

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
601 E. 12th St., Room 355
Kansas City, Missouri 64106



Medicaid and CHIP Operations Group

July 9, 2024

Patrick Hultman, Deputy Medicaid Director
Minnesota Department of Human Services
540 Cedar Street
PO Box 64983
Saint Paul, MN 55164-0983

RE: Final Report for Minnesota Reform 2020 Demonstration (#11-W-00286/5)

Dear Patrick Hultman:

Enclosed is the final report of the Centers for Medicare & Medicaid Services' (CMS) quality review of Minnesota's Reform 2020 Section 1115 Demonstration with control number #11-W-00286/5. This demonstration provides 1915(c)-like Home and Community Based services to individuals ages 65 and older who would otherwise require placement in a nursing facility. The state's responses to CMS' recommendations have been incorporated in the appropriate sections of the report.

We found the state to be in compliance with three of the six assurances. For those areas in which the state is not compliant, please be sure they are addressed in the states' extension application and are corrected at the time of extension approval. We have also identified recommendations for program improvements in three of the assurance areas.

If you have any questions concerning this information, please contact me at (410) 786-7561. You may also contact Shawn Zimmerman at Shawn.Zimmerman@cms.hhs.gov or (410) 786-8291.

Sincerely,

George P. Failla, Jr., Director
Division of HCBS Operations and Oversight

cc: Lynell Sanderson, CMS
Cynthia Nanes, CMS
Patricia McKnight, CMS
Wendy Hill Petras, CMS
Mark Siegel, DHS



**U.S. Department of Health and Human Services
Centers for Medicare & Medicaid Services
Medicaid and CHIP Operations Group**

FINAL REPORT

**Home and Community-Based Services Review
Minnesota Reform 2020 Demonstration
Section 1115 Waiver #11-W-00286/5**

7/9/2024

I. Executive Summary

The Minnesota Reform 2020: Pathways to Independence demonstration is a Section 1115 Demonstration that authorizes the Alternative Care program providing a targeted set of home and community-based services (HCBS) to individuals in Minnesota ages 65 and older. The eligible individuals are in need of a nursing facility level of care, not eligible for Medicaid coverage because their income and assets exceed eligibility limits, and their income and/or assets are insufficient to pay for 135 days of nursing facility care. All other requirements of the Medicaid program governed in law, regulation and policy, not expressly waived in the demonstration, apply.

On February 1, 2020, the Center for Medicare & Medicaid Services (CMS) approved the Reform 2020 Demonstration for five (5) years which will run effective until January 31, 2025. The Reform 2020 Demonstration is administered and operated by the Minnesota Department of Human Services.

Per the demonstration's standard terms and conditions (STCs) 35 and 37, the state must have a Quality Improvement Strategy and HCBS performance measures approved by the Centers for Medicare & Medicaid Services (CMS) that reflect how the state will assess and improve HCBS performance. The state is required to submit evidence on the approved HCBS performance measures to demonstrate its compliance with applicable federal waiver assurances set forth in 42 CFR 441.301 and 441.302(b) and that adheres to the requirements outlined in the March 12, 2014, CMS Informational Bulletin, Modifications to Quality Measures and Reporting in §1915(c) Home and Community-Based Waivers.

On February 12, 2024, CMS and the state agreed to an accelerated timeline to complete their Quality Review for the Reform 2020 Demonstration prior to an extension of the demonstration. CMS received the requested Evidence Report from the state on February 8, 2024. CMS conducted a desk review of the Evidence Report and determined that the state demonstrates the following assurances: 1) Administrative Authority and 2) Financial Accountability. The state did not demonstrate the following assurances, though there is evidence that may be clarified or readily addressed: 1) Level of Care, 2) Qualified Providers, 3) Service Plans, and 4) Health and Welfare.

The state responded to the Draft Report on May 23, 2024. Based on the additional evidence provided by the state, CMS now finds that the state fully demonstrates the following assurances: 1) Administrative Authority, 2) Financial Accountability, and 3) Health and Welfare. Conversely, CMS still finds that the state does not demonstrate the following assurances: 1) Level of Care, 2) Qualified Providers, and 3) Service Plans.

II. Summary of Findings and Recommendations

A. Administrative Authority

The state demonstrates the assurance.

The state uses one performance measure (PM) to evaluate compliance for this assurance. PM 1 was reported at 100% compliance for DY1, DY2, and DY3, fully demonstrating this.

B. State Conducts Level of Care Determinations Consistent with the Need for Institutionalization

The state does not demonstrate the assurance.

