The Home and Community-Based Services (HCBS) Incentive Pool will accelerate new models of disability services that align with Minnesota’s Olmstead Plan. Disability services providers who access this pool will increase community employment, living and inclusion for individuals with disabilities, and receive incentives to support this transition when they reach specific benchmarks.

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***Request:***

**Increase the Home and Community-Based Services Incentive Pool to $10M per year.**

***Why increase the HCBS Incentive Pool:***

* Increasing the pool to $10M is 0.5% of the current $2B disability waiver system where the transition to new models must occur. Increasing the pool will increase opportunity for provides statewide to participate in shifting the system.
* Expanding the HCBS Incentive Pool will accelerate transition and model ways to move a $2B dollar disability waiver system to its next iteration, as required by the Minnesota Olmstead Plan.
* The fund will spur innovation by providers to demonstrate models that will result in cost savings and measurable outcomes.
* Due to workforce challenges, stagnant reimbursement rates and other competition, exploration of innovations are over and above core business processes. Providers are focused on day to day operations and do not have the resources to invest in new models.

***Current status of the HCBS Incentive Pool:***

**The HCBS Incentive Pool is funded in FY 2017 at $1.425M; FY 2018-2019 at $3.573 M.** The initial RFP will be released in spring 2016. The RFP will include:

* Grants over $50,000 - one to three years, to demonstrate outcomes in one or more areas of community employment, living and inclusion.
* Grants under $50,000 - one to three years in any one of the three areas.
* Micro-grants – one organization will administer a micro-grant program to people with disabilities to pursue their ideas about housing, work and inclusion.
* Providers will be responsible for:
	+ Demonstrating how their proposal is not covered by current reimbursements.
	+ Demonstrating how they will measure the set benchmarks.
	+ Providing a plan for how they will disseminate models and findings for others.