engage phase.

Document the person's choice to work or not Learn strategies for documenting informed choice about employment.

Provide services to plan or search for employment Learn how to provide waiver employment development services during the plan phase.

Create an employment portfolio Learn what an employment portfolio is and how to help a person create one.

Provide ongoing supports to maintain employment

Learn how to provide waiver employment support services during the keep phase.

Collaborate with other professionals

Learn strategies to collaborate with other professionation a person's employment team.

Guidance for supervisors

Find ideas to help your staff become experts at fulfilling the waiver employment service provider responsibilities in the E1MN partnership.

Supervisor section



Deliver services outlined in the waiver support plan

The person's support plan guides the delivery and goals of employment exploration, development, and support services, and outlines the expected outcomes of those waiver services. Waiver employment service providers must also understand the scope and expectations for delivering the three waiver employment services.

Click on the accordions below to view the answer keys for each activity:

- + Activity 1: Employment exploration services
- + Activity 2: Employment development services
- + Activity 3: Employment support services

Provide activities and experiences to explore employment

Exploration activities and experiences strengthen a person's knowledge, interests, and preferences, which helps the person make an informed choice about competitive integrated employment. When providing waiver employment exploration services in the engage phase, waiver employment service providers set up and facilitate activities and experiences to explore employment, including individualized educational activities, learning opportunities, benefits planning, and work experiences in different environments.

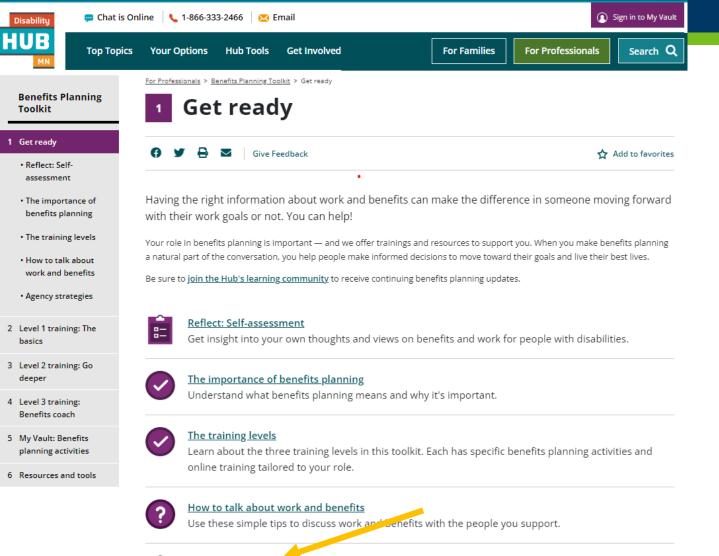
Click on the accordions below to view the answer key for the activity:

- + Activity 1: Conversations about work
- + Activity 2: Identify meaningful exploration activities and experiences

Benefits planning

1	2	3
Get ready Understand your beliefs about benefits and find training options tailored to your role.	Level 1 training: The basics Use this training course to learn the basics about common public benefit programs and how they support work.	Level 2 training: Go deeper This training course will help you go deeper about how benefits and work can support people to achieve their goals.
4	5	6
Level 3 training: Benefits coach	My Vault: Benefits planning activities	Resources and tools Check out videos, guides and other
If you spend 10 or more hours a	My Vault provides tools and	resources you can use to help
week helping people with	activities to help people set goals	people understand benefits and
disabilities make informed choices	and plan for the future. Review	work.
about benefits and work, become a	activities found in My Vault and see	
certified benefits coach.	how My Vault can make your job	

New agency strategies section



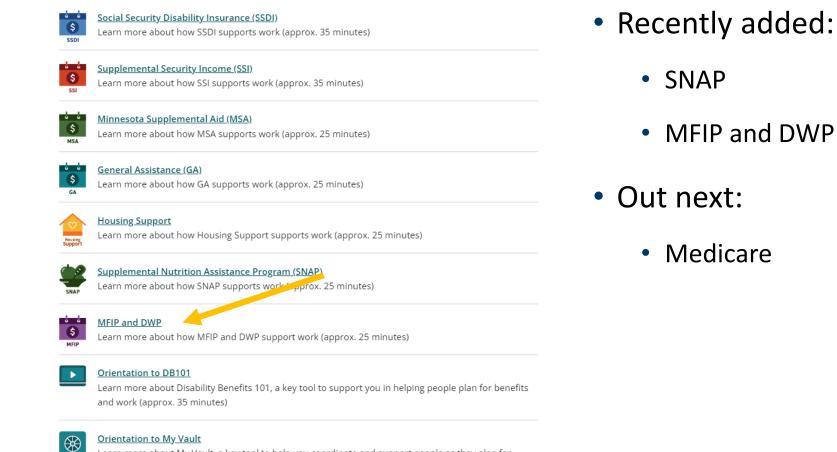
capacity to address benefits concerns to improve engagement and outcomes.

