

Disability Waiver Financial Management and Waiting Lists

Disability Services Division
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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) and 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](#)

For the purposes of clarity, we call the first three the "CCB waivers" and the last as the "DD Waiver." Each lead agency manages those two distinct budgets: The CCB budget and the DD budget.

A. Risk levels for lead agencies

Lead agencies now have less risk when they manage waiver funding. Recent changes addressed that:

- 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

With those changes, many lead agencies use a greater proportion of their waiver budgets than in the past. Compared to their respective previous budget years, 80 percent of lead agencies used more of their CCB budget in fiscal year 2016, while 56 percent of lead agencies used more of their DD budget in calendar year 2015.

DHS has used its statutory authority to maximize statewide waiver funding when lead agency budgets do not have enough funding to meet the needs of waiver recipients. In the past 12 months, DHS has transferred CCB waiver funding between various lead agencies 35 times. It has done so four times for the DD Waiver. These transfers supported more enrollment for people on waiting lists and service-cost increases for recipients with increased service needs.

B. Waiting lists

The number of people on disability waiver waiting lists has decreased significantly since the Olmstead Plan established waiting list baselines in May 2014. Lead agencies have increased new waiver recipient enrollment, in part because of the statutes mentioned above, as well as increased funding authorized by the legislature in 2015. Lead agencies also are verifying people's urgency of need for waiver services. As a result, 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 anticipates fewer people will be on the DD waiting list once lead agencies completely implement ongoing Olmstead Plan reforms in December 2016. While implementation occurs, DHS expects 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. Additional reports are included on the [DHS waiver program waitlist page](#).

DHS recommends current policies and practices continue to be implemented. This will allow us to:

- Determine the resources needed to eliminate all waiting lists for the disability waiver programs.
- Inform the legislature of policy changes that affect waiver access.

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;

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(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 Order of Federal Court on Nov. 6, 2015, activity 1G:

Table 1: Reporting requirements

1	Key activity	Expected outcome	Deadline	Other agency(s) or partners
G	Submit annual Waiting List Funding Report to the Legislature.	Reports will include: The new urgency categorization system; the new reasonable pace standards; and an estimate on funding needed to eliminate the waiting list.	Submit report to Legislature by Dec. 1, 2015 and annually thereafter.	DHS

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 eliminating those waiting lists.

The Department of Human Services (DHS) and 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 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 county and tribal agencies ("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.

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

Recent legislation provided DHS with a greater ability to work with lead agencies to maximize waiver funding. Real-time tools that allow agencies to serve as effective budget managers assist us in the effort. 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 situation may be caused by:

- The number of people allowed to be served as approved by the federal government in the 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 the service do not have immediate access to the service. It is extremely rare for that person to receive no services at all, however. Other non-waiver services, like personal care assistance and case management, for people with disabilities are available while a person waits for waiver services.

C. CADI Waiver waiting list

The Minnesota Legislature approved sufficient funding to eliminate the CADI Waiver waiting list during the current biennium. Because of DHS and lead agency enrollment efforts, this was successfully achieved. The statewide waiting list decreased from 1,420 people on May 30, 2015, to zero people on Oct. 1, 2016. DHS will continue 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](#). The category that best defines a person's urgency of need is based on information gathered during that person's assessment for long-term services and supports and documented on a department-provided form. The lead agency determines the need in consultation with the assessed person and provides them notice of their urgency category.

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The four urgency categories are:

- **Institutional exit:** This category includes people who currently reside in an institutional setting who indicate they are not opposed to leaving that setting. People in this category also would like to receive home and community-based services.
- **Immediate need:** This category includes people who 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 caregivers
 - 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:** This category includes people who have an assessed need for waiver services within one year of the date of assessment.
- **Future need:** This category includes people who 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. We do 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 or she has the right to request a new assessment anytime during the year. This may allow for the lead agency to update his/her urgency category to reflect this 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 corresponding 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.

IV. Lead agency waiver financial management

Each lead agency manages all disability waiver costs from two distinct budgets: CCB service authorizations in one group budget and DD service expenditures in another.

