

Yingya Vang

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To: Yingya Vang
Subject: Testimony on omnibus bill

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The Problem

At PPL properties Rising Cedar and Bass Lake Court (and at properties owned by others, such as Alliance Housing) Touchstone provides supportive services to disabled individuals through three types of waivers: CADI (Community Access for Disability Inclusion Waiver), BI (Brain Injury Waiver) & EW (Elderly Waiver.) Under these waivers, Touchstone services are characterized as Customized Living, which allow for nursing, counseling and 24/7 crisis support. The Minnesota Department of Human Services (DHS) is working on major rule changes for Customized Living and the Minnesota Department of Health (MDH) is working on a major change for Licensed Assisted Living, largely in response to the elder abuse that has been in the news. Though not elder care, and despite the fact that they had previously been promised an exemption, Touchstone's programs are being swooped up in these reforms.

The rule changes would require Touchstone to either become a MDH Licensed Assisted Living provider, or to bill via DHS ICS (Integrated community supports) which isn't allowed in buildings where individuals are on the Elderly waiver. Both proposed alternatives are not workable. Under the proposed new Licensed Assisted Living rules, the building owner and service provider must be the same entity. This is not standard practice in supportive housing and may not even be permissible under low-income housing tax credit rules, as it would require the for-profit tax credit investor to take on the risk of entering into an LLC with the service provider. In the case of Licensed Assisted Living, the program would be moving away from Permanent Supportive Housing best practices. In the case of ICS, this substantially changes the service model and impacts nursing care, food service and 24-hour crisis support among other things.

The Solution

Previous versions of the proposed legislation had included an exemption to these rule changes for programs (such as PPL and Touchstone's Rising Cedar) which was funded by low-income housing tax credits and/or Minnesota Housing. The solution that will allow Touchstone to continue to bill Customized Living using its comprehensive homecare license and to continue its successful programs is to bring this exemption back into the governor's proposed budget:

In order for the successful permanent supportive housing program to continue at Touchstone Rising Cedar and elsewhere, the #10 exemption must be put back into the language. The exemption language would then read: "be licensed as a comprehensive home care provider under chapter 144A and be delivering services in a setting defined under section 144G.08, subdivision 7, clauses (10) to (13). A licensed home care provider is subject to section 256B.0651, subdivision 14."

Clause 10 of 144G.08, subdivision 7 reads:

(10) housing financed pursuant to sections 462A.37 and 462A.375, units financed with low-income housing tax credits pursuant to United States Code, title 26, section 42, and units financed by the Minnesota Housing Finance Agency that are intended to serve individuals with disabilities or individuals who are homeless, except for those developments that market or hold themselves out as assisted living facilities and provide assisted living services.

Exemption 10 is still omitted from the language in Schultz House Omnibus bill number 2127 Article 6 Section 27. Page 201 <https://www.house.leg.state.mn.us/comm/docs/x1AWxtrcJ0qiGYiTDfWSAw.pdf>

The Urgency

The new rules are proposed to go into effect August 1, 2021. If they are passed without revision, Touchstone would need to alert residents no later than May 31, 2021 of changes to their service provision and enroll for one or the other service during a narrow window of May 1- May 31.