The state uses three PMs to evaluate compliance for this assurance. PMs 2 and 4 were reported at 100% compliance for DY1, DY2, and DY3, fully demonstrating those measures. For PM 3, the state fell below the 86% threshold for DY2, and DY3 and was still unable to provide any additional evidence documenting systematic improvements as part of their QIP which would fully demonstrate compliance for this measure. Therefore, the state does not demonstrate compliance for this assurance.

C. Qualified Providers Serve Waiver Participants

The state does not demonstrate the assurance.

The state uses six PMs to evaluate compliance for this assurance. PMs 5-8 and 10 were reported at at least 98% compliance for DY1, DY2, and DY3, fully demonstrating those measures. For PM 9, the state fell below the 86% threshold for DY3 and was still unable to provide any additional evidence documenting systematic improvements as part of their QIP which would fully demonstrate compliance for this measure. Therefore, the state does not demonstrate compliance for this assurance.

D. Service Plans Are Responsive to Waiver Participant Needs

The state does not demonstrate the assurance.

The state uses nine PMs to evaluate compliance for this assurance. PMs 12-14, 16, 17, and 19 were reported at at least 91% compliance for DY1, DY2, and DY3, fully demonstrating those measures. For PMs 11, 15, and 18, the state fell below the 86% threshold for DY1, DY2, and DY3 and was still unable to provide any additional evidence documenting systematic improvements as part of their QIP which would fully demonstrate compliance for these measures. Therefore, the state does not demonstrate compliance for this assurance.

G. Health and Welfare

The state demonstrates the assurance.

The state uses seven PMs to evaluate compliance for this assurance. PMs 21 and 26 were reported at at least 96% compliance for DY1, DY2, and DY3, fully demonstrating those measures. For PMs 20 and 22-25, the state initially fell below the 86% threshold for DY1, DY2, and DY3 but was able to provide additional evidence documenting systematic improvements as part of their QIP fully demonstrating compliance for these measures. Therefore, the state demonstrates compliance for this assurance.

I. Financial Accountability

The state demonstrates the assurance.

The state uses two PMs to evaluate compliance for this assurance. The PMs 27 and 28 were reported at least 100% compliance for DY1, YD2, and DY3 fully demonstrating this assurance.

III. Introduction

Pursuant to section 1115(a)(1) of the Social Security Act, the Secretary of the Department of Health and Human Services has the authority to waive certain Medicaid statutory requirements to enable Minnesota to carry out the Minnesota Reform 2020: Pathways to Independence section 1115 demonstration. This includes providing an array of home and community-based services (HCBS) as an alternative to institutionalization. CMS has been delegated the responsibility and authority to approve state HCBS programs. CMS must assess each home and community-based program to determine that state assurances are met. This assessment also serves to inform CMS in its review of the state’s request to renew the demonstration.

Demonstration Name:	Minnesota Reform 2020: Pathways to Independence
State Medicaid Agency:	Minnesota Department of Human Services (DHS)
State Operating Agency:	N/A
State Demonstration Quality Contact:	Christina Samion Federal Relations Minnesota Department of Human Services P.O. Box 64983 St. Paul, MN 55164-0983 (651) 431-5885 christina.samion@state.mn.us
Demonstration Period:	February 1, 2020 to January 31, 2025
Description of 1915(c)-like Population:	<input checked="" type="checkbox"/> Aged or Disabled, or Both – General <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Aged <input checked="" type="checkbox"/> Disabled (Physical) <input checked="" type="checkbox"/> Disabled (Other) <input type="checkbox"/> Aged or Disabled, or Both – Specific Recognized Subgroups <ul style="list-style-type: none"> <input type="checkbox"/> Brain Injury <input type="checkbox"/> HIV/AIDS <input type="checkbox"/> Medically Fragile <input type="checkbox"/> Technology Dependent <input type="checkbox"/> Intellectual Disability or Developmental Disability, or Both <ul style="list-style-type: none"> <input type="checkbox"/> Autism <input type="checkbox"/> Developmental Disability <input type="checkbox"/> Intellectual Disability <input type="checkbox"/> Mental Illness

	<input type="checkbox"/> Mental Illness <input type="checkbox"/> Serious Emotional Disturbance Additional Criteria: N/A
Actual Unduplicated Number of HCBS Participants:	Approximately 3,000 participants
Approved HCBS Demonstration Services:	<ul style="list-style-type: none"> • Adult day service/adult day service bath; • Family caregiver training and education; • Case management and conversion case management; • Chore services; • Companion services; • Consumer-directed community supports; • Home health services; • Home-delivered meals; • Homemaker services; • Environmental accessibility adaptations; • Nutrition services • Personal care; • Respite care; • Skilled nursing and home care nursing; • Specialized equipment and supplies; • Personal Emergency Response System (PERS); • Non-medical Transportation; • Tele-home care; and, • Individual Community Living Supports (ICLS).
CMS HCBS Contact:	Shawn Zimmerman (410)786-8291 Shawn.Zimmerman@cms.hhs.gov