Helps you build internal

<u>Agency strategies</u>

Learn how to embed benefits conversations into your employment process and agency culture.

Benefits planning, level 2 training added



Learning community



Join the benefits planning learning community

The benefits planning learning community is a network of benefits planning professionals. By joining the community, you'll stay up-todate on benefits planning developments and connect with colleagues doing similar work.

Join the learning community



DWRS rate changes

High-level DWRS Changes

- BLS/CPI updates will occur sooner, and with more current data:
 - January 2024, instead of November 2024. BLS data published March 2022, instead of March 2021.
 - January 2026, instead of July 2026. BLS data published March 2024, instead of March 2023.
- Increased competitive workforce factor from 4.7% to 6.7% (Jan. 2024).
- Increase in DWRS spending of about 6.63% in FY 24-25 and 5.28% in FY 26-27.
- Alignment of wage component values for employment exploration and employment development services (Jan. 2024).



DWRS Compensation Thresholds

Statute

Minnesota Statutes 2022, section 256B.4914, is amended by adding a subdivision to read:

Subd. 10d. Direct care staff; compensation.

...

(a) A provider paid with rates determined under subdivision 6 *(residential)* must use a minimum of 66 percent of the revenue generated by rates determined under that subdivision for direct care staff compensation.

(b) A provider paid with rates determined under subdivision 7 *(day)* must use a minimum of 45 percent of the revenue generated by rates determined under that subdivision for direct care compensation.

(c) A provider paid with rates determined under subdivision 8 or 9 *(unit-based)* must use a minimum of 60 percent of the revenue generated by rates determined under those subdivisions for direct care compensation.

EFFECTIVE DATE. This section is effective January 1, 2025.

What is included in Compensation?

Employer costs for:

(1) wages;

(2) taxes and workers' compensation;

(3) health insurance;

(4) dental insurance;

(5) vision insurance;

(6) life insurance;

(7) short-term disability insurance;

(8) long-term disability insurance;

(9) retirement spending;

(10) tuition reimbursement;

(11) wellness programs;

(12) paid vacation time;

(13) paid sick time; or

(14) other items of monetary value provided to direct care staff.

Next Steps

- Compliance will be determined through DWRS cost reporting, beginning with the 2026 reporting.
- Development of the compliance analysis is yet to be determined
- Development of the compliance reporting is yet to be determined.
- Please keep an eye on e-lists and DWRS quarterly webinars for more information as it becomes available.
 - Given the long timeline on implementation, updates may not be available until **2024**



DWRS Cost Reporting

Why Cost Reporting?

Direct Care Staffing:

INDIVIDUAL STAFFING

Step 1. Add wage for individual direct staff

Staff Type	Wage	
Hour of service	\$	12.27

Step 2. Add % to cover Supervision

Direct Supervision	Wage		Supervision Perc	Supervision Amount
Hour of Service	\$	19.15	11%	2.11

Step 3. Add staffing customization option to meet high level needs provided to an individual

Staffing Customization				
Options	Ad	d-on \$	Add-	on Choice
No Customization	\$	-	\$	-
Deaf or hard of hearing	\$	2.50		

Step 4. Add % to cover vacation, sick and training for individual direct staff hours

Percentage of direct care to cover staffing	benefits		Dollar Am	ount
Percentage for Direct Care Staffing	(8.71%	\$	1.25

Step 5. Calculate hourly individual staffing

As DWRS moved off of banding, the system continues to need on going analysis to support rates that reflect service costs.

Cost reporting will collect the direct information that DHS and stakeholders will need to maintain a system that meets the needs of individuals supported by the waivers.

Costs reported by provider will inform decisions about future rate updates and recommendations. In recent legislative sessions there have been many proposals to increase direct support professional wages. Below are the findings from 2022 reporting that compare median wages to wage components. This is typically what legislators ask us to provide.

