



# Legislative Report

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## Disability Waiver Financial Management and Waiting Lists

Disability Services Division

December 2017

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Disability Services Division

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# Table of contents

I. Executive summary	4
A. Risk levels for lead agencies	4
B. Waiting lists	5
II. Legislation	6
III. Introduction	8
A. Waiver financial management	8
B. Waiver waiting list overview	9
C. CADI Waiver waiting list	9
D. DD Waiver waiting list reform	9
Waiting list categories	9
Reasonable pace standards	10
IV. Lead agency waiver financial management	11
A. CCB budgets	11
B. DD Budgets	13
V. Corrective action plans	15
A. CCB waivers corrective action plans	15
B. DD Waiver corrective action plans	16
VI. Funding transfers	16
A. CCB funding transfers	17
B. DD funding transfers	17
VII. DD waiting list categories and reasonable pace	19
A. DD waiting list categories and reasonable pace	19
B. Days waiting on DD waiting list	20
C. Planned services and ages of people on the DD waiting list	20
D. People with DD Waiver funding approved	22
VIII. Approving funding for people on the DD Waiver waiting list	23
IX. Report recommendations	24

# I. Executive summary

This report details financial management of the state’s disability waiver programs and their corresponding waiting lists. Recent statutory changes and reforms outlined in Minnesota’s Olmstead Plan have resulted in:

- Changes to the administration of disability waiver finances
- Progress toward eliminating waiting lists.

The Department of Human Services (DHS) as well as county and tribal agencies (“lead agencies”) oversee financial management of the following disability waivers:

- [Brain Injury \(BI\) Waiver](#)
- [Community Alternative Care \(CAC\) Waiver](#)
- [Community Access for Disability Inclusion \(CADI\) Waiver](#)
- [Developmental Disabilities \(DD\) Waiver.](#)

Each lead agency has two distinct budgets, the CCB budget and the DD budget. The CCB budget that funds the CADI, CAC and BI Waivers and the DD budget that funds the DD Waiver.

## A. Risk levels for lead agencies

When compared to historical practice, lead agencies now operate with less risk when they manage waiver funding. Risk was further diminished for lead agencies with the adoption of:

- New budget-use statute ([Minn. Stat. §256B.0916, subd. 12](#) and [Minn. Stat. §256B.49, subd. 27](#))
- New statute reducing risk of excess budget use ([Minn. Stat. §256B.0916, subd. 11](#) and [Minn. Stat. §256B.49, subd. 26](#))
- The Olmstead Plan goal to eliminate the CADI waiting list and reform the DD waiting list.

DHS direction related to these changes have enabled many lead agencies to use a greater proportion of their waiver budgets. Compared to their respective previous budget years, 62 percent of lead agencies used more of their CCB budget in fiscal year 2017 while 44 percent of lead agencies used more of their DD budget in calendar year 2016.

DHS uses its statutory authority to maximize statewide waiver funding when lead agency budgets lack the funding to meet the needs of waiver recipients. During fiscal year 2017, DHS transferred CCB waiver funding between lead agencies 29 times, and 34 times for DD waiver funding during calendar year 2016. These transfers supported more enrollment for people on waiting lists and service cost increases for recipients with increased service needs.

## B. Waiting lists

DHS has developed new policies regarding management of disability waiver waiting lists since the Olmstead Plan established waiting list goals in May 2014, which has resulted in significantly fewer people waiting for waiver services. Statutory changes have led to an increase in new waiver recipient enrollment. The increase was also accomplished through increased funding authorization from the 2015 legislature. Waiting lists have also decreased as lead agencies have verified and prioritized urgency of need for DD waiver services. As a result of these changes, there no longer are people waiting for CADI services because of lead agency financial limitations for the CADI waiver. The BI and CAC waivers also do not maintain waiting lists.

DHS directs lead agencies to approve waiver funding for people on a waiting list in a timely manner. DHS tracks these actions with quarterly reports to the Olmstead Subcabinet. The most recent Olmstead Quarterly Report shows that, as of Oct. 1, 2017, there were 152 people on the DD Waiver waiting list across the state. DHS expects future Quarterly Reports to demonstrate further decreases in the size of the waiting list. As of June 30, 2017, the overall average time spent on the DD waiting list was under three months. Additional reports are included on the [DHS waiver program waitlist webpage](#).

## II. Legislation

Minnesota Statute, section 256B.0916, subdivision 8 requires the Department of Human Services to submit a report on the following information:

Subd. 8. Financial and wait-list data reporting. (a) The commissioner shall make available financial and waiting list information on the department's website.

(b) The financial information must include:

(1) the most recent end of session forecast available for the disability home and community-based waiver programs authorized under sections 256B.092 and 256B.49; and

(2) the most current financial information, updated at least monthly for the disability home and community-based waiver program authorized under section 256B.092 and three disability home and community-based waiver programs authorized under section 256B.49 for each county and tribal agency, including:

(i) the amount of resources allocated;

(ii) the amount of resources authorized for participants; and

(iii) the amount of allocated resources not authorized and the amount not used as provided in subdivision 12, and section 256B.49, subdivision 27.

(c) The waiting list information must be provided quarterly beginning August 1, 2016, and must include at least:

(1) the number of persons screened and waiting for services listed by urgency category, the number of months on the wait list, age group, and the type of services requested by those waiting;

(2) the number of persons beginning waiver services who were on the waiting list, and the number of persons beginning waiver services who were not on the waiting list;

(3) the number of persons who left the waiting list but did not begin waiver services; and

(4) the number of persons on the waiting list with approved funding but without a waiver service agreement and the number of days from funding approval until a service agreement is effective for each person.

