

1.1 moves to amend H.F. No. 2408 as follows:

1.2 Page 10, line 22, after the period, insert "For persons who are to be assessed for
1.3 elderly waiver customized living services under section 256B.0915, "

1.4 Page 10, line 23, after "client's" insert "current or proposed"

1.5 Page 13, after line 16, insert:

1.6 "Sec. Minnesota Statutes 2011 Supplement, section 256B.0915, subdivision 3e,
1.7 is amended to read:

1.8 Subd. 3e. **Customized living service rate.** (a) Payment for customized living
1.9 services shall be a monthly rate authorized by the lead agency within the parameters
1.10 established by the commissioner. The payment agreement must delineate the amount of
1.11 each component service included in the recipient's customized living service plan. The
1.12 lead agency, with input from the provider of customized living services, shall ensure that
1.13 there is a documented need within the parameters established by the commissioner for all
1.14 component customized living services authorized.

1.15 (b) The payment rate must be based on the amount of component services to be
1.16 provided utilizing component rates established by the commissioner. Counties and tribes
1.17 shall use tools issued by the commissioner to develop and document customized living
1.18 service plans and rates.

1.19 (c) Component service rates must not exceed payment rates for comparable elderly
1.20 waiver or medical assistance services and must reflect economies of scale. Customized
1.21 living services must not include rent or raw food costs.

1.22 (d) With the exception of individuals described in subdivision 3a, paragraph (b), the
1.23 individualized monthly authorized payment for the customized living service plan shall
1.24 not exceed 50 percent of the greater of either the statewide or any of the geographic
1.25 groups' weighted average monthly nursing facility rate of the case mix resident class
1.26 to which the elderly waiver eligible client would be assigned under Minnesota Rules,
1.27 parts 9549.0050 to 9549.0059, less the maintenance needs allowance as described

2.1 in subdivision 1d, paragraph (a), until the July 1 of the state fiscal year in which the
2.2 resident assessment system as described in section 256B.438 for nursing home rate
2.3 determination is implemented. Effective on July 1 of the state fiscal year in which
2.4 the resident assessment system as described in section 256B.438 for nursing home
2.5 rate determination is implemented and July 1 of each subsequent state fiscal year, the
2.6 individualized monthly authorized payment for the services described in this clause shall
2.7 not exceed the limit which was in effect on June 30 of the previous state fiscal year
2.8 updated annually based on legislatively adopted changes to all service rate maximums for
2.9 home and community-based service providers.

2.10 (e) Effective July 1, 2011, the individualized monthly payment for the customized
2.11 living service plan for individuals described in subdivision 3a, paragraph (b), must be the
2.12 monthly authorized payment limit for customized living for individuals classified as case
2.13 mix A, reduced by 25 percent. This rate limit must be applied to all new participants
2.14 enrolled in the program on or after July 1, 2011, who meet the criteria described in
2.15 subdivision 3a, paragraph (b). This monthly limit also applies to all other participants who
2.16 meet the criteria described in subdivision 3a, paragraph (b), at reassessment.

2.17 (f) Customized living services are delivered by a provider licensed by the
2.18 Department of Health as a class A or class F home care provider and provided in a
2.19 building that is registered as a housing with services establishment under chapter 144D.
2.20 Licensed home care providers are subject to section 256B.0651, subdivision 14.

2.21 (g) A provider may not bill or otherwise charge an elderly waiver participant or their
2.22 family for additional units of any allowable component service beyond those available
2.23 under the service rate limits described in paragraph (d), nor for additional units of any
2.24 allowable component service beyond those approved in the service plan by the lead agency.

2.25 Sec. Minnesota Statutes 2011 Supplement, section 256B.0915, subdivision 3h,
2.26 is amended to read:

2.27 Subd. 3h. **Service rate limits; 24-hour customized living services.** (a) The
2.28 payment rate for 24-hour customized living services is a monthly rate authorized by the
2.29 lead agency within the parameters established by the commissioner of human services.
2.30 The payment agreement must delineate the amount of each component service included
2.31 in each recipient's customized living service plan. The lead agency, with input from
2.32 the provider of customized living services, shall ensure that there is a documented need
2.33 within the parameters established by the commissioner for all component customized
2.34 living services authorized. The lead agency shall not authorize 24-hour customized living
2.35 services unless there is a documented need for 24-hour supervision.