IV. Detailed Findings – Quality Improvement Strategy

A. Administrative Authority

The state must demonstrate that it retains ultimate administrative authority over the demonstration program and that its administration of the demonstration program is consistent with the approved Special Terms and Conditions (STCs.) AUTHORITY: 42 CFR 441.303; 42 CFR 431; SMM 4442.6; SMM 4442.7

Sub-assurance A-i	The Medicaid agency retains ultimate administrative authority and responsibility for the operation of the demonstration program by exercising oversight of the performance of demonstration functions by other state and local/regional non-state agencies (if appropriate) and contracted entities.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 1: Percent of administrative AC requirement compliance deficiencies resolved, over the first three years of the demonstration period. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

5/23/24 State Response to the Draft Report

The state demonstrates meeting this sub-assurance.

B. State Conducts Level of Care Determinations Consistent with the Need for Institutionalization

The state must demonstrate that it implements the processes and instrument(s) specified in its approved demonstration for evaluating/reevaluating an applicant's/demonstration participant's level of care consistent with care provided in a hospital, NF, or ICF/ID.

AUTHORITY: 42 CFR 441.301; 42 CFR 441.302; 42 CFR 441.303; SMM 4442.5.

Sub-assurance B-i	An evaluation for level of care is provided to all applicants for whom there is reasonable indication that services may be needed in the future.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	<p>The state uses two PMs to evaluate compliance for this sub-assurance:</p> <p>PM 2: Number and percent of completed assessments that include a level of care determination, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.</p> <p>PM 3: Number and percent of people who receive a level of care determination within required timelines, per demonstration year. The state provided evidence documenting compliance rates of 88% for DY1, 64% for DY2, and 63% for DY3. Due to a combination of staffing-related issues and review processing-related issues, there was an unexpected decline in compliance for DY2, and DY3. The state has since made multiple systematic improvements as part of their QIP to address the aforementioned deficiencies and is hopeful that all issues will begin to improve. Additionally, the state recently rolled out a new computerized application process which they are hopeful will help to improve compliance for this PM. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p>
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any additional evidence for PM 3 which shows that the state's QIP improved results and that it is likely that this PM would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all newly modified review processes and to provide any relevant updates on the success of the system improvements as part of the QIP in the State's Response to the Draft Report section below.
For Final Report: CMS Determination	<p>The state does not demonstrate the sub-assurance.</p> <p>CMS Additional Comments: PM 3: Based on the additional evidence provided by the state it is understood that the primary driving force impacting this PM's low performance is related to internal staffing shortages. To help counteract this issue the state has since implemented multiple system</p>

Sub-assurance B-i	An evaluation for level of care is provided to all applicants for whom there is reasonable indication that services may be needed in the future.
	improvements as part of their larger QIP to help increase staff productivity and make certain processes more efficient. However, the state did not submit additional evidence demonstrating improved results or that PM would be complaint within the next DY. Therefore, the state does not demonstrate the sub-assurance.

Sub-Assurance B-ii	While the state is still required to conduct annual re-evaluations for level of care, this sub-assurance is no longer required. Therefore, this sub-assurance is not included in the review.
--------------------	--

Sub-assurance B-iii	The process and instruments described in the approved demonstration are applied appropriately and according to the approved description to determine initial participant level of care.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 4: Percent of screening documents entered into MMIS for AC participants where all required fields are completed. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

**5/23/24 State Response to the Draft Report
PM 3**

As DHS included in its Quality Management and Monitoring Report (submitted February 8, 2024), we believe a primary issue impacting low performance on this measure relates to staffing shortages. The workforce shortage issue is a national problem and extends beyond health and human services. CMS acknowledged that DHS launched a new statewide assessment and support planning computer application in July 2023, MnCHOICES. The rolling implementation of the system continues through September 2024. The new system is designed for assessments to be initiated and completed more efficiently, including eliminating paper forms and documents. The time savings will permit assessors and case managers to complete work more expediently. It will take some time before the impact of the new system and related processes can be seen and measured in data.

DHS has taken several additional steps to address performance measures related to timeliness, including those that impact assessments, reassessments, and support plan development. DHS continues to monitor these and continues its multi-pronged approach to creating efficiencies to permit assessors and case managers to use their time most effectively. This includes system improvements, policy changes, and possibly future legislative proposals. The following actions have been taken, but have not been in place long enough to generate reliable data to determine their impact.