(d) By December 1 of each year, the commissioner shall compile a report posted on the department's Web site that includes:

(1) the financial information listed in paragraph (b) for the most recently completed allocation period;

(2) for the previous four quarters, the waiting list information listed in paragraph (c);

(3) for a 12-month period ending October 31, a list of county and tribal agencies required to submit a corrective action plan under subdivisions 11 and 12, and section 256B.49, subdivisions 26 and 27;

(4) for a 12-month period ending October 31, a list of the county and tribal agencies from which resources were moved as authorized in section 256B.092, subdivision 12, and section 256B.49, subdivision 11a, the amount of resources taken from each agency, the counties that were given increased resources as a result, and the amounts provided.

The report also fulfills the reporting requirement in [Minnesota's Olmstead Plan: Workplan](#) (PDF), approved by the Olmstead Subcabinet on Oct. 23, 2017, activity 1H.

# III. Introduction

This report details financial management of the state’s disability waiver programs and their corresponding waiting lists. Recent statutory changes and reforms outlined in Minnesota’s Olmstead Plan have resulted in:

- Changes to the administration of disability waiver finances
- The progress toward authorizing waiver services for people on waiting lists.

The Department of Human Services (DHS) as well as county and tribal agencies (“lead agencies”) oversee financial management of the following disability waivers:

- [Brain Injury \(BI\) Waiver](#) for people with a traumatic, acquired or degenerative brain injury who require the level of care provided in a nursing facility or the level of care provided in a neurobehavioral hospital
- [Community Alternative Care \(CAC\) Waiver](#) for people with chronic illness that requires the level of care provided in a hospital
- [Community Access for Disability Inclusion \(CADI\) Waiver](#) for people with disabilities who require the level of care provided in a nursing facility
- [Developmental Disabilities \(DD\) Waiver](#) for people with developmental disabilities or a related condition who require the level of care provided in an Intermediate Care Facility for Persons with Developmental Disabilities (ICF/DD).

Because of financial management changes made to the disability waiver programs:

- The state and lead agencies have reduced or eliminated disability waiver waiting lists
- More people have access to home and community-based waiver services.

## A. Waiver financial management

Minnesota administers its disability waiver programs through lead agencies. Lead agencies enroll new recipients and authorize existing recipient costs within budgets determined by methodologies described in Minnesota’s federally approved waiver plans.

Each lead agency manages two distinct budgets, the CCB budget and the DD budget. The CCB budget includes lead agency service authorizations for the following in one budget:

- Brain Injury (BI) Waiver
- Community Access for Disability Inclusion (CADI) Waiver
- Community Alternative Care (CAC) Waiver.

Expenditures for the Developmental Disabilities (DD) Waiver programs are managed in a separate budget.

Historically, lead agencies would repay the state, using local funding sources, for authorizations and spending in excess of their waiver budget. This high-risk scenario encouraged conservative budget management among lead agencies and lead to unnecessarily large budget reserves.

Legislation passed in 2013 and 2015 provided DHS with a greater ability to work with lead agencies to maximize waiver funding. New tools allow agencies to function as real-time budget managers and mitigate the risk of excess spending. The results of these changes are seen in sections below.

## **B. Waiver waiting list overview**

When a lead agency's budget does not have the capacity to enroll new recipients, it sometimes creates a waiting list for new enrollees. This capacity for enrollees may be limited by:

- The number of people the federal government approved to be served by state waiver plans
- Amount of funding the legislature approves for the state's share of program costs.

Lead agencies create waiting lists when people who are eligible and have a need for waiver services do not have immediate access. It is, however, extremely rare for that person to receive no services at all. Other non-waiver services, like personal care assistance and case management, for people with disabilities, are available while a person waits for access to waiver services.

In recent history, only CADI and DD waivers have had a waitlist. No waitlist has been maintained for CAC or BI waivers.

## **C. CADI Waiver waiting list**

The Minnesota Legislature approved sufficient funding to eliminate the CADI Waiver waiting list during the 2015-2016 biennium. Because of DHS and lead agency enrollment efforts, this goal was successfully achieved as of Oct. 1, 2016. DHS continues to work with lead agencies to provide access to the CADI Waiver for people who are eligible and need CADI Waiver services.

## **D. DD Waiver waiting list reform**

DHS began implementation of reforms to the management of the DD Waiver waiting list Dec. 1, 2015. Minnesota's Olmstead Plan and existing Minnesota statutory waiver priorities informed these efforts. The changes made to the DD waiting list include two related components:

- Waiting list categories
- Reasonable pace standards.

### **Waiting list categories**

The Olmstead Plan establishes four categories to organize the DD Waiver waiting list. These categories reflect priorities in [Minn. Stat. §256B.092, subd. 12](#). A category is assigned based on a person's urgency of need. A person's urgency of need is based on information gathered during that person's MnCHOICES assessment for long-term services and supports which is documented on a department-provided form called the [DD Waiver Waiting List Category Determination Tool, DHS-7209 \(PDF\)](#). The lead agency

makes a final determination by consulting with the assessed person to determine his/her level of need and provides notification of the assigned urgency category.