Service Bucket	Median 2021 Wages	2021 DWRS Component
Unit-based with Prog.	16.91	18.39 (variable)
Unit-based w/o Prog.	16.00	12.85 (variable)
Day Services	15.18	16.02
Residential Services	16.50	14.17

- The reporting of the actual costs of providing services by the established cost centers such as wages, program administration, or facilities.
- The purpose of this reporting is to collect cost data that will inform DWRS rate formulas.
- This reporting includes <u>only DWRS costs</u>, with allowances for reporting wages or costs that span multiple programs.
- The ongoing collection of this data will inform policy makers of the cost drivers and will allow for DWRS to set rates that allow services to be appropriately funded, encourage provider viability, and help ensure service access HCBS waiver recipients.

What Cost Reporting is NOT

- An effort to collect only direct costs and change rates. This is aggregate reporting for all providers.
 - Roughly 600 providers will report each year.
- No automatic changes to rate will occur. Any changes to the frameworks would have to be made by the legislature.
- An audit of ones business or home.
 - There is an auditing component to cost reporting, but it is only for how the information that is part of cost reporting was reported.

What is reported?

- Data collection happens at the provider level and collects the actual costs of providing services by categories that correspond with rate assumptions, including:
 - Administrative and Direct Care wages, benefits, and payroll taxes
 - Including payment to the license holder and family
 - Service Facilities Costs, including building and maintenance costs
 - This does not include residential homes, which are funded under housing support (formerly GRH)
 - Transportation Costs, program and non-program related
 - Program Administrative Costs
 - General Administrative Costs
- This reporting includes <u>only DWRS costs</u>, with allowances for reporting wages or costs that span multiple programs.

Data collection

Reporting

- All providers that provide at least one DWRS service are required to report once every five years
- DHS anticipates 20% of providers will report every year, based on random sampling.
- 2023 sample is 580 providers
- Providers are required to report on a fiscal year completed in the last 18 months.
 - For 2023, DHS recommends reporting on calendar year 2022

Reporting schedule

Date	Task								
By March 31	Notice for providers mandated to report that year								
June 1	90-day notice of reporting deadline								
Aug. 31	Reporting deadline								
Sept. 1	First notice of non-compliance for providers who have								
	not submitted reports by Aug. 31								
Oct. 1	Second notice of non-compliance; for provider who								
	have not submitted reports by Sept. 30 (30 days late)								
Nov. 1	Third notice of non-compliance for providers who								
	have not submitted reports by Oct. 31 (60 days late)								
Dec. 1	Notice of stopping payment for non-compliance (90								
	days late)								

If a provider fails to complete a report by the deadline, DHS is required to suspend payments until the report is completed.

Where to get help and answers



August 24, 2023

DWRS Cost Reporting website

The Some of the major highlights of DWRS Cost Reporting website are:

- Links to live trainings on the News/Updates Tab
- A lot of helpful resources to help you complete the report
- Excel tool of the report
- Links to other relevant DHS works on the Links tab.



me 🔸 Partners and providers 🕥 News, initiatives, reports, work groups 👌 Long-term services and supports 👌 Disability waiver rate system 👌 DWRS Cost Reporting

Partners and providers

Program overviews

Policies and procedures

eDocs library of forms and documents

News, initiatives, reports, work groups

Training and conferences

Contact us

Grants and RFPs

Licensing

IT systems and supports

Disability Waiver Rate System cost reporting

Important note related to COVID-19

To ease the burden on provider organizations as they respond to COVID-19, DHS delayed the scheduled launch of the Disability Waiver Rate System cost reporting system until March 2021.

Background News/updates Resources Links

Background

The Minnesota Legislature directed DHS to develop and implement a provider cost review for agencies that provide at least one service covered by DWRS (Minn. Stat. §256B.4914, subd. 10a).

We will use the data gathered from DWRS cost reporting to make evidence-based recommendations to the Legislature about the payment rates for disability waiver services. We will collect this data on an ongoing basis to inform policy makers of the cost drivers and allow the DWRS to set rates that:

- Appropriately fund services
- Encourage provider viability
- Ensure service access for people who receive services under the home and community-based services

There is a detailed and comprehensive plain language manual for providers to access online. There is no option to download because updates are being made frequently.

- Each page of cost reporting has a corresponding manual webpage.
- Family Provider guide to navigate the report for smaller providers
- You will find links to the manual on the DWRS cost reporting website, homepage of the cost reporting system, and specific links to corresponding pages in each section of the reporting system.