A. CCB budgets

Compared with fiscal year 2015, lead agencies, on average, authorized 3 percentage points more of their CCB budgets in fiscal year 2016. Overall, 75 percent of lead agencies used a greater proportion of their CCB budgets in fiscal year 2016 than fiscal year 2015. The following table provides a summary of lead agency CCB waiver budgets for fiscal year 2016, the most recently completed fiscal year, as of Sept. 1, 2016.

Table 2: FY 2016 CCB Budget Use

Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Aitkin	\$2,984,029	\$2,838,929	\$145,100	5%
Anoka	\$76,389,513	\$73,248,555	\$3,140,957	4%
Becker	\$8,841,885	\$8,526,286	\$315,598	4%
Beltrami	\$9,830,487	\$9,786,078	\$44,410	0%
Benton	\$8,144,840	\$7,341,835	\$803,005	10%
Blue Earth	\$18,037,994	\$16,755,269	\$1,282,726	7%
Brown	\$9,116,894	\$8,399,209	\$717,685	8%
Carlton	\$11,746,870	\$11,363,466	\$383,405	3%
Carver	\$15,501,676	\$15,053,744	\$447,932	3%
Cass	\$5,760,889	\$5,692,101	\$68,788	1%
Chisago	\$14,050,974	\$12,871,877	\$1,179,097	8%
Clay	\$27,618,086	\$26,011,985	\$1,606,101	6%
Clearwater	\$1,816,214	\$1,742,896	\$73,318	4%
Cook	\$734,941	\$587,148	\$147,793	20%
Crow Wing	\$13,804,724	\$13,610,108	\$194,617	1%
Dakota	\$119,188,123	\$116,978,027	\$2,210,095	2%
Fillmore	\$2,993,750	\$2,981,049	\$12,700	0%
Freeborn	\$4,003,205	\$3,902,718	\$100,487	3%
Goodhue	\$10,635,165	\$9,407,842	\$1,227,322	12%
Hennepin	\$260,742,738	\$245,935,342	\$14,807,396	6%
Houston	\$2,957,299	\$2,037,896	\$919,403	31%
Hubbard	\$3,844,083	\$3,457,235	\$386,848	10%
Isanti	\$7,418,125	\$7,322,022	\$96,103	1%
Itasca	\$12,492,194	\$12,224,088	\$268,105	2%
Kanabec	\$4,468,463	\$4,390,096	\$78,367	2%

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Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Kandiyohi	\$16,316,593	\$15,802,976	\$513,617	3%
Koochiching	\$3,249,411	\$3,062,001	\$187,410	6%
Lake	\$3,151,481	\$3,089,138	\$62,343	2%
Lake of the Woods	\$958,857	\$931,590	\$27,267	3%
Le Sueur	\$5,459,604	\$5,112,439	\$347,165	6%
McLeod	\$9,360,901	\$8,980,925	\$379,976	4%
Meeker	\$5,821,724	\$5,294,336	\$527,388	9%
Mille Lacs	\$10,312,022	\$9,753,352	\$558,670	5%
Morrison	\$5,239,473	\$5,060,904	\$178,569	3%
Mower	\$8,766,044	\$8,442,211	\$323,833	4%
Nicollet	\$7,236,815	\$6,174,693	\$1,062,122	15%
Nobles	\$4,837,878	\$4,380,321	\$457,556	9%
Olmsted	\$36,201,422	\$35,073,588	\$1,127,833	3%
Otter Tail	\$16,265,529	\$14,776,089	\$1,489,440	9%
Pine	\$5,260,433	\$4,506,909	\$753,524	14%
Ramsey	\$160,375,829	\$154,351,269	\$6,024,560	4%
Renville	\$4,452,463	\$3,588,231	\$864,232	19%
Rice	\$13,417,728	\$12,244,459	\$1,173,270	9%
St. Louis	\$60,402,759	\$52,135,013	\$8,267,746	14%
Scott	\$21,222,213	\$20,551,402	\$670,811	3%
Sherburne	\$19,945,723	\$18,731,179	\$1,214,544	6%
Sibley	\$3,346,388	\$3,035,727	\$310,660	9%
Stearns	\$33,892,537	\$32,216,083	\$1,676,454	5%
Todd	\$9,023,961	\$8,250,805	\$773,157	9%
Wabasha	\$3,440,032	\$3,394,306	\$45,726	1%
Wadena	\$6,105,629	\$6,109,801	-\$4,172	-0%
Washington	\$34,676,556	\$31,602,237	\$3,074,319	9%
Watonwan	\$2,070,561	\$1,833,500	\$237,060	11%
Wilkin	\$2,465,070	\$2,421,516	\$43,553	2%
Winona	\$17,079,592	\$16,465,796	\$613,796	4%
Wright	\$29,997,038	\$29,137,965	\$859,073	3%
Leech Lake Tribe	\$645,046	\$590,138	\$54,908	9%
White Earth Tribe	\$3,112,951	\$2,740,827	\$372,124	12%
DVHHS Alliance	\$4,232,142	\$3,924,267	\$307,875	7%
FMCHS Alliance	\$7,818,812	\$7,849,281	-\$30,469	-0%
New Horizon Alliance	\$15,792,622	\$14,918,688	\$873,934	6%
MnPrairie Alliance	\$14,530,364	\$13,645,303	\$885,062	6%