The four urgency categories are:

- **Institutional exit:** People in this category currently reside in an institutional setting, have indicated they would like to leave that setting and prefer to receive home and community-based services.
- **Immediate need:** People in this category meet prioritization criteria established in Minn. Stat. §256B.092, subd. 12. The applicable criteria include people who:
  - Have an unstable living situation due to the age, incapacity or sudden loss of the primary caregiver(s)
  - Experience a sudden closure of their current residence
  - Require protection from confirmed abuse, neglect or exploitation
  - Experience a sudden change in need that no longer can be met through state plan services or other funding resources alone
- **Defined need:** People in this category have an assessed need for waiver services within one year of the date of assessment
- **Future need:** People in this category do not have a current need for waiver services or who do not currently wish to use waiver services within the next year

The DD Waiver waiting list includes people in the institutional exit, immediate need and defined need categories. DHS does not consider people in the future need category to be on a waiting list, as they do not have a current need for, or desire to use, waiver services.

If a person's need for waiver services changes following an assessment, he/she has the right to request a new assessment anytime. This allows the lead agency to update his/her urgency category to reflect the change in need.

### **Reasonable pace standards**

DHS defines "reasonable pace standards" as the number of days a person can reasonably expect to wait between the date of their assessment and the date when the lead agency approves waiver funding. Then, planning for services can begin. DHS and lead agencies track reasonable pace standards and waiting-list status using a shared web-based tool. If a lead agency exceeds the reasonable pace standard, DHS contacts the lead agency to address the situation.

A person’s waiting-list category determines the reasonable pace standard. The reasonable pace standards for the four categories are:

- **Institutional exit:** 45 days from the date of assessment to the date the lead agency approves waiver funding
- **Immediate need:** 45 days from the date of assessment to the date the lead agency approves waiver funding
- **Defined need:** 45 days from the date of assessment to the date the lead agency approves waiver funding, as funding is available
- **Future need:** No standard, as this category is not included on the waiting list.

Data regarding DD Waiver waiting list categories and reasonable pace goals is found in Section VII of this report.

## IV. Lead agency waiver financial management

Each lead agency manages all disability waiver costs from two distinct budgets: CCB (CAC/CADI/BI) service authorizations in one budget and DD service expenditures in another.

### A. CCB budgets

Compared with fiscal year 2016 (July 1-June 30), lead agencies, on average, authorized 2 percentage points more of their CCB budgets in fiscal year 2017 (the most recently completed fiscal year). Overall, 62 percent of lead agencies used a greater proportion of their CCB budgets in fiscal year 2017 than in fiscal year 2016. The following table provides a summary of lead agency CCB waiver budgets for fiscal year 2016 as of Oct. 1, 2017.

Table 1: FY 2017 CCB budget use

Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Aitkin	\$3,259,397	\$3,179,087	\$80,310	2%
Anoka	\$87,927,700	\$84,738,456	\$3,189,244	4%
Becker	\$9,758,827	\$9,203,790	\$555,037	6%
Beltrami	\$11,112,850	\$10,959,096	\$153,754	1%
Benton	\$8,136,581	\$7,435,347	\$701,234	9%
Blue Earth	\$19,867,765	\$19,162,761	\$705,004	4%
Brown	\$9,392,669	\$8,503,866	\$888,803	9%
Carlton	\$12,953,177	\$12,791,140	\$162,037	1%
Carver	\$16,882,566	\$16,469,842	\$412,724	2%
Cass	\$7,117,172	\$7,112,324	\$4,848	0%
Chisago	\$16,463,925	\$16,033,376	\$430,549	3%
Clay	\$28,888,803	\$28,553,489	\$335,314	1%
Clearwater	\$1,878,559	\$1,692,345	\$186,214	10%

Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Cook	\$733,353	\$504,524	\$228,829	31%
Crow Wing	\$14,875,957	\$14,623,568	\$252,389	2%
Dakota	\$125,396,395	\$119,877,636	\$5,518,759	4%
Fillmore	\$3,723,176	\$3,662,589	\$60,587	2%
Freeborn	\$4,910,222	\$4,943,969	(\$33,747)	-1%
Goodhue	\$11,000,374	\$10,908,351	\$92,023	1%
Hennepin	\$290,071,763	\$286,236,905	\$3,834,858	1%
Houston	\$3,036,762	\$2,479,498	\$557,264	18%
Hubbard	\$3,867,783	\$3,774,388	\$93,395	2%
Isanti	\$9,362,095	\$9,275,168	\$86,927	1%
Itasca	\$15,332,929	\$15,345,600	(\$12,671)	0%
Kanabec	\$4,434,426	\$4,387,023	\$47,403	1%
Kandiyohi	\$17,095,730	\$16,099,955	\$995,775	6%
Koochiching	\$3,328,947	\$2,883,245	\$445,702	13%
Lake	\$3,233,013	\$2,987,313	\$245,700	8%
Lake of the Woods	\$959,271	\$962,808	(\$3,537)	0%
Le Sueur	\$5,801,293	\$5,637,730	\$163,563	3%
Mille Lacs	\$11,207,220	\$10,801,669	\$405,551	4%
Morrison	\$6,083,257	\$5,850,938	\$232,319	4%
Mower	\$10,297,178	\$9,868,975	\$428,203	4%
Nicollet	\$8,100,512	\$7,280,368	\$820,144	10%
Nobles	\$4,912,413	\$4,378,347	\$534,066	11%
Olmsted	\$37,659,848	\$36,706,501	\$953,347	3%
Otter Tail	\$17,729,799	\$17,038,515	\$691,284	4%
Pine	\$6,077,129	\$5,551,546	\$525,583	9%
Ramsey	\$181,935,856	\$179,800,383	\$2,135,473	1%
Rice	\$15,885,610	\$15,201,379	\$684,231	4%
St. Louis	\$62,110,696	\$59,060,085	\$3,050,611	5%
Scott	\$24,458,321	\$24,309,548	\$148,773	1%
Sherburne	\$22,279,151	\$22,161,692	\$117,459	1%
Sibley	\$3,682,887	\$3,445,987	\$236,900	6%
Stearns	\$36,374,872	\$35,600,876	\$773,996	2%
Todd	\$9,157,411	\$8,457,170	\$700,241	8%
Wabasha	\$3,691,808	\$3,664,019	\$27,789	1%
Wadena	\$7,092,538	\$7,207,715	(\$115,177)	-2%
Washington	\$36,667,631	\$34,806,995	\$1,860,636	5%
Watonwan	\$2,622,186	\$2,379,657	\$242,529	9%
Wilkin	\$2,534,580	\$2,537,998	(\$3,418)	0%
Winona	\$19,481,040	\$18,275,378	\$1,205,662	6%

Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Wright	\$33,071,003	\$31,946,073	\$1,124,930	3%
Leech Lake Trice	\$774,721	\$684,430	\$90,291	12%
White Earth Tribe	\$3,147,676	\$3,185,166	(\$37,490)	-1%
DVHHS Alliance	\$4,768,570	\$4,515,349	\$253,221	5%
FMCHS Alliance	\$9,927,200	\$9,590,528	\$336,672	3%
McLeod, Meeker, Renville Alliance	\$20,789,935	\$19,734,961	\$1,054,974	5%
MnPrairie Alliance	\$16,239,495	\$15,726,218	\$513,277	3%
Northwest 8 Alliance	\$23,236,606	\$21,377,672	\$1,858,934	8%
Region 6 West Alliance	\$13,358,573	\$12,074,703	\$1,283,870	10%
SWMHHS Alliance	\$24,413,002	\$23,787,413	\$625,589	3%
<b>Statewide</b>	<b>\$1,430,572,204</b>	<b>\$1,387,433,443</b>	<b>\$43,138,761</b>	<b>3%</b>

**NOTE FOR ALL REFERENCES**

- The Des Moines Valley Health and Human Services (DVHHS) Alliance includes Cottonwood and Jackson counties.
- The Faribault/Martin County Human Services (FMCHS) Alliance includes Faribault and Martin counties.
- The New Horizon Alliance includes Douglas, Grant, Pope, Stevens and Traverse counties.
- The MnPrairie Alliance includes Dodge, Steele and Waseca counties.
- The Northwest 8 Alliance includes Kittson, Mahnomen, Marshall, Norman Pennington, Red Lake and Roseau counties.
- The Region 6 West Alliance includes Big Stone, Chippewa, Lac Qui Parle, Swift and Yellow Medicine counties.
- The Southwest Minnesota Health and Human Services (SWMHHS) Alliance includes Lincoln, Lyon, Murray, Pipestone, Redwood and Rock counties
- The Region 4 South Alliance (in the Table 2 below) includes Grant, Pope, Stevens and Traverse counties.

**B. DD Budgets**

Compared with 2015, lead agencies, on average, spent 1 percentage point more of their DD budgets in 2016 (the most recently completed budget year, which runs from Jan. 1 to Dec. 31). Overall, 44 percent of lead agencies used a greater proportion of their DD budgets in 2016 than 2015. The following table provides a summary of lead agency DD Waiver budgets for calendar year 2016 as of Oct. 1, 2017.

**Table 2: CY 2016 DD Budget Use**

Lead agency	Allowable budget	Amount spent	Reserve amount	Reserve percent
Aitkin	\$4,632,751	\$4,024,311	\$608,440	13%
Anoka	\$78,933,204	\$75,950,447	\$2,982,757	4%
Becker	\$6,083,827	\$5,601,604	\$482,223	8%
Beltrami	\$11,055,818	\$10,806,146	\$249,672	2%
Benton	\$10,611,881	\$9,601,985	\$1,009,896	10%
Blue Earth	\$14,506,314	\$13,805,134	\$701,180	5%
Brown	\$9,743,154	\$8,906,828	\$836,326	9%
Carlton	\$12,570,989	\$11,949,097	\$621,892	5%