1. **More flexible worker qualifications.** State law passed in 2023 to increase flexibility in worker qualifications. The intent of the change was to increase the number of qualified candidates applying for certified assessor positions. An additional proposal was submitted during the 2024 legislative session to further the flexibility in worker qualifications.
2. **Assessment timelines.** DHS was neutral on a legislative proposal to modify the assessment timeline from 20 calendar days to 20 business days to assist in scheduling assessments and meeting the required timeline. Additionally, DHS submitted a legislative proposal to allow the initial assessment to be valid for 365 days instead of 60 days. This creates an administrative efficiency as assessors would no longer be required to conduct eligibility updates to allow the validity of an initial assessment to continue. Both proposals are moving forward in the 2024 legislative session which is scheduled to conclude in late May.
3. **Assessor and case manager training.** DHS continues to offer the “Building Your Skills” as a webinar series. DHS is working on converting this training to an on-demand eLearning option. This is expected to be available by June 2026. DHS is also building the next level “Advancing Your Skills” training. This will first be available as a webinar and then transitioned to an eLearning module. The webinars began in January 2024 and are held quarterly. Both trainings are for assessors and case managers and reiterate due dates and processes to increase efficiencies.
4. **Support plan prototypes.** DHS is making available support plan prototypes to support best-practices in documentation.
5. **Reports for counties and tribal human service agencies.** DHS is in the testing phase of making self-monitoring reports available to county and tribal human service agencies. The first batch of reports will be released in fall 2024 with the remaining reports available July 2025. Eleven of the reports are specific to assessment, reassessment, and support plan development timelines. The data may be used for compliance monitoring, workforce planning, staff assignments, etc.
6. **Remote reassessments.** In November 2023, DHS provided direction that reassessments could be conducted remotely every other year. This reduces the assessor’s time in completing the related work. Initial assessments must be in-person.

7. **Collaborative planning.** In April 2024, DHS met with county leaders and representatives to review assessment and case management requirements, share resources and options to streamline work, and to jointly identify other possible solutions. This collaborative planning work is ongoing.

C. Qualified Providers Serve Demonstration Participants

The state must demonstrate that it has designed and implemented an adequate system for assuring that all HCBS demonstration services are provided by qualified providers. AUTHORITY: 42 CFR 441.302; SMM 4442.4

Sub-assurance C-i	The state verifies that providers initially and continually meet required licensure and/or certification standards and adhere to other state standards prior to their furnishing HCBS demonstration services.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses two PMs to evaluate compliance for this sub-assurance: PM 5: Percent of total AC claims paid to active MHCP providers, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3. PM 6: Percent of HCBS provider applications that met all required standards in a demonstration year. The state provided evidence documenting compliance rates of 99% for DY1, 98% for DY2, and 98% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

Sub-assurance C-ii	The state monitors non-licensed/non-certified providers to assure adherence to demonstration requirements.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	<p>The state uses three PMs to evaluate compliance for this sub-assurance:</p> <p>PM 7: Percent of total AC claims paid to active MHCP providers, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.</p> <p>PM 8: Percent of HCBS provider applications that met all required standards in a demonstration year. The state provided evidence documenting compliance rates of 99% for DY1, 98% for DY2, and 98% for DY3.</p> <p>PM 9: Percent of county and tribal human service agencies that use a state-directed procedure to verify, track and document the qualifications of non-enrolled providers, per demonstration year. The state provided evidence documenting compliance rates of 89% for DY1, 94% for DY2, and 70% for DY3. Due to a combination of review processing-related issues with contractors and providers, there was an unexpected decline in compliance for DY3. The state has since made multiple systematic improvements as part of their QIP to address the aforementioned deficiencies and is hopeful that all issues will begin to improve. Additionally, the state recently rolled out a new computerized application process which they are hopeful will help to improve compliance for this PM. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p>
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any additional evidence for PM 9 which shows that the state's QIP improved results and that it is likely that this PM would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all newly modified review processes and to provide any relevant updates on the success of the system improvements as part of the QIP in the State's Response to the Draft Report section below.
For Final Report: CMS Determination	<p>The state does not demonstrate the sub-assurance.</p> <p>CMS Additional Comments: PM 9: Based on the additional evidence provided by the state it is understood that the primary driving force impacting this PM's low performance is related to issues with contractors and providers. To help counteract this issue the state has since implemented multiple system improvements as part of their larger QIP to help increase staff productivity and make certain processes more</p>

Sub-assurance C-ii	The state monitors non-licensed/non-certified providers to assure adherence to demonstration requirements.
	efficient. However, the state did not submit additional evidence demonstrating improved results or that PM would be complaint within the next DY. Therefore, the state does not demonstrate the sub-assurance.