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Lead agency	Allowable budget	Authorized amount	Reserve amount	Reserve percent
Northwest 8 Alliance	\$23,272,528	\$20,816,827	\$2,455,701	11%
Region 6 West Alliance	\$13,260,521	\$12,518,918	\$741,603	6%
SWMHHS Alliance	\$23,720,330	\$22,070,664	\$1,649,666	7%
Statewide	\$1,319,888,880	\$1,249,379,955	\$70,508,925	5%

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 3 below) includes Grant, Pope, Stevens and Traverse counties.

B. DD Budgets

Compared with 2014, lead agencies, on average, spent 1 percentage point more of their DD budgets in 2015. Overall, 56 percent of lead agencies used a greater proportion of their DD budgets in 2015 than 2014. The following table provides a summary of lead agency DD Waiver budgets for calendar year 2015, the most recently completed budget year, as of Sept. 1, 2016.

Table 3: CY 2015 DD budget use

Lead agency	Allowable budget	Amount spent	Reserve amount	Reserve percent
Aitkin	\$4,311,126	\$3,720,696	\$590,430	14%
Anoka	\$73,101,717	\$68,901,560	\$4,200,157	6%
Becker	\$5,933,153	\$5,416,712	\$516,441	9%
Beltrami	\$10,677,008	\$10,733,879	\$301,053	3%
Benton	\$10,237,200	\$9,170,312	\$1,066,888	10%
Blue Earth	\$14,149,471	\$13,442,073	\$707,397	5%
Brown	\$9,452,559	\$8,487,645	\$964,914	10%
Carlton	\$11,987,211	\$11,474,915	\$512,295	4%
Carver	\$14,707,966	\$14,345,014	\$362,952	2%
Cass	\$8,944,131	\$8,455,712	\$488,419	5%
Chisago	\$11,729,636	\$9,790,464	\$1,939,172	17%
Clay	\$16,721,928	\$15,846,135	\$875,793	5%
Clearwater	\$757,970	\$758,707	-\$737	-0%
Cook	\$1,093,795	\$926,245	\$167,550	15%
Crow Wing	\$11,307,716	\$10,422,409	\$885,307	8%