<b>Lead agency</b>	<b>Allowable budget</b>	<b>Amount spent</b>	<b>Reserve amount</b>	<b>Reserve percent</b>
Carver	\$16,419,168	\$16,094,512	\$324,656	2%
Cass	\$9,194,033	\$8,960,700	\$233,333	3%
Chisago	\$11,781,945	\$11,217,216	\$564,729	5%
Clay	\$16,671,429	\$16,565,744	\$105,685	1%
Clearwater	\$764,125	\$737,843	\$26,282	3%
Cook	\$1,141,969	\$997,971	\$143,998	13%
Crow Wing	\$11,676,768	\$11,475,121	\$201,647	2%
Dakota	\$89,325,516	\$87,306,066	\$2,019,450	2%
Douglas	\$7,190,425	\$7,091,886	\$98,539	1%
Fillmore	\$6,926,840	\$6,852,380	\$74,460	1%
Freeborn	\$9,524,762	\$8,129,651	\$1,395,111	15%
Goodhue	\$16,229,626	\$14,872,116	\$1,357,510	8%
Hennepin	\$288,966,160	\$269,150,308	\$19,815,852	7%
Houston	\$7,590,183	\$7,191,338	\$398,845	5%
Hubbard	\$4,241,325	\$3,655,112	\$586,213	14%
Isanti	\$7,306,780	\$6,861,082	\$445,698	6%
Itasca	\$15,703,324	\$15,737,453	(\$34,129)	0%
Kanabec	\$4,776,133	\$4,311,203	\$464,930	10%
Kandiyohi	\$9,833,646	\$8,502,030	\$1,331,616	14%
Koochiching	\$5,034,609	\$4,390,185	\$644,424	13%
Lake	\$5,596,597	\$4,796,318	\$800,279	14%
Lake of the Woods	\$1,199,307	\$1,071,901	\$127,406	11%
Le Sueur	\$9,428,454	\$8,935,255	\$493,199	5%
Mille Lacs	\$6,353,060	\$6,319,340	\$33,720	1%
Morrison	\$9,890,968	\$9,282,570	\$608,398	6%
Mower	\$14,240,917	\$14,085,718	\$155,199	1%
Nicollet	\$5,710,082	\$5,115,674	\$594,408	10%
Nobles	\$5,153,207	\$4,752,000	\$401,207	8%
Olmsted	\$38,299,466	\$36,498,044	\$1,801,422	5%
Otter Tail	\$12,682,304	\$11,134,745	\$1,547,559	12%
Pine	\$6,017,758	\$5,760,335	\$257,423	4%
Ramsey	\$149,631,742	\$136,127,258	\$13,504,484	9%
Rice	\$22,989,190	\$21,910,225	\$1,078,965	5%
St. Louis	\$71,738,640	\$68,632,223	\$3,106,417	4%
Scott	\$22,284,765	\$21,642,752	\$642,013	3%
Sherburne	\$14,000,079	\$12,837,789	\$1,162,290	8%
Sibley	\$4,672,798	\$4,263,320	\$409,478	9%
Stearns	\$28,906,516	\$26,957,155	\$1,949,361	7%
Todd	\$7,414,745	\$7,305,933	\$108,812	1%
Wabasha	\$7,650,462	\$7,421,573	\$228,889	3%

Lead agency	Allowable budget	Amount spent	Reserve amount	Reserve percent
Wadena	\$3,892,787	\$3,366,005	\$526,782	14%
Washington	\$48,582,121	\$45,698,597	\$2,883,524	6%
Watowan	\$3,698,802	\$3,388,251	\$310,551	8%
Wilkin	\$3,466,978	\$2,902,265	\$564,713	16%
Winona	\$15,180,680	\$14,960,943	\$219,737	1%
Wright	\$19,532,378	\$18,745,057	\$787,321	4%
Leech Lake Trice	\$80,080	\$0	\$80,080	100%
White Earth Tribe	\$549,886	\$240,068	\$309,818	56%
DVHHS Alliance	\$8,114,328	\$7,078,457	\$1,035,871	13%
FMCHS Alliance	\$13,909,926	\$12,091,188	\$1,818,738	13%
McLeod, Meeker, Renville Alliance	\$22,264,398	\$21,016,776	\$1,247,622	6%
MNPrairie Alliance	\$17,671,357	\$16,412,579	\$1,258,778	7%
Northwest 8 Alliance	\$33,011,658	\$30,654,228	\$2,357,430	7%
Region 4 South Alliance	\$9,768,916	\$8,963,823	\$805,093	8%
Region 6 West Alliance	\$19,356,312	\$18,093,649	\$1,262,663	7%
SWMHHS Alliance	\$25,960,460	\$23,235,525	\$2,724,935	10%
<b>Statewide</b>	<b>\$1,377,338,828</b>	<b>\$1,292,443,008</b>	<b>\$84,895,820</b>	<b>6%</b>

## V. Corrective action plans

Historically, statute allowed DHS to reclaim funds from lead agencies when agencies used more funding than was available in their budget. This practice was called “recoupment.” Legislation passed during the 2013 and 2015 legislative sessions aimed to decrease the risk of recoupment to lead agencies that exceeded waiver budgets by allowing the development of corrective action plans with DHS. These corrective action plans would give lead agencies two years to rectify the overspending in lieu of recoupment. The same legislation clarified that recoupment would only be required in cases that the state exceeded funding designation for the waivers.

The 2015 legislation also allowed DHS to require corrective action plans if lead agencies did not use a sufficient amount of their waiver budgets. Under this new provision, each lead agency must use 97 percent of its budget if it also has a waiver waiting list. If a lead agency does not meet the spending threshold and sufficient budget capacity is not available to reduce its waiting list, DHS may waive the need for a corrective action plan.

### A. CCB waivers corrective action plans

DHS did not issue corrective action plans in fiscal year 2017 for lead agencies that over-authorized CCB waiver budgets. As shown in Table 1, three lead agencies authorized amounts that exceeded their allowable budgets during this period.

While a lead agency falling short does mean that statutory requirements were not met, the shortfall cannot be attributed solely to the agency's actions. DHS also made funding transfers, seen in Table 2, to assist in managing waiver budgets and recipient needs. Since the lead agency budgets still fell short after the transfers, DHS did not issue any corrective action plans because the transfers were inadequate.