Resource Links

- DWRS Cost Reporting Manual Link: <u>DWRS Cost Reporting Tool Instruction</u> <u>Manual home page (state.mn.us)</u>
- DWRS Cost Reporting Website Link: <u>DWRS Cost Reporting / Minnesota</u> <u>Department of Human Services (mn.gov)</u>
- DWRS Cost Reporting Legislative Report: <u>DHS-8224-ENG (DSD Legislative</u> <u>Report: Disability Waiver Rate System and Cost Reporting, April 2022)</u> (state.mn.us)

Email Address for specific questions

If you have a specific question about your organization or cannot find the answer on the website or in the manual, you can send the cost reporting team an email at <u>dhs.DWRScostreporting@state.mn.us</u>. Allow for up to three business days for a reply.

Please note that we are a small team supporting 600 providers through cost reporting each year. If you are a provider that needs help, please start your cost reporting as early as possible.

Mid-year update for 2023

- Reporting is underway for the 2023 year! Notifications were sent out March 31st to about 580 provider organizations.
 - This year we continued to send out information to Authorized Agent, and will also be notifying providers via MN-ITS mailbox as reminders.
- Authorized Agents will be able to start, complete, and submit the report with one account.
 - Previously they needed two accounts.
- New Trainings and System demonstrations will be done this summer in addition to those on our website already. Most recent training was August 3rd, and it now up on the DSD training website.



Questions from MOHR Members

Direct care staff time allocations

Providers should be tracking how staff spend their time on the job. What time is billable for which service and what time is not billable. If you have not done this, DHS suggests you set up systems to do so.

You can use the <u>Cost Reporting Time-</u> <u>Study Worksheet, DHS-7190A (PDF)</u> to start this work. Allocations for day services:

- Day Services Direct care staff
- RN/LPN staff for Day services
- Supervisory staff for Day services
- Program plan support for Day services

Allocation example

Each staff reporting requires not only reporting the costs but how staff time was spent for the wages. The <u>Guidance about cost allocation page</u> in the manual has many helpful tips on how to allocate time.

Position classifications and salaries, wages, benefits and payroll tax costs			DWRS Day services					Other allocations			ministrative allocatio	
Working job title	Position type	Day services direct care staff	RN staff for Day services	LPN staff for Day services	Supervisory staff for Day services	Program plan support for Day services	Other disability waiver direct care services	All other direct care services	Non-billable tasks	DWRS Services administration	All other administration	Total allocat
								-	•			
DSP1	Direct Care Worker	85.0%				10.0%			5.0%			100.0%
Supervisor 1	Direct Care Supervisor				60.0%	10.0%			10.0%	10.0%	10.0%	100.0%

Separating revenues and costs

How do we separate out revenue and costs for HCBS services when providers have county and non-waiver services as well?

This comes down to changes in financial tracking and reporting. DHS suggests that providers track billing by program at minimum and potentially setting up new financial reporting to this end. Knowing the DWRS billing codes will help establish this.

If you are not currently tracking, you may want to review your <u>remittance advice</u> from MN-ITS.

When wide-spread errors are found, the team will immediately start training to correct the error. For example, trainings and the reporting system call-out annual revenue reporting not individual rate values. Specific efforts have included:

- Wages paid not hourly wages
- Revenues not rates
- Non-waiver costs included; i.e. Room and Board costs

Currently, DHS is in development of an monthly analysis that may launch later this year on submissions to validate submissions and data viability.

How will data inform rate changes?

At this time DHS has not used this data to propose any changes to the DWRS frameworks and has no plans to in the first reporting cycle (through 2025). However, the information is public and may be something that is acted upon by legislators if they so choose.

Recent legislation we have seen passed in the new compensation thresholds that are slated to be implemented in 2025. This effort will use cost reporting to determine compliance with the thresholds. Not a change in rates, but a change in compliance requirements.

What is labor market reporting?

Labor Market Survey

(Workforce Survey)

- Sample-based annual required reporting
- Required for most HCBS services
- Asks about direct care workers salaries, benefits, and retention
- Measures the health of the direct support workforce

Cost Reporting

- Universal required reporting, once every five years (annual sampling)
- Only for those entities providing DWRS services with calculated rates
- Asks about specific dollars associated with service provision based on current cost centers
- Measures the cost of providing services



Thank you!

Leslie Kerkhoff

&

Meghan Lindblom