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Lead agency	Allowable budget	Amount spent	Reserve amount	Reserve percent
Dakota	\$83,860,550	\$81,368,488	\$2,492,062	3%
Douglas	\$7,394,407	\$6,859,021	\$535,386	7%
Fillmore	\$6,673,300	\$6,233,583	\$439,717	7%
Freeborn	\$9,275,954	\$7,804,668	\$1,471,286	16%
Goodhue	\$15,728,530	\$14,218,997	\$1,509,533	10%
Hennepin	\$276,877,672	\$254,847,393	\$22,030,279	8%
Houston	\$7,190,591	\$7,039,706	\$150,884	2%
Hubbard	\$3,739,925	\$3,355,864	\$384,061	10%
Isanti	\$6,465,532	\$6,150,434	\$315,098	5%
Itasca	\$14,479,158	\$14,287,613	\$191,544	1%
Kanabec	\$3,811,916	\$4,028,692	-\$216,776	-6%
Kandiyohi	\$9,538,628	\$8,088,021	\$1,450,607	15%
Koochiching	\$5,232,709	\$4,332,729	\$899,980	17%
Lake	\$5,484,154	\$4,672,991	\$881,163	15%
Lake of the Woods	\$1,085,137	\$1,047,097	\$38,040	4%
Le Sueur	\$9,042,529	\$8,755,746	\$286,783	3%
Mille Lacs	\$6,089,162	\$6,100,193	-\$11,031	-0%
Morrison	\$8,933,670	\$8,712,305	\$221,365	2%
Mower	\$13,202,619	\$12,145,507	\$1,057,112	8%
Nicollet	\$5,457,630	\$4,933,916	\$523,714	10%
Nobles	\$4,918,798	\$4,465,953	\$452,845	9%
Olmsted	\$36,127,416	\$35,502,306	\$625,110	2%
Otter Tail	\$12,228,193	\$10,646,943	\$1,581,249	13%
Pine	\$6,172,838	\$5,533,124	\$639,714	10%
Ramsey	\$144,052,931	\$134,219,861	\$9,833,070	7%
Rice	\$22,098,511	\$21,179,532	\$918,978	4%
St. Louis	\$69,629,798	\$66,239,507	\$3,390,291	5%
Scott	\$19,855,429	\$18,731,780	\$1,123,650	6%
Sherburne	\$13,302,770	\$11,759,996	\$1,542,774	12%
Sibley	\$4,428,842	\$3,886,768	\$542,074	12%
Stearns	\$27,748,008	\$24,979,229	\$2,768,780	10%
Todd	\$7,078,805	\$6,943,395	\$135,410	2%
Wabasha	\$7,573,370	\$6,757,609	\$815,761	11%
Wadena	\$3,994,880	\$3,355,910	\$638,970	16%
Washington	\$45,490,669	\$43,017,541	\$2,473,127	5%
Watonwan	\$3,769,492	\$3,335,713	\$433,779	12%
Wilkin	\$3,557,939	\$3,093,609	\$464,330	13%
Winona	\$14,611,069	\$14,076,442	\$534,628	4%
Wright	\$18,348,309	\$17,078,951	\$1,269,358	7%
Leech Lake Tribe	\$76,744	\$39,237	\$37,506	49%

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Lead agency	Allowable budget	Amount spent	Reserve amount	Reserve percent
White Earth Tribe	\$437,591	\$329,790	\$107,801	25%
DVHHS Alliance	\$7,759,884	\$6,573,001	\$1,186,884	15%
FMCHS Alliance	\$13,042,154	\$11,623,515	\$1,418,639	11%
McLeod, Meeker, Renville Alliance	\$21,154,740	\$20,253,738	\$901,002	4%
MnPrairie Alliance	\$17,800,810	\$15,124,655	\$2,676,155	15%
Northwest 8 Alliance	\$31,985,062	\$29,540,641	\$2,444,421	8%
Region 4 South Alliance	\$9,568,749	\$8,689,450	\$879,299	9%
Region 6 West Alliance	\$18,897,757	\$17,234,884	\$1,662,873	9%
SWMHHS Alliance	\$24,849,078	\$23,423,406	\$1,425,672	6%
Statewide	\$1,315,230,346	\$1,224,463,631	\$90,766,715	7%

V. Corrective action plan

Statute passed during the 2013 legislative session decreased the risk to lead agencies that exceeded waiver budgets. This legislation allowed lead agencies who overspent to develop a corrective action plan with DHS to rectify the issue one year after the overspending occurred. Previously, statute required lead agencies to repay the state when they used more funding than was allowed. That repayment plan was called “recoupment.” Legislation in 2015 amended this statute by allowing an additional year of corrective action before recoupment would occur. Additionally, recoupment would only be required to the extent that the state had exceeded funding designated for the waivers.