DHS did not issue corrective action plans for lead agencies for authorizing less than 97 percent of a waiver budget because no agency maintained a CADI waiting list during fiscal year 2017.

## **B. DD Waiver corrective action plans**

DHS did not issue corrective action plans for overspending DD Waiver budgets in calendar year 2016, the most recently complete year. DHS transferred funds to all lead agencies that were at-risk of overspending, as seen in Table 4, before to the conclusion of the calendar year. In some cases, DHS did not transfer sufficient funds to prevent overspending from occurring. Lead agencies that still fell short of spending goals were not required to submit corrective action plans.

DHS did issue corrective action plans in fiscal year 2016 to five lead agencies who spent less than 97 percent of a waiver budget while maintaining a calendar year 2016 DD waiver waiting list. These agencies were:

- Chisago County
- Des Moines Valley Health and Human Services Alliance, including
  - Cottonwood County
  - Jackson County
- MNPrairie Alliance, including
  - Dodge County
  - Steele County
  - Waseca County
- Stearns County
- Washington County.

The corrective action plans DHS developed with these lead agencies outline actions the agencies will take to spend 97 percent of their DD waiver budget and/or serve more people on the DD waiver waiting list.

## **VI. Funding transfers**

Legislation from 2013 authorized DHS to transfer waiver funding between lead agencies when needed. DHS has used this authority to transfer funds to lead agencies that have demonstrated sound financial management, but exceeded their allowable budgets nevertheless. Lead agencies that receive a transfer often exceed their budget due to new-recipient enrollment from waiting lists or large service cost increases for existing waiver recipients.

## A. CCB funding transfers

DHS transferred CCB funding between lead agencies 29 times in fiscal year 2017. Table 3 provides details of these funding transfers.

**Table 3: CCB funding transfers by lead agency**

Lead agency	Change in budget	Amount
Anoka	Decrease	\$361,940
Beltrami	Increase	\$233,136
Benton	Decrease	\$240,120
Brown	Decrease	\$310,006
Carlton	Increase	\$369,079
Cass	Increase	\$586,959
Chippewa	Decrease	\$547,229
Dakota	Decrease	\$1,000,725
Douglas	Decrease	\$563,157
Fillmore	Increase	\$221,086
Freeborn	Increase	\$163,116
Isanti	Increase	\$576,297
Itasca	Increase	\$547,605
Kanabec	Increase	\$249,069
Kandiyohi	Decrease	\$215,676
Lake of the Woods	Increase	\$42,611
Martin	Increase	\$795,068
Morrison	Increase	\$76,684
Olmsted	Decrease	\$202,408
Polk	Decrease	\$591,955
Renville	Decrease	\$384,333
St. Louis	Decrease	\$697,741
Scott	Increase	\$1,200,397
Wadena	Increase	\$429,554
Washington	Decrease	\$549,312
Wilkin	Increase	\$354,049
Winona	Decrease	\$222,043
White Earth Tribe	Increase	\$41,935

## B. DD funding transfers

DHS transferred DD Waiver funding between lead agencies 34 times in calendar year 2016. Table 4 shows these transfers. Lead agencies listed multiple times had their budgets adjusted on more than one occasion.

**Table 4: DD funding transfers by lead agency**

<b>Lead agency</b>	<b>Change in budget</b>	<b>Amount</b>
Beltrami	Increase	\$317,953
Carver	Increase	\$573,479
Chippewa	Decrease	\$94,648
Clearwater	Increase	\$108,354
Cottonwood	Decrease	\$82,160
Crow Wing	Increase	\$95,473
Dakota	Increase	\$416,834
Freeborn	Decrease	\$80,792
Hennepin	Decrease	\$1,342,099
Hennepin	Decrease	\$329,332
Itasca	Increase	\$572,389
Kanabec	Increase	\$350,852
Kanabec	Increase	\$329,332
Kandiyohi	Decrease	\$81,616
Lake of the Woods	Increase	\$100,511
Lyon	Decrease	\$179,690
McLeod	Decrease	\$79,066
Martin	Decrease	\$122,042
Mille-Lacs	Increase	\$89,956
Morrison	Increase	\$439,419
Mower	Increase	\$621,270
Olmsted	Decrease	\$118,165
Ottertail	Decrease	\$79,551
Polk	Decrease	\$187,731
Ramsey	Decrease	\$870,921
St. Louis	Decrease	\$242,450
Scott	Increase	\$177,994
Sherburne	Decrease	\$76,764
Stearns	Decrease	\$149,602
Steele	Decrease	\$68,921
Todd	Increase	\$84,536
Washington	Decrease	\$183,426
Winona	Increase	\$88,850
Leech Lake Tribe	Increase	\$1,774

## VII. DD waiting list categories and reasonable pace

Minnesota’s Olmstead Plan establishes goals regarding implementation of DD Waiver waiting list urgency of need categories and corresponding reasonable pace standards. Additionally, 2016 legislation requires DHS to post quarterly data about people on the DD waiting list on its [waiver program waitlist webpage](#). Some people who receive an assessment are not included in the tables below. This is because they either are:

- Not requesting the DD Waiver within the next 12 months
- Already on the DD Waiver.

The following sections contain data from the Nov. 27, 2017 Olmstead quarterly report and the DHS public website reports.