Sub-assurance C-iii	The state implements its policies and procedures for verifying that provider training is conducted in accordance with state requirements and the approved demonstration.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 10: Percent of total AC claims paid to active MHCP providers, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

5/23/24 State Response to the Draft Report

PM 9

DHS will continue to monitor this measure, but as previously described in the February 2024 quality report, these subcontracting arrangements are not common. Because of that, a small number of non-compliant arrangements has a disproportionate impact on the overall measure. The process used to oversee non-licensed and non-certified providers involves a paper documentation process and is monitored through onsite DHS lead agency

reviews that are conducted on a rotating five-year schedule. DHS is developing a new system connected to MnCHOICES that will eliminate the paper processes and onsite review, and make statewide data available centrally at DHS for desk audits. Implementation is expected in 2025. Once the system is fully operational, the dataset will be larger and support more useful analysis.

D. Service Plans are Responsive to Demonstration Participant Needs

The state must demonstrate that it has designed and implemented an adequate system for reviewing the adequacy of service plans for demonstration participants. AUTHORITY: 42 CFR 441.301; 42 CFR 441.302; 42 CFR 441.303; SMM 4442.6; SMM 4442.7 SECTION 1915(C) WAIVER FORMAT, ITEM NUMBER 13

Sub-assurance D-i	Service plans address all individuals’ assessed needs (including health and safety risk factors) and personal goals, either by the provision of demonstration services or through other means.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	<p>The state uses four PMs to evaluate compliance for this sub-assurance:</p> <p>PM 11: Percent of AC participant files reviewed during the current lead agency review cycle in which all domains of assessed needs are documented in the support plan. The state provided evidence documenting compliance rates of 81% for DY1, 79% for DY2, and 85% for DY3. Due to a combination of review processing-related issues with contractors and providers, there was an unexpected decline in compliance for DY1, DY2, and DY3. The state has since made multiple systematic improvements as part of their QIP to address the aforementioned deficiencies and is hopeful that all issues will begin to improve. Additionally, the state recently rolled out a new computerized application process which they are hopeful will help to improve compliance for this PM. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p> <p>PM 12: Percent of AC participant files reviewed during the current lead agency review cycle where the support plan documents services and supports to address all domains of assessed need. The state provided evidence documenting compliance rates of 98% for DY1, 97% for DY2, and 96% for DY3.</p> <p>PM 13: Percent of AC participant files reviewed during the current lead agency review cycle where the support plan documents assessed health and safety issues. The state provided evidence documenting compliance rates of 97% for DY1, 97% for DY2, and 96% for DY3.</p> <p>PM 14: Percent of AC participant files reviewed during the current lead agency review cycle where the support plan documents participant goals. The state provided evidence documenting compliance rates of 98% for DY1, 96% for DY2, and 96% for DY3.</p>

For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any additional evidence for PM 11 which shows that the state’s QIP improved results and that it is likely that this PM would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review newly modified review processes and provide any relevant updates on the success of the system improvements as part of the QIP in the State’s Response to the Draft Report section below.
For Final Report: CMS Determination	<p>The state does not demonstrate the sub-assurance.</p> <p>CMS Additional Comments: PM 11: Based on the additional evidence provided by the state it is understood that the primary driving force impacting this PM’s low performance is related to issues with contractors and providers. To help counteract this issue the state has since implemented multiple system improvements as part of their larger QIP to help increase staff productivity and make certain processes more efficient. However, the state did not submit additional evidence demonstrating improved results or that PM would be complaint within the next DY. Therefore, the state does not demonstrate the sub-assurance.</p>

Sub-assurance D-ii	While the state is still required to monitor service plan development, this sub-assurance is no longer required. Therefore, it is not included in the review.
--------------------	---

Sub-assurance D-iii	Service plans are updated/revised at least annually or when warranted by changes in demonstration individual needs.
---------------------	---

For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
-------------------------------------	--

For Draft Report: CMS Justification	<p>The state uses two PMs to evaluate compliance for this sub-assurance:</p> <p>PM 15: Percent of AC participant files reviewed during the current lead agency review cycle that include a support plan that was completed within required timelines following assessment/reassessment. The state provided evidence documenting compliance rates of 82% for DY1, 78% for DY2, and 81% for DY3. Due to a combination of staffing-related issues and review processing-related issues, there was an unexpected decline in compliance for DY1, DY2, and DY3. The state has since made multiple systematic improvements as part of their QIP to address the aforementioned deficiencies and is hopeful that all issues will begin to improve. Additionally, the state recently rolled out a new computerized application process which they are hopeful will help to improve compliance for this PM. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p>
-------------------------------------	--