That 2015 legislation also allowed DHS to require corrective action plans if lead agencies were not using a sufficient amount of their waiver budgets. Under new statute, a lead agency must use 97 percent of its budget if it maintains a waiver waiting list. If a lead agency does not meet these conditions, but its budget is not of a sufficient size 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 a corrective action plan in fiscal year 2016 for over-authorizing CCB waiver budgets. As shown in Table 2, two lead agencies authorized amounts that exceeded their allowable budgets. That met the conditions for a corrective action plan. However, as Table 4 shows, DHS transferred funds before the conclusion of the fiscal year to these two lead agencies. DHS did not require these lead agencies to develop a corrective action plan because:

- The two lead agencies over-authorized to meet the goal of eliminating the CADI waiting list
- DHS’s transfer did not cover enough of the over-authorized amount.

DHS also did not issue corrective action plans for lead agencies for authorizing less than 97 percent of a waiver budget while maintaining a waiting list for fiscal year 2016. At the end of the fiscal year, one lead agency had both a waiting list and authorization that were less than 97 percent of its budget. However, this lead agency had less than five people on its CADI Waiver waiting list. DHS followed-up with this lead agency and the waiting list was eliminated quickly. As a result, DHS did not require this lead agency to develop a formal corrective action plan.

B. DD Waiver corrective action plans

DHS did not issue corrective action plans for overspending DD Waiver budgets in calendar year 2015 (the most recently complete year). DHS transferred funds to all lead agencies that overspent, as seen in Table 5, before to the conclusion of the calendar year. Because DHS did not transfer enough to prevent overspending in some cases, these lead agencies were not required to submit corrective action plans.

DHS also did not issue corrective action plans in fiscal year 2015 to lead agencies who spent less than 97 percent of a waiver budget while maintaining a waiting list. This is due to the applicable statute passing midway through the 2015 DD budget year. 2016 will be the first complete year lead agencies will be subject to 97 percent budget expectations.

VI. Funding transfers

In 2013, legislation 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 nonetheless. Lead agencies that received a transfer often exceeded 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 35 times in fiscal year 2016. All CCB funding transfers in the previous 12 months occurred in fiscal year 2016. Table 4 provides details of these funding transfers. Lead agencies listed multiple times had their budgets adjusted on more than one occasion.

Table 4: CCB funding transfers by lead agency

Lead agency	Change in budget	Amount
Anoka	Decrease	\$221,197
Beltrami	Increase	\$53,338
Blue Earth	Decrease	\$93,976
Cass	Increase	\$126,140
Chisago	Decrease	\$86,077
Clay	Decrease	\$95,164
Crow Wing	Increase	\$464,990
Dakota	Increase	\$668,156
Fillmore	Increase	\$229,215
Freeborn	Increase	\$226,812
Goodhue	Decrease	\$93,424
Hennepin	Decrease	\$50,000
Hennepin	Decrease	\$224,741
Hennepin	Decrease	\$985,125
Isanti	Increase	\$64,483
Itasca	Increase	\$192,072
Kanabec	Increase	\$624,196
Lake	Increase	\$42,341
Lake of the Woods	Increase	\$82,223
Otter Tail	Decrease	\$124,071
Ramsey	Decrease	\$468,031
Rice	Increase	\$50,000
St. Louis	Decrease	\$622,391
Scott	Increase	\$438,806
Sherburne	Decrease	\$99,687
Stearns	Decrease	\$153,027

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Lead agency	Change in budget	Amount
Todd	Decrease	\$55,772
Wabasha	Increase	\$224,741
Wadena	Increase	\$37,761
Washington	Decrease	\$228,470
FMCHS Alliance	Increase	\$455,595
New Horizon Alliance	Decrease	\$70,212
MnPrairie Alliance	Decrease	\$72,403
Northwest 8 Alliance	Decrease	\$188,467
Region 6 West Alliance	Decrease	\$78,632

B. DD funding transfers

DHS transferred DD Waiver funding between lead agencies four times in calendar year 2015. All DD funding transfers in the past 12 months occurred during calendar year 2015. Table 5 shows these transfers. Lead agencies listed multiple times had their budgets adjusted on more than one occasion.

