

Subject Personal Care Assistance Program Integrity and Rate Reform

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Article 1: PCA Services Program Integrity

This article provides for PCA services program integrity.

Section	Description
1	Personal care assistants; notice of change of employment required. Amends § 256B.0625, by adding subd. 11a. Requires a personal care assistant to notify the commissioner within six months of ceasing employment that the personal care assistant is no longer providing PCA services on behalf of a PCA provider agency with whom the personal care assistant was previously affiliated.
2	Qualified professional; duties. Amends § 256B.0659, subd. 14. Removes obsolete language and requires qualified professionals to be enrolled as an individual provider with DHS. Requires a qualified professional to notify the commissioner within 30 days of ceasing employment that the qualified professional is no longer providing qualified professional services on behalf of a PCA provider agency with whom the qualified professional was previously affiliated.
3	Documentation of qualified professional services provided. Amends § 256B.0659, by adding subd. 14a. Requires qualified professional services for a recipient to be documented and to include the qualified professional's full name and individual provider number.
4	Requirements for provider enrollment of PCA provider agencies. Amends § 256B.0659, subd. 21. Paragraph (a) makes technical and grammatical changes; modifies the items that must be included in the provider agency's written policies and procedures to include identification, prevention, detection, and reporting of fraud or any billing, record keeping, or other administrative noncompliance; adds documentation requirements related to the provider agency's self-auditing policy, the policy related to notifying qualified professionals of their obligation to notify the commissioner within 30 days that they are no longer employed by the agency, and the agency's policy for notifying the commissioner within six months that a personal care assistant is no longer employed by the agency.

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Adds paragraph (b), which requires all PCA provider agencies to annually provide to the commissioner certain documentation required under paragraph (a).

Paragraph (c) removes obsolete language.

Paragraph (d) requires mandatory training, or any substantially similar refresher training developed by the commissioner, to be completed every two years. Removes obsolete language and makes conforming changes.

Adds paragraph (f), which requires PCA provider agencies enrolling for the first time to submit information and documentation including proof of sufficient operating capital to support the infrastructure necessary to allow for ongoing compliance with the requirements of the PCA program.

Adds paragraph (g), which requires PCA provider agencies to provide information related to payroll and financial statements to the commissioner at the time of revalidation as a PCA provider agency.

5 PCA provider agencies; general duties.

Amends § 256B.0659, subd. 24. Adds duties to PCA provider agencies related to notifying the commissioner when a personal care assistant or qualified professional is no longer employed by or affiliated with the agency.

Article 2: PCA Rate Reform

This article provides for PCA rate reform by establishing a new payment rate methodology that determines rates based on a wage index and component values.

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1 Managed care contracts.

Amends § 256B.69, subd. 5a. Requires managed care plans to inform the commissioner and legislative committees with jurisdiction over PCA rates of the amount of the rate increase paid to each PCA provider agency with which the plan has a contract by January 30 of each year in which a rate increase occurs. Provides an immediate effective date.

2 Definitions.

Amends § 256B.85, subd. 2. Applies the definitions under the community first services and supports (CFSS) program to the new payment rate methodology and makes a grammatical change. Provides an effective date of July 1, 2020, or upon

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federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.

3	CFSS; payment rates.
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Creates § 256B.851.

Subd. 1. Application. Paragraph (a) applies the payment methodologies in this section to CFSS, extended CFSS, enhanced rate CFSS, PCA services, extended PCA services, and enhanced rate PCA services.

Paragraph (b) specifies this section does not change existing PCA program or CFSS policies and procedures.

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

Subd. 3. Payment rates; base wage index. Specifies the data that must be used when the commissioner initially establishes the base wage component values. Requires the commissioner to calculate the base wage component values for staff providing PCA services, CFSS, extended PCA services, extended CFSS, enhanced rate PCA services, and enhanced rate CFSS. Establishes the base wage component value as the median wage for personal care aide.

Subd. 4. Payment rates; base wage index adjustments. Paragraph (a) requires the commissioner to update the base wage component values on July 1, 2022, and every two years thereafter, based on wage data from the Bureau of Labor Statistics available one year and a day prior to the scheduled update.

Paragraph (b) requires the commissioner to publish the updated base wage component values.

Subd. 5. Payment rates; total wage index. Paragraph (a) establishes the calculation for the total wage component value.

Paragraph (b) establishes the initial competitive workforce factor.

Subd. 6. Payment rates; total wage index adjustments. Requires the commissioner to adjust the competitive workforce factor with an updated competitive workforce factor using the most recently available data on July 1, 2022, and every two years thereafter. Establishes the competitive workforce factor biennial adjustment calculation.

Paragraph (b) requires the commissioner to publish the updated competitive workforce value.

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Subd. 7. Payment rates; standard component values. Lists the standard component values the commissioner is required to use in calculating rates under this section.

Subd. 8. Payment rates; rate determination. Paragraph (a) establishes the calculation the commissioner must use when determining the rate for each service for which this rate methodology applies.

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

Subd. 9. Payment rates; collective bargaining. Subjects the commissioner's authority to set payment rates, including wages and benefits, for individual providers to the state's obligation to meet and negotiate under the public employment labor relations statute and to agreements with any exclusive representative of individual providers as authorized by the public employment labor relations statute.

Subd. 10. Required reporting of cost data. Paragraph (a) requires agencies enrolled to provide services with rates determined under this section to submit requested cost data to the commissioner. Lists the cost data the commissioner may request.

Paragraph (b) requires providers to submit the required cost data at least once in any five-year period for a fiscal year that ended not more than 18 months prior to the submission date. Requires the commissioner to: (1) provide each provider a 90-day notice prior to its submission due date and notices to providers who fail to submit required cost data 30 days and 60 days after the required submission date; (2) temporarily suspend payments to a provider if the commissioner has not received the required cost data 90 days after the required submission date; and (3) make withheld payments when the required cost data is received by the commissioner.

Paragraph (c) requires the commissioner to conduct random validation of data submitted under this subdivision to ensure data accuracy.

Paragraph (d) requires the commissioner, in consultation with stakeholders, to develop and implement a process for providing training and technical assistance to support provider submission of cost data required under this subdivision.

Subd. 11. Required analysis of cost data. Paragraph (a) requires the commissioner to: (1) evaluate on an ongoing basis whether the base wage component values and standard component values appropriately address costs to provide the services covered under this section; and (2) analyze cost data

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submitted under this section. Allows the commissioner to submit recommendations to the legislative committees with jurisdiction over human services on adjustments and updates to standard component values, base wage component values, and competitive workforce factors.

Paragraph (b) requires the commissioner to release cost data in aggregate form. Prohibits cost data from individual providers from being released except as provided for in current law.

Subd. 12. Payment rates; reports required. Paragraphs (a) and (b) require the commissioner to: (1) assess the standard component values and publish evaluation findings and recommended changes to the rate methodology in a report to the legislature by August 1, 2023; and (2) assess the long-term impact of the rate methodology implementation on staff providing services with rates determined under this section and publish evaluation findings in a report to the legislature by August 1, 2026.

Paragraph (c) provides an expiration date for this subdivision of August 1, 2026, or upon the date the commissioner submits the final report under paragraph (b) to the legislature, whichever is later. Requires the commissioner to inform the revisor of statutes when the report is submitted.

Provides an effective date of July 1, 2020, 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 statute governing elderly waiver monthly case mix budget cap exceptions by making technical changes, adding a cross-reference to CFSS, and modifying the maximum amount an exception may exceed the cap by tying the maximum to the difference between the rate for PCA services and enhanced PCA services. Provides an effective date of July 1, 2020, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.



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