	PM 16: Percent of AC participant files reviewed during the current lead agency review cycle where the support plan was updated within the past 366 days. The state provided evidence documenting compliance rates of 98% for DY1, 97% for DY2, and 96% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting for that the state provide any additional evidence for PM 15 which shows that the state’s QIP improved results and that it is likely that this PM would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all newly modified review processes and provide any relevant updates on the success of the system improvements as part of the QIP in the State’s Response to the Draft Report section below.
For Final Report: CMS Determination	The state does not demonstrate the sub-assurance. CMS Additional Comments: PM 15: Based on the additional evidence provided by the state it is understood that the primary driving force impacting this PM’s low performance is related to internal staffing shortages. To help counteract this issue the state has since implemented multiple system improvements as part of their larger QIP to help increase staff productivity and make certain processes more efficient. However, the state did not submit additional evidence demonstrating improved results or that PM would be complaint within the next DY. Therefore, the state does not demonstrate the sub-assurance.

Sub-assurance D-iv	Services are delivered in accordance with the service plan, including in the type, scope, amount, duration, and frequency specified in the service plan.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	The state uses two PMs to evaluate compliance for this sub-assurance: PM 17: Percent of AC participant files reviewed during current lead agency review cycle in which the support plan is signed and dated by and disseminated to all relevant parties as required. The state provided evidence documenting compliance rates of 93% for DY1, 93% for DY2, and 91% for DY3. PM 18: Percent difference between the dollar amounts encumbered for services for AC participants compared to the dollar amounts claimed for services provided to AC participants, per demonstration year. The state provided evidence documenting compliance rates

Sub-assurance D-iv	Services are delivered in accordance with the service plan, including in the type, scope, amount, duration, and frequency specified in the service plan.
	of 74% for DY1, 73% for DY2, and 64% for DY3. Due to a combination of staffing-related issues and review processing-related issues there was an unexpected decline in compliance for DY1, DY2, and DY3. The state has since made multiple systematic improvements as part of their QIP to address the aforementioned deficiencies and is hopeful that all issues will begin to improve. Additionally, the recently rolled out a new computerized application process which they are hopeful will help to improve compliance for this PM. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any additional evidence for PM 18 which shows that the state's QIP improved results and that it is likely that this PM would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all newly modified review processes and provide any relevant updates on the success of the system improvements as part of the QIP in the State's Response to the Draft Report section below.
For Final Report: CMS Determination	The state does not demonstrate the sub-assurance. CMS Additional Comments: PM 18: Based on the additional evidence provided by the state it is understood that the primary driving force impacting this PM's low performance is related to multiple factors. However, the state did not submit additional evidence demonstrating improved results or that PM would be complaint within the next DY. Therefore, the state does not demonstrate the sub-assurance.

Sub-assurance D-v	Participants are afforded choice between/among demonstration HCBS services and providers.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 19: Percent of AC participant files reviewed during the current lead agency review cycle in which participant choice between/among waiver services and providers is documented. The state provided evidence documenting compliance rates of 99% for DY1, 96% for DY2, and 96% for DY3.

Sub-assurance D-v	Participants are afforded choice between/among demonstration HCBS services and providers.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

5/23/24 State Response to the Draft Report

PM 11

CMS acknowledged that DHS launched a new statewide assessment and support planning computer application in July 2023, MnCHOICES. The implementation of the system continues through September 2024. This tool is used by all county and tribal human service agencies, and results in a single format for support plans across the state. It supports statewide consistency in how a participant’s assessed needs are documented in their support plan.

Additionally, as provided in response to performance measure 3, DHS continues to offer the “Building Your Skills” as a webinar series. DHS is working on converting this training to an on-demand eLearning option. This is expected to be available by June 2026. DHS is also building the next level “Advancing Your Skills” training. This will first be available as a webinar and then transitioned to an eLearning module. The webinars began in January 2024 and are held quarterly. Both trainings are for assessors and case managers and reiterate due dates and processes to increase efficiencies. DHS is also making available support plan prototypes to support best-practices in documentation.

PM 15

As DHS provided in its response to performance measure 3, we believe a primary issue impacting low performance on this measure relates to staffing shortages. The workforce shortage issue is a national problem and extends beyond health and human services. CMS acknowledged that DHS launched a new statewide assessment and support planning computer application in July 2023, MnCHOICES. The rolling implementation of the system continues through September 2024. The new system is designed for assessments to be initiated and completed more efficiently, including eliminating paper forms and documents. The time savings will permit assessors and case managers to complete work more expediently. It will take some time before the impact of the new system and related processes can be seen and measured in data.

