

# Reform 2020: Pathways to Independence

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

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**Demonstration Year VI**  
**April 1, 2019 through June 30, 2019**  
**Quarterly Report**

**Submitted to:**

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

**Submitted by:**

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## **1. Introduction**

On October 18, 2013, the Centers for Medicare & Medicaid Services (CMS) 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. Federal waiver authority for the five-year demonstration was scheduled to expire on June 30, 2018. On July 19, 2017 the state submitted a request to renew the Reform 2020 waiver through June 30, 2021. The Reform 2020 waiver is currently operating under a temporary extension through April 30, 2019. The current STCs and expenditure authorities continue to apply during this temporary extension.

### **1.1 Alternative Care Program**

The Alternative 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% of the federal poverty level (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.

On March 12, 2018 DHS informed CMS of the state's intent to withdraw the authorities in the Reform 2020 waiver related to CFSS. The state intends to retain all other federal waiver and expenditure authorities approved under the Reform 2020 waiver special terms and conditions for the Alternative Care program and coverage of children under 21 with activities of daily living needs described in Section 1.3 and 7.1 of this report.

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

The Reform 2020 waiver provides federal expenditure authority for children under age 21 who are eligible under the state plan and who meet the March 23, 2010 institutional level of care criteria, but do not meet the institutional 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 waiver provides federal support for the state's Alternative Care program. The Alternative Care program is designed to assist the state in its goals to:

- Increase and support independence and recovery;
- Increase community integration; and
- Reduce reliance on institutional care.

## 2. Enrollment Information

Demonstration Populations (as Hard coded in the CMS 64)	Enrollees at close of quarter (June 30, 2019)	Current Enrollees (as of data pull on July 5, 2019)	Disenrolled in Current Quarter (April 1, 2019 to June 30, 2019)
<b>Population 1:</b> Alternative Care	2,619	2,604	15
<b>Population 2:</b> 1915(i)-like			
<b>Population 3:</b> 1915(k)-like			
<b>Population 4:</b> ADL Children			

**Population 4: ADL Children** During the period of April 1, 2019 through June 30, 2019, there was 1 child identified as meeting the criteria outlined in the Special Terms and Conditions paragraph 18 for the ADL Children eligibility group. All services received by this child were provided on a fee-for-services basis. Service expenditures for this child are reported each quarter on a separate Form CMS-64.9 Waiver.

### **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, DHS held a public forum on February 15, 2019 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 January 2020.

## **6. Operational Developments and Issues**

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

Two types of federal authorities are necessary for the state to implement CFSS – both state plan and waiver authorities. Implementation of the 1915(i)-like and 1915(k)-like components of the Reform 2020 waiver is contingent upon approval of the corresponding 1915(i) and 1915(k) state plan amendments. Due to systems modernization efforts, projected implementation of the CFSS benefit has been delayed. On February 5, 2018 DHS withdrew the 1915(i) and 1915(k) state plan amendments related to Community First Services and Supports.

### **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.

On March 12, 2018 DHS informed CMS of the state's intent to withdraw the CFSS Consultation and Financial Management Services 1915(b)(4) waiver request.

## **7. Policy Developments and Issues**

### **7.1 Changes to the NF LOC Standard 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).

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 reporting on the number of children meeting these criteria began 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. On June 2, 2017, the state received initial approval of systemic assessment and remediation strategies to be implemented under the Statewide Transition Plan. The final draft of the Statewide Transitional Plan was approved by CMS on February 12, 2019.

## **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, 2019
<b>Population 1:</b> Alternative Care	2,667	2,660	2,678	8,005
<b>Population 2:</b> 1915(i)-like				
<b>Population 3:</b> 1915(k)-like				

## 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, 2019 through June 30, 2019.

#### **Alternative Care Program Beneficiary Grievance and Appeal Activity April 1, 2019 through June 30, 2019**

	<b>Affirmed</b>	<b>Reversed</b>	<b>Dismissed</b>	<b>Withdrawn</b>
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 DHS. 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 emergency 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 use of a standardized tool required for county lead investigative agencies to promote safety through consistent, accurate and reliable report intake and 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. SSIS also supports county functions related to vulnerable adult report intake, investigation, adult protective services 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 Attachment A for a report on allegations and investigation determinations of maltreatment where the county was the lead investigative agency and the alleged victim was receiving services under the Alternative Care program for the period April 1, 2019 to June 30, 2019.