3.1 (b) For purposes of this section, "24-hour supervision" means that the recipient
3.2 requires assistance due to needs related to one or more of the following:

3.3 (1) intermittent assistance with toileting, positioning, or transferring;

3.4 (2) cognitive or behavioral issues;

3.5 (3) a medical condition that requires clinical monitoring; or

3.6 (4) for all new participants enrolled in the program on or after July 1, 2011, and
3.7 all other participants at their first reassessment after July 1, 2011, dependency in at
3.8 least three of the following activities of daily living as determined by assessment under
3.9 section 256B.0911: bathing; dressing; grooming; walking; or eating when the dependency
3.10 score in eating is three or greater; and needs medication management and at least 50
3.11 hours of service per month. The lead agency shall ensure that the frequency and mode
3.12 of supervision of the recipient and the qualifications of staff providing supervision are
3.13 described and meet the needs of the recipient.

3.14 (c) The payment rate for 24-hour customized living services must be based on the
3.15 amount of component services to be provided utilizing component rates established by the
3.16 commissioner. Counties and tribes will use tools issued by the commissioner to develop
3.17 and document customized living plans and authorize rates.

3.18 (d) Component service rates must not exceed payment rates for comparable elderly
3.19 waiver or medical assistance services and must reflect economies of scale.

3.20 (e) The individually authorized 24-hour customized living payments, in combination
3.21 with the payment for other elderly waiver services, including case management, must not
3.22 exceed the recipient's community budget cap specified in subdivision 3a. Customized
3.23 living services must not include rent or raw food costs.

3.24 (f) The individually authorized 24-hour customized living payment rates shall not
3.25 exceed the 95 percentile of statewide monthly authorizations for 24-hour customized
3.26 living services in effect and in the Medicaid management information systems on March
3.27 31, 2009, for each case mix resident class under Minnesota Rules, parts 9549.0050
3.28 to 9549.0059, to which elderly waiver service clients are assigned. When there are
3.29 fewer than 50 authorizations in effect in the case mix resident class, the commissioner
3.30 shall multiply the calculated service payment rate maximum for the A classification by
3.31 the standard weight for that classification under Minnesota Rules, parts 9549.0050 to
3.32 9549.0059, to determine the applicable payment rate maximum. Service payment rate
3.33 maximums shall be updated annually based on legislatively adopted changes to all service
3.34 rates for home and community-based service providers.

3.35 (g) Notwithstanding the requirements of paragraphs (d) and (f), the commissioner
3.36 may establish alternative payment rate systems for 24-hour customized living services in

4.1 housing with services establishments which are freestanding buildings with a capacity of
4.2 16 or fewer, by applying a single hourly rate for covered component services provided
4.3 in either:

4.4 (1) licensed corporate adult foster homes; or

4.5 (2) specialized dementia care units which meet the requirements of section 144D.065

4.6 and in which:

4.7 (i) each resident is offered the option of having their own apartment; or

4.8 (ii) the units are licensed as board and lodge establishments with maximum capacity
4.9 of eight residents, and which meet the requirements of Minnesota Rules, part 9555.6205,
4.10 subparts 1, 2, 3, and 4, item A.

4.11 (h) A provider may not bill or otherwise charge an elderly waiver participant or their
4.12 family for additional units of any allowable component service beyond those available
4.13 under the service rate limits described in paragraph (e), nor for additional units of any
4.14 allowable component service beyond those approved in the service plan by the lead agency.

4.15 Sec. **[256B.4913] CADI SETTING SIZE AND LOCATION.**

4.16 The commissioner shall seek federal approval by January 1, 2013, to amend the
4.17 community alternatives for disabled individuals (CADI) waiver to eliminate the setting
4.18 size and location requirements in the federally approved CADI waiver plan."

4.19 Renumber the sections in sequence and correct the internal references

4.20 Amend the title accordingly