Also as stated earlier, DHS has taken several additional steps to address performance measures related to timeliness, including those that impact assessments, reassessments, and support plan development. DHS continues to monitor these and continues its multi-pronged approach to creating

efficiencies to permit assessors and case managers to use their time most effectively. This includes system improvements, policy changes, and possibly future legislative proposals. The following actions have been taken, but have not been in place long enough to generate reliable data to determine their impact.

1. **More flexible worker qualifications.** State law passed in 2023 to increase flexibility in worker qualifications. The intent of the change was to increase the number of qualified candidates applying for certified assessor positions. An additional proposal was submitted during the 2024 legislative session to further the flexibility in worker qualifications.
2. **Assessment timelines.** DHS was neutral on a legislative proposal to modify the assessment timeline from 20 calendar days to 20 business days to assist in scheduling assessments and meeting the required timeline. Additionally, DHS submitted a legislative proposal to allow the initial assessment to be valid for 365 days instead of 60 days. This creates an administrative efficiency as assessors would no longer be required to conduct eligibility updates to allow the validity of an initial assessment to continue. Both proposals are moving forward in the 2024 legislative session which is scheduled to conclude in late May.
3. **Assessor and case manager training.** DHS continues to offer the “Building Your Skills” as a webinar series. DHS is working on converting this training to an on-demand eLearning option. This is expected to be available by June 2026. DHS is also building the next level “Advancing Your Skills” training. This will first be available as a webinar and then transitioned to an eLearning model. The webinars began in January 2024 and are held quarterly. Both trainings are for assessors and case managers and reiterate due dates and processes to increase efficiencies.
4. **Support plan prototypes.** DHS is making available support plan prototypes to support best-practices in documentation.
5. **Reports for counties and tribal human service agencies.** DHS is in the testing phase of making self-monitoring reports available to county and tribal human service agencies. The first batch of reports will be released in fall 2024 with the remaining reports available July 2025. Eleven of the reports are specific to assessment, reassessment, and support plan development timelines. The data may be used for compliance monitoring, workforce planning, staff assignments, etc.
6. **Remote reassessments.** In November 2023, DHS provided direction that reassessments could be conducted remotely every other year. This reduces the assessor’s time in completing the related work. Initial assessments must be in-person.
7. **Collaborative planning.** In April 2024, DHS met with county leaders and representatives to review assessment and case management requirements, share resources and options to streamline work, and to jointly identify other possible solutions. This collaborative planning work is ongoing.

PM 18

As DHS included in its February 2024 quality report, multiple factors may be impacting this measure. Two or more full years of data post-public health emergency is needed to reasonably analyze this measure. DHS is concurrently evaluating the sufficiency of this measure and may consider revisions that better align with the Ensuring Access to Medicaid Services Final Rule (CMS-2442-F).

G. Health and Welfare

The state must demonstrate it has designed and implemented an effective system for assuring demonstration participant health and welfare.

AUTHORITY: 42 CFR 441.302; CFR 441.303; SMM 4442.4; SMM 4442.9

Sub-assurance G-i	The state demonstrates on an ongoing basis that it identifies, addresses and seeks to prevent instances of abuse, neglect and exploitation and unexplained death.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	<p>The state uses three PMs to evaluate compliance for this sub-assurance:</p> <p>PM 20: Percent of AC participants per demonstration year who are not victims of substantiated maltreatment. The state was unable to provide evidence for DY1, DY2, or DY3 due to IT issues. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p> <p>PM 21: Percent of AC case files reviewed over the most recent three demonstration years in which a participant's assessed health and safety issues are documented in the support plan. The state provided evidence documenting compliance rates of 97% for DY1, 97% for DY2, and 96% for DY3.</p> <p>PM 22: Percent of AC participant deaths associated with alleged maltreatment referred to the local medical examiner for independent investigation, per demonstration year. The state was unable to provide evidence for DY1, DY2, or DY3 due to an IT issue. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p>
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any available evidence for PMs 20 and 22 which shows that it is likely that these PMs would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all review processes and provide any relevant updates on when evidence will be available for PMs 20 and 22.
For Final Report: CMS Determination	<p>The state demonstrates the sub-assurance.</p> <p>CMS Additional Comments:</p>

Sub-assurance G-i	The state demonstrates on an ongoing basis that it identifies, addresses and seeks to prevent instances of abuse, neglect and exploitation and unexplained death.
	PM 20: The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3 fully demonstrating compliance for this measure. PM 22: The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3 fully demonstrating compliance for this measure.