Table 5: DD funding transfers by lead agency

Lead agency	Change in budget	Amount
Carver	Increase	\$84,277
Clearwater	Increase	\$116,776
Hennepin	Decrease	\$257,784
Lake of the Woods	Increase	\$56,731

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 [public website](#). The majority of people who receive an assessment are not included in the tables below. This is because they:

- Are not requesting the DD waiver within the next 12 months; or
- Are already on the DD waiver

The following sections contain the most recent data from the Olmstead quarterly report and the DHS public website reports.

A. DD waiting list categories and reasonable pace

Table 6 provides information related to meeting those goals for the period of April through June 2016. This information also was included in the most recent quarterly report to the Olmstead subcabinet.

Table 6: Waiting list categories and reasonable pace

Urgency of need category	Total number of people assessed	REASONABLE PACE Funding approved within 45 days	Funding approved after 45 days	Still on waiting list
Institutional exit	31	9	13	9
Immediate need	126	82	34	10
Defined need	324	121	100	103
TOTALS	481	212	147	122

B. Days waiting on DD waiting list

Table 7 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, 2016.

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

Urgency of need category	Average days waiting
Institutional exit	85.6
Immediate need	50.5
Defined need	95.1
TOTAL	83.9

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

Table 8 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 6, due to the date the data was obtained.

Table 8: DD waiting list by planned service, urgency category, and age

Planned service	Urgency of need category	Total	Age					
			0-12	13-17	18-22	23-39	40-64	65+
24-hour emergency assistance	Institutional exit	<5	0	<5	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	7	<5	<5	0	<5	<5	0
	TOTAL	8	<5	5	0	<5	<5	0
Adult Day Care	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
	TOTAL	0	0	0	0	0	0	0
Assistive technology	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	0	0	<5	0	0	0
	Defined need	37	20	7	6	<5	<5	0
	TOTAL	38	20	7	7	<5	<5	0
Caregiver training and support	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	<5	0	<5	0	0	0
	Defined need	27	17	<5	5	<5	<5	0
	TOTAL	29	18	<5	6	<5	<5	0
Case management	Institutional exit	8	<5	<5	<5	<5	<5	<5
	Immediate need	7	<5	<5	<5	0	0	<5
	Defined need	136	55	22	31	21	6	<5
	TOTAL	151	61	24	33	22	8	<5
Consumer-directed community supports (CDCS)	Institutional exit	<5	<5	0	0	0	0	0
	Immediate need	5	<5	0	<5	0	<5	0
	Defined need	71	42	15	10	<5	<5	0
	TOTAL	77	46	15	11	<5	<5	0
Consumer training and education	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	5	<5	0	0	<5	0	0
	TOTAL	5	<5	0	0	<5	0	0

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Planned service	Urgency of need category	Total	0-12	13-17	18-22	23-39	40-64	65+
Crisis — respite	Institutional exit	<5	0	<5	<5	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	30	11	7	10	<5	<5	0
	TOTAL	32	11	8	11	<5	<5	0
Day training and habilitation (DTH)	Institutional exit	<5	0	0	0	<5	<5	0
	Immediate need	<5	0	0	<5	0	0	<5
	Defined need	31	0	<5	10	15	<5	<5
	TOTAL	36	0	<5	11	16	6	<5
Homemaker	Institutional exit	<5	0	0	0	0	0	<5
	Immediate need	<5	0	0	0	0	0	<5
	Defined need	12	8	<5	<5	0	<5	0
	TOTAL	14	8	<5	<5	0	<5	<5
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
	TOTAL	<5	0	0	<5	<5	0	0
In home family support	Institutional exit	<5	<5	0	<5	0	0	<5
	Immediate need	5	<5	<5	<5	0	0	<5
	Defined need	77	31	13	24	8	<5	0
	TOTAL	85	34	14	26	8	<5	<5
Modifications/equipment	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	30	16	<5	7	<5	<5	0
	TOTAL	30	16	<5	7	<5	<5	0
Personal support	Institutional exit	<5	<5	0	0	0	0	<5
	Immediate need	<5	<5	0	<5	0	0	0
	Defined need	44	13	8	14	7	<5	<5
	TOTAL	48	15	8	15	7	<5	<5
Respite (not ICF/DD)	Institutional exit	<5	<5	0	<5	0	0	0
	Immediate need	<5	0	<5	<5	0	0	0
	Defined need	67	37	9	12	7	<5	<5
	TOTAL	71	38	10	14	7	<5	<5
Supportive living services (SLS)	Institutional exit	<5	<5	<5	0	<5	<5	0
	Immediate need	<5	0	0	<5	0	0	<5
	Defined need	23	0	<5	6	10	<5	0
	TOTAL	29	<5	<5	7	11	5	<5