### A. DD waiting list categories and reasonable pace

Table 5 provides information related to meeting those goals for the most recent four quarters. This information also is included in quarterly reports to the Olmstead subcabinet. This data demonstrates that, as more people have been assessed as meeting the criteria of the institutional exit and immediate need categories, DHS and lead agencies have continued to approve funding for people with the most urgent needs.

**Table 5: Waiting list categories and reasonable pace**

Time Period	Urgency of need category	Total number of people assessed	Reasonable pace: Funding approved within 45 days	Funding approved after 45 days	Still on the waiting list
April – June 2017	Institutional exit	36	15	16	5
	Immediate need	117	63	37	17
	Defined need	353	163	127	63
	<b>Totals</b>	<b>506</b>	<b>241</b>	<b>180</b>	<b>85</b>
January – March 2017	Institutional exit	31	22	5	4
	Immediate need	90	60	18	12
	Defined need	288	155	52	81
	<b>Totals</b>	<b>409</b>	<b>237</b>	<b>75</b>	<b>97</b>
October – December 2016	Institutional exit	29	14	10	5
	Immediate need	89	59	23	7
	Defined need	257	114	78	65
	<b>Totals</b>	<b>375</b>	<b>187</b>	<b>111</b>	<b>77</b>
July – September 2016	Institutional exit	20	8	5	7
	Immediate need	100	56	30	14
	Defined need	285	125	72	88
	<b>Totals</b>	<b>405</b>	<b>189</b>	<b>107</b>	<b>109</b>

## B. Days waiting on DD waiting list

Table 6 displays the average number of days people on the DD waiting list have been waiting since their first assessment following reform implementation. This table includes data as of June 30, 2017.

**Table 6: Average number of days waiting on DD waiting list**

Waitlist category	Average days waiting
Institutional exit	94.79
Immediate need	72.36
Defined need	90.85

## C. Planned services and ages of people on the DD waiting list

Table 7 provides details on the ages, urgency of need categories and planned services of people on the DD waiting list. Please note, a person may have more than one planned service. These people will appear multiple times in this table. Total figures will differ from Table 5, due to the date the data was obtained.

**Table 7: DD waiting list by planned service, urgency category and age**

Planned service	Urgency of need category	Total	0-12	13-17	18-22	23-39	40-64	65+
24-hour emergency assistance	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	<5	<5	0	0	0	0	0
	<b>Total</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Adult day care	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	<5	0	0	0	0	<5	<5
	<b>Total</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>&lt;5</b>	<b>&lt;5</b>
Assistive technology	Institutional exit	<5	<5	0	0	0	0	0
	Immediate need	<5	0	0	<5	0	<5	0
	Defined need	13	7	0	6	0	0	0
	<b>Total</b>	<b>16</b>	<b>8</b>	<b>0</b>	<b>7</b>	<b>0</b>	<b>&lt;5</b>	<b>0</b>
Caregiver training and support	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	<5	0	0	0	0	0
	Defined need	12	<5	<5	<5	<5	0	0
	<b>Total</b>	<b>15</b>	<b>6</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>
Case management	Institutional exit	<5	<5	0	0	0	<5	<5
	Immediate need	18	5	<5	<5	<5	<5	0
	Defined need	72	30	17	10	11	<5	<5
	<b>Total</b>	<b>93</b>	<b>36</b>	<b>21</b>	<b>14</b>	<b>13</b>	<b>7</b>	<b>&lt;5</b>

Planned service	Urgency of need category	Total	0-12	13-17	18-22	23-39	40-64	65+
Consumer-directed community supports (CDCS)	Institutional exit	<5	<5	0	0	0	0	0
	Immediate need	<5	<5	0	0	0	0	0
	Defined need	41	22	7	10	<5	0	0
	<b>Total</b>	<b>43</b>	<b>24</b>	<b>7</b>	<b>10</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>
Consumer training and education	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	0	0	0	0	0	0	0
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Crisis-respite	Institutional exit	<5	<5	0	0	<5	0	0
	Immediate need	7	0	<5	<5	<5	<5	0
	Defined need	19	7	5	5	<5	0	0
	<b>Total</b>	<b>28</b>	<b>8</b>	<b>9</b>	<b>6</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>
Day training and habilitation (DTH)	Institutional exit	<5	0	0	0	<5	<5	0
	Immediate need	<5	0	0	<5	<5	<5	0
	Defined need	14	0	0	5	7	<5	0
	<b>Total</b>	<b>20</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>9</b>	<b>5</b>	<b>0</b>
Homemaker	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	0	0	<5	0	0	0
	Defined need	<5	<5	0	<5	<5	0	0
	<b>Total</b>	<b>5</b>	<b>&lt;5</b>	<b>0</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>
Housing access	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	<5	0	0	<5	<5	0	0
	<b>Total</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>	<b>0</b>
In home family support	Institutional exit	<5	<5	0	0	<5	0	0
	Immediate need	12	<5	<5	<5	0	<5	0
	Defined need	43	16	12	8	6	<5	0
	<b>Total</b>	<b>57</b>	<b>20</b>	<b>16</b>	<b>11</b>	<b>7</b>	<b>&lt;5</b>	<b>0</b>
Modification/equipment	Institutional exit	<5	<5	0	0	0	0	<5
	Immediate need	<5	0	0	<5	0	0	0
	Defined need	13	8	0	<5	<5	0	0
	<b>Total</b>	<b>16</b>	<b>9</b>	<b>0</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>	<b>&lt;5</b>
Person support	Institutional exit	<5	<5	0	0	<5	0	0
	Immediate need	8	<5	<5	<5	0	<5	0
	Defined need	17	5	<5	6	<5	0	0
	<b>Total</b>	<b>27</b>	<b>8</b>	<b>6</b>	<b>7</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>