Sub-assurance G-ii	The state demonstrates that an incident management system is in place that effectively resolves those incidents and prevents further similar incidents to the extent possible.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	The state uses two PMs to evaluate compliance for this sub-assurance: PM 23: Percent of reports of maltreatment of AC participants submitted to MAARC and referred to a lead investigative agency (LIA) in a timely manner, per demonstration year. The state was unable to provide evidence for DY1, DY2, or DY3 due to an IT issue. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY. PM 24: Percent of AC participants who did not have a determination of substantiated maltreatment within 12 months of a substantiated maltreatment determination in the reporting year. The state was unable to provide evidence for DY1, DY2, or DY3 due to an IT issue. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any available evidence for PMs 23 and 24 which shows that it is likely that these PMs would be compliant within the next DY.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all your review processes and provide any relevant updates on when evidence will be available for PMs 23 and 24.

Sub-assurance G-ii	The state demonstrates that an incident management system is in place that effectively resolves those incidents and prevents further similar incidents to the extent possible.
For Final Report: CMS Determination	<p>The state demonstrates the sub-assurance.</p> <p>CMS Additional Comments:</p> <p>PM 23: The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3 fully demonstrating compliance for this measure.</p> <p>PM 24: The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3 fully demonstrating compliance for this measure.</p>
Sub-assurance G-ii Individual A/N/E	While the state is still required to demonstrate that an incident management system is in place that effectively resolves those incidents and prevents further similar incidents to the extent possible. (<i>Individual activities reported regarding instances of substantiated abuse, neglect and/or exploitation</i>), this sub-assurance is no longer required. Therefore, this sub-assurance is not included in the review.
Sub-assurance G-iii	The state policies and procedures for the use or prohibition of restrictive interventions (including restraints and seclusion) are followed.
For Draft Report: CMS Determination	The state does not fully demonstrate the sub-assurance, though there is evidence that may be clarified or readily addressed.
For Draft Report: CMS Justification	<p>The state uses one PM to evaluate compliance for this sub-requirement:</p> <p>PM 25: Percent of AC participants per demonstration year who are not victims of substantiated maltreatment. The state was unable to provide evidence for DY1, DY2, or DY3 due to an IT issue. The state does not currently demonstrate compliance for this PM; however, additional evidence is being requested which could show improved results and that it is likely that this PM will be compliant within the next DY.</p>
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	CMS is requesting that the state provide any available evidence for PM 25 which shows that it is likely that this PM would be compliant within the next DY.

Sub-assurance G-iii	The state policies and procedures for the use or prohibition of restrictive interventions (including restraints and seclusion) are followed.
For Draft Report: CMS Recommendations	CMS recommends that the state continue to monitor and review all your review processes and provide any relevant updates on when evidence will be available for PM 25.
For Final Report: CMS Determination	The state demonstrates the sub-assurance. CMS Additional Comments: PM 25: The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3 fully demonstrating compliance for this measure.

Sub-assurance G-iv	The state establishes overall health care standards and monitors those standards based on the responsibility of the service provider as stated in the approved waiver.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 26: Percent of AC participants that received a health screening at initial assessment and annual reassessment. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

5/23/24 State Response to the Draft Report

PMs 20 and 22-25

The data for performance measures 20 and 22 through 25 is provide in the attached addendum. The data was previously not available due to an IT systems issue. The addendum shows that all measures meet CMS’ performance threshold and no remediation is required.

I. Financial Accountability

The state must demonstrate that it has designed and implemented an adequate system for insuring financial accountability of the demonstration program. AUTHORITY: 42 CFR 441.302; 42 CFR 441.303; 42 CFR 441.308; 45 CFR 74; SMM 4442.8; SMM 4442.10

Sub-assurance I-i	The state provides evidence that claims are coded and paid for in accordance with the reimbursement methodology specified in the approved demonstration and only for services rendered.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one PM to evaluate compliance for this sub-assurance: PM 27: Percent of AC claims paid for services provided to AC participants for which there is corresponding prior authorization, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

Sub-assurance I-ii	The state provides evidence that rates remain consistent with the approved rate methodology throughout the five year demonstration cycle.
For Draft Report: CMS Determination	The state demonstrates the sub-assurance.
For Draft Report: CMS Justification	The state uses one (1) PM to evaluate compliance for this sub-assurance: PM 28: Percent of AC claims paid for services provided to AC participants for which there is corresponding prior authorization, per demonstration year. The state provided evidence documenting compliance rates of 100% for DY1, 100% for DY2, and 100% for DY3.
For Draft Report: State Actions Required to Fully Demonstrate the Sub-assurance	N/A
For Draft Report: CMS Recommendations	None
For Final Report: CMS Determination	The state demonstrates the sub-assurance.

5/23/24 State Response to the Draft Report

The state demonstrates meeting this sub-assurance.