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Planned service	Urgency of need category	Total						
			0-12	13-17	18-22	23-39	40-64	65+
Specialist services	Institutional exit	<5	<5	<5	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	37	16	7	11	<5	0	0
	TOTAL	39	17	8	11	<5	5	<5
Supported employment	Institutional exit	0	0	0	0	0	0	0
	Immediate need	0	0	0	0	0	0	0
	Defined need	21	0	0	12	8	<5	0
	TOTAL	21	0	0	12	8	<5	0
Transportation, chore, personal care assistance (PCA)	Institutional exit	0	0	0	0	0	0	0
	Immediate need	<5	0	0	<5	0	0	<5
	Defined need	37	8	6	14	6	<5	<5
	TOTAL	39	8	6	15	6	<5	<5
Total with planned services	Institutional exit	8	<5	<5	<5	<5	<5	<5
	Immediate need	7	<5	<5	<5	0	0	<5
	Defined need	141	57	22	34	21	6	<5
	TOTAL	156	63	24	36	22	8	<5
Total with no planned services	Institutional exit	<5	0	0	0	0	<5	<5
	Immediate need	6	<5	0	<5	<5	<5	0
	Defined need	16	5	6	<5	<5	<5	0
	TOTAL	24	7	6	<5	<5	6	<5
Total, unduplicated	Institutional exit	10	<5	<5	<5	<5	<5	<5
	Immediate need	13	6	<5	<5	<5	<5	<5
	Defined need	157	62	28	35	22	9	<5
	TOTAL	180	70	30	38	24	14	<5

D. People with DD Waiver funding approved

Table 9 includes information about people who a lead agency has approved for DD Waiver funding, 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. This information is current as of June 30, 2016.

Table 7: People without service agreements

Measure	Number of people
Number of people with funding approved but no service agreement	26 people
Average number of days since funding approval	103 days

E. New DD Waiver recipients

Table 10 displays information on people who began DD Waiver services between June 1 and June 30, 2016.

Table 10: New DD Waiver recipients

Measure	Number of people
Number of people who started DD Waiver from waiting list	86 people
Number of people who started DD Waiver not from waiting list	59 people
Number of people who left the waiting list but did not start the DD Waiver	27 people

VIII. Estimated cost to eliminate the DD Waiver waiting list

Since implementation of DD waiver waiting list reforms in late 2015, DHS has collected six months of data. As such, we do not have complete data in order to estimate the cost to eliminate the DD Waiver waiting list. As reassessments take place during 2016, DHS sees a trend as that leads us to anticipate a much smaller waiting list, as many of those who are eligible for waiver services are not requesting them within the next twelve months at the time of their reassessment.

DHS completed an estimate of the cost to eliminate the previous DD Waiver waiting lists in a Dec. 2014 report to the legislature, [Legislative Report on Program Waiting Lists \(PDF\)](#).

IX. Report recommendations

DHS will continue to implement statutory spending targets for lead agency waiver budgets and Olmstead Plan waiting list reforms. By March 2017, DHS will have enough information to determine the complete size of the DD waiting list. That will allow us to provide the legislature with a more accurate cost estimate to eliminate all disability waiver waiting lists.