Planned service	Urgency of need category	Total	0-12	13-17	18-22	23-39	40-64	65+
Respite (not ICF/DD)	Institutional exit	<5	0	0	0	<5	0	0
	Immediate need	5	0	<5	<5	0	<5	0
	Defined need	35	15	11	6	<5	0	0
	<b>Total</b>	<b>41</b>	<b>15</b>	<b>13</b>	<b>7</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>0</b>
Supportive living services (SLS)	Institutional exit	<5	0	0	0	0	<5	<5
	Immediate need	7	<5	<5	<5	<5	<5	0
	Defined need	9	0	<5	<5	<5	<5	0
	<b>Total</b>	<b>18</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>5</b>	<b>5</b>	<b>&lt;5</b>
Specialist Services	Institutional exit	<5	0	0	0	0	<5	<5
	Immediate need	7	<5	<5	<5	<5	<5	0
	Defined need	9	0	<5	<5	<5	<5	0
	<b>Total</b>	<b>18</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>5</b>	<b>5</b>	<b>&lt;5</b>
Supported employment	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	0	0	0	0	<5	0
	Defined need	8	0	0	<5	5	0	0
	<b>Total</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>&lt;5</b>	<b>5</b>	<b>&lt;5</b>	<b>0</b>
Transportation, chore, personal care assistance (PCA)	Institutional exit	<5	<5	0	0	0	0	<5
	Immediate need	<5	0	0	<5	0	<5	0
	Defined need	19	6	<5	6	6	0	0
	<b>Total</b>	<b>23</b>	<b>7</b>	<b>&lt;5</b>	<b>7</b>	<b>6</b>	<b>&lt;5</b>	<b>&lt;5</b>
Total with planned services	Institutional exit	<5	<5	0	0	<5	<5	<5
	Immediate need	18	5	<5	<5	<5	<5	0
	Defined need	81	31	19	14	12	<5	<5
	<b>Total</b>	<b>103</b>	<b>37</b>	<b>23</b>	<b>18</b>	<b>15</b>	<b>7</b>	<b>&lt;5</b>
Total with no planned services	Institutional exit	<5	0	0	0	0	<5	<5
	Immediate need	7	<5	<5	0	<5	<5	<5
	Defined need	16	9	<5	<5	0	0	0
	<b>Total</b>	<b>26</b>	<b>11</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>	<b>&lt;5</b>
Total, unduplicated	Institutional exit	7	<5	0	0	<5	<5	<5
	Immediate need	25	7	5	<5	<5	<5	<5
	Defined need	97	40	22	18	12	<5	<5
	<b>Total</b>	<b>129</b>	<b>48</b>	<b>27</b>	<b>22</b>	<b>16</b>	<b>10</b>	<b>6</b>

## D. People with DD Waiver funding approved

Table 8 includes information about people for whom a lead agency has approved funding for the DD Waiver, but do not yet have a waiver service agreement to begin services. People may not start the waiver immediately after funding approval because service planning and locating providers may take

additional time. The average number of days following funding approval decreased slightly from 2016. This information is current as of June 30, 2017.

**Table 8: People without service agreements**

Measure	Number
Number of people with funding approved by no service agreement	42 people
Average number of days since funding approval	99 days

## E. New DD Waiver recipients

Table 9 displays information on people who began DD Waiver services between June 1 and June 30, 2017. Compared to the 2016 report, more people are accessing the DD Waiver from one of the waiting list categories, while fewer people are leaving the waiting list without starting the DD Waiver.

**Table 9: New DD Waiver recipients**

Measure	Number of people
Number of people who started DD Waiver from waiting list	115 people
Number of people who started DD Waiver not from waiting list	47 people
Number of people who left the waiting list but did not start the DD Waiver	17 people

## VIII. Approving funding for people on the DD Waiver waiting list

The most recent Olmstead Quarterly Report shows that, as of Oct. 1, 2017, there were 152 people on the DD Waiver waiting list across the state. As shown in Table 5, 506 people were assessed as meeting the urgency of need of one of the waiting list categories between April and June 2017. The relatively low number on the waiting list demonstrates the ability of lead agencies to approve funding for people on the DD waiting list at a pace that keeps the overall size of the waiting list low.

The overall average time spent on the DD waiting list is approximately three months, as seen in Table 6. This short amount of time has been the product of collaboration between DHS and lead agencies to use available funding, manage resources on a statewide basis and approve funding according to reasonable pace standards. Ultimately, people on the DD waiting list regularly have funding approved regardless of category.

DHS recommends maintaining currently forecasted DD waiver participant growth in order to enable lead agencies to continue approving funding for people in all DD waiting list categories.

## **IX. Report recommendations**

DHS directs lead agencies to reach statutory spending targets and DD Waiver waiting-list Olmstead goals. Agencies that do not reach these targets in 2017 may receive corrective action plans in 2018. DHS has found the corrective action process to be helpful for lead agencies in 2017 and recommends the process continue going forward.