

Subject Personal Care Assistance and CFSS Program Integrity and Payment Rate Methodology

Authors Lippert and others

Analyst Danyell A. Punelli

Date March 4, 2021

Article 1: Personal Care Assistance Services Program Integrity

This article makes changes to the personal care assistance (PCA) and community first services and supports (CFSS) programs to provide for improved program integrity.

Section Description - Article 1: Personal Care Assistance Services Program Integrity

- 1 Personal care assistants; notice of change of employment required.**

Amends § 256B.0659, by adding subd. 11b. Requires a PCA to notify the commissioner that the PCA is no longer providing PCA services on behalf of a PCA provider agency with whom the PCA was previously affiliated within six months of ceasing employment as a PCA with any PCA provider agency.
- 2 Documentation of qualified professional services provided.**

Amends § 256B.0659, by adding subd. 14a. Requires qualified professional services to be documented in a manner prescribed by the commissioner and to include the qualified professional's full name and individual provider number.
- 3 Requirements for provider enrollment of PCA provider agencies.**

Amends § 256B.0659, subd. 21. Modifies the list of information and documentation PCA provider agencies must provide to the commissioner at the time of enrollment, reenrollment, and revalidation; removes obsolete language; requires all employees in management and supervisory positions to complete training every two years; requires PCA provider agencies enrolling for the first time to provide to the commissioner proof of sufficient operating capital and lists items that may be used as sufficient proof; and lists additional information PCA provider agencies must provide to the commissioner at the time of revalidation.
- 4 PCA provider agency; general duties.**

Amends § 256B.0659, subd. 24. Modifies the list of PCA provider agency general duties by requiring PCA provider agencies to notify the commissioner within specified time periods when a qualified professional or PCA is no longer employed by or otherwise affiliated with the PCA provider agency.

Section Description - Article 1: Personal Care Assistance Services Program Integrity

- 5 Agency-provider and FMS provider qualifications and duties.**
Amends § 256B.85, subd. 10. Modifies the list of agency-provider and FMS provider general duties by requiring these providers to notify the commissioner within six months following the date upon which a support worker is no longer employed by or otherwise affiliated with the agency-provider, or upon which the support worker is no longer employed by the participant employer.
- 6 Requirements for enrollment of CFSS agency-providers.**
Amends § 256B.85, subd. 12. Modifies the list of information and documentation all CFSS agency-providers must provide to the commissioner at the time of enrollment, reenrollment, and revalidation as a CFSS agency-provider; requires all employees in management and supervisory positions to complete training every two years; requires CFSS agency-providers to provide proof of sufficient initial operating capital at the time of initial enrollment and lists items that may be used as proof of sufficient operating capital; and lists additional information CFSS agency-providers must provide to the commissioner at the time of revalidation.
- 7 Support workers requirements.**
Amends § 256B.85, subd. 16. Requires a support worker with any agency-provider or any participant employer to notify the commissioner that the support worker is no longer providing services and supports through CFSS on behalf of an agency-provider or to a participant employer within six months of ceasing employment as a support worker.

Article 2: Personal Care Assistant Rate Reform

This article provides for PCA and CFSS payment rate reform.

Section Description - Article 2: Personal Care Assistant Rate Reform

- 1 Managed care contracts.**
Amends § 256B.69, subd. 5a. By January 30 of each year that follows a PCA or CFSS rate increase, requires managed care plans to inform the commissioner and the chairs and ranking minority members of the legislative committees with jurisdiction over rates determined under the new payment rate system of the amount of the rate increase that is paid to each PCA provider agency with which the plan has a contract.

Provides an immediate effective date.

Section Description - Article 2: Personal Care Assistant Rate Reform

2 Definitions.

Amends § 256B.85, subd. 2. Applies the definitions under the CFSS program to the new payment rate system that is established in section 3 and makes a grammatical change.

Provides a January 1, 2023, effective date, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

3 Community first services and supports; payment rates.

Creates § 256B.851.

Subd. 1. Application. Applies the payment methodologies in this section to: (1) CFSS, extended CFSS, and enhanced rate CFSS; and (2) PCA services, extended PCA service, and enhanced rate PCA services. Specifies this section does not change existing PCA program or CFSS policies and procedures.

Subd. 2. Definitions. Defines the terms “commissioner,” “component value,” and “payment rate.”

Subd. 3. Payment rates; base wage index. Paragraph (a) establishes base wage component value calculations for the services covered under this section based on Bureau of Labor Statistics (BLS) standard occupational classifications.

Paragraph (b) requires the commissioner to update base wage component values based on wage data from the BLS available 30 months and a day prior to the scheduled update beginning on January 1, 2025, and every two years thereafter.