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 DHS. 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. Reports which include allegations and investigation determinations of maltreatment where DHS or the Minnesota Department of Health was the lead investigative agency and where the alleged victim was receiving services under the Alternative Care program will be provided once this 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 1915(c) EW waiver, the DHS Quality Essentials Team (QET) within the Continuing Care Administration 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, such as systems improvements, are directed to the Policy Review Team 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**

Minnesota's Comprehensive Quality Strategy is an overarching and dynamic continuous quality improvement strategy integrating processes across Minnesota's Medicaid program. Measures and processes related to the programs affected by the Reform 2020 waiver are included in the Comprehensive Quality Strategy. An updated Comprehensive Quality Strategy was submitted to CMS on May 25, 2018 and posted on the DHS Quality Improvement web site for direct download.

## **12. Demonstration Evaluation**

DHS has contracted with researchers at the University of Minnesota and Purdue 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. On May 17, 2017 DHS received additional comments from CMS. The evaluation plan was revised and submitted on June 22, 2017.

### **13. State Contact**

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### Analysis of Adult Maltreatment Reported for AC Participants (04/01/2019 - 06/30/2019)

Allegations reported while the alleged victim was Eligible for Alternative Care Services and where:  
Reports were received by the Common Entry Point between 04/01/2019 and 06/30/2019  
Determinations limited to those made between 04/01/2019 and 08/10/2019

CEP- Reported Adult Maltreatment Involving AC Participants (04/01/2019 - 06/30/2019)							
	Allegations Reported to CEP where Alleged Victim is an enrollee*		Allegations Investigated by the County		County Investigations with Final Disposition as of 8/10/2019	% 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	35	14.40%	2	5.41%	6	0	0.00%
Mental Abuse	0	0.00%	0	0.00%	0	0	0.00%
Physical Abuse	14	5.76%	4	10.81%	1	0	0.00%
Sexual Abuse	1	0.41%	0	0.00%	0	0	0.00%
Financial Exploitation (Fid. Rel.)	18	7.41%	4	10.81%	3	1	3.70%
Financial Exploitation (Non-Fid. Rel.)	51	20.99%	5	13.51%	7	0	0.00%
Involuntary Servitude	0	0.00%	0	0.00%	0	0	0.00%
Caregiver Neglect	45	18.52%	11	29.73%	4	0	0.00%
Self-Neglect	79	32.51%	11	29.73%	6	0	0.00%
<b>Total</b>	<b>243</b>	<b>100.00%</b>	<b>37</b>	<b>100.00%</b>	<b>27</b>	<b>1</b>	<b>3.70%</b>

Source: DHS Data Warehouse 08/19/2019 (this should be at least 3 mos 10d following end of waiver reporting period.)

Disposition of County Investigations of Maltreatment Allegations Involving AC Participants CEP Reported Allegations : 04/01/2019 and 06/30/2019					
	Allegation Disposition				Total
	Substantiated Maltreatment	False Allegation*	Inconclusive	No Determination - Investig Not Possible^	
Emotional Abuse		3	1	2	6
Mental Abuse					0
Physical Abuse				1	1
Sexual Abuse					0
Fin. Exploitation (Fid Rel)	1	2			3
Fin. Exploitation (Non-Fid Rel)		2		5	7
Involuntary Servitude					0
Caregiver Neglect		3		1	4
Self-Neglect		5		1	6
<b>Total</b>	<b>1</b>	<b>15</b>	<b>1</b>	<b>10</b>	<b>27</b>

\* Includes No Determination: No Maltreatment§

^ Includes No determination - Not a Vulnerable Adult

Source: DHS Data Warehouse 08/19/2019 (this should be at least 3 mos 10d following end of waiver reporting period.)