Paragraph (c) requires the commissioner to report to the legislature on framework component updates under paragraph (b) beginning on August 1, 2024, and every two years thereafter.

Subd. 4. Payment rates; total wage index. Paragraphs (a) to (c) establish the competitive workforce factor and total wage component value for the services covered under this rate methodology.

Paragraph (d) requires the commissioner to report to the legislature with an update of the competitive workforce factors beginning on August 1, 2024, and every two years thereafter. Requires the commissioner to calculate biennial adjustments to the competitive workforce factor after determining the base wage index updates, and specifies the manner in which the competitive workforce factor must be adjusted.

Section Description - Article 2: Personal Care Assistant Rate Reform

Paragraph (e) requires the commissioner to recommend an increase or decrease of the competitive workforce factor from its previous value by no more than three percent. Prohibits the competitive workforce factor from being less than zero.

Subd. 5. Payment rates; component values. Paragraph (a) establishes component values for the payment rate methodology.

Paragraph (b) requires the commissioner to update certain component values for changes in the Consumer Price Index by the percentage change from the date of any previous update to the data available six months and one day prior to the scheduled update beginning on January 1, 2025, and every two years thereafter.

Paragraph (c) requires the commissioner to report to the legislature with an update on the component values beginning on August 1, 2024, and every two years thereafter.

Subd. 6. Payment rates; rate determination. Paragraph (a) lays out the payment rate calculation the commissioner must use to determine rates for PCA services, CFSS, extended PCA services, extended CFSS, enhanced rate PCA services, enhanced rate CFSS, qualified professional services, and CFSS worker training and development.

Paragraph (b) requires the commissioner to publish the total payment rate.

Subd. 7. Provider agency; required reporting and analysis of cost data.

Paragraph (a) requires the commissioner to evaluate on an ongoing basis whether the base wage component values and component values appropriately address the cost to provide the service and to make recommendations to adjust the rate methodology as indicated by the evaluation. Requires agencies enrolled to provide services with rates determined under this section to submit requested cost data to the commissioner. Lists the data the commissioner may request.

Paragraph (b) requires providers to submit the required cost data for a fiscal year that ended not more than 18 months prior to the submission date at least once every three years. Requires the commissioner to provide each provider with a 90-day notice prior to its submission due date and with notices 30 and 60 days after the required submission date for providers who fail to submit required cost data. Allows the commissioner to temporarily suspend payments to a provider if the commissioner has not received the required cost data 90 days after the required submission date and to make withheld payments when the required cost data is received by the commissioner.

Section Description - Article 2: Personal Care Assistant Rate Reform

Paragraph (c) requires the commissioner to conduct a random validation of data submitted to ensure data accuracy, analyze cost documentation, and provide recommendations for adjustments to cost components.

Paragraph (d) requires the commissioner to analyze cost documentation and allows the commissioner to submit recommendations on component values, updated base wage component values, and competitive workforce factors to the legislature every two years beginning August 1, 2026. Requires the commissioner to release cost data in aggregate form and prohibits cost data from individual providers from being released except as provided for in current law.

Paragraph (e) requires the commissioner to develop and implement a process for providing training and technical assistance necessary to support provider submission of cost data.

Subd. 8. Payment rates; reports required. Paragraph (a) requires the commissioner to assess the component values and publish evaluation findings and recommended changes to the rate methodology in a report to the legislature by August 1, 2026.

Paragraph (b) requires the commissioner to: (1) assess the long-term impacts of the rate methodology implementation on staff providing services with rates determined under this section, including but not limited to measuring changes in wages, benefits provided, hours worked, and retention; and (2) publish evaluation findings in a report to the legislature by August 1, 2028, and once every two years thereafter.

Provides a January 1, 2023, effective date, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

4 **Monthly case mix budget cap exception.**

Amends § 256S.18, subd. 7. Modifies the monthly case mix budget cap exception under the elderly waiver program by making technical changes, requiring the commissioner to calculate the difference between PCA services and enhanced rate PCA services, and prohibiting the additional budget amount approved under an exception from exceeding this difference.

Provides a July 1, 2021, effective date, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

Section Description - Article 2: Personal Care Assistant Rate Reform

5 Direction to commissioner; study of direct support workers utilizing public assistance programs.

Requires the commissioner of human services to: (1) study direct care workers providing PCA and CFSS services and the utilization of public assistance programs by these workers; (2) analyze the relationship between wages and benefits earned through employment in the direct care workforce and the utilization of public assistance programs, including but not limited to public health care and economic assistance programs administered by DHS; and (3) submit a report to the legislature by October 1, 2023.



Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155