

Subject Modifying the Disability Waiver Rate System

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Overview

This bill modifies the Disability Waiver Rate System (DWRS) by increasing the competitive workforce factor used in payment rate calculations for specified services.

DWRS is Minnesota's uniform, statewide methodology to determine reimbursement rates for home and community-based services provided under the four Medicaid (MA) disability waivers: the community alternative care (CAC) waiver, the community access for disability inclusion (CADI) waiver, the developmental disability (DD) waiver, and the brain injury (BI) waiver. In fiscal year 2024, DWRS distributed about \$3.185 billion in state and federal funds for reimbursement to providers of qualifying services.

Summary

Section	Description
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| 1 | <p>Base wage index; calculations.</p> <p>Amends § 256B.4914, subd. 5a. Modifies the base wage calculation for supervisory staff under DWRS.</p> <p>Makes this section effective January 1, 2026, or upon federal approval, whichever is later. Requires the commissioner of human services to notify the revisor of statutes when federal approval is obtained.</p> |
| 2 | <p>Community residential services; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 6a. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for community residential services effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p> |

Section	Description
3	<p>Family residential services; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 6b. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for family residential services effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p>
4	<p>Integrated community supports; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 6c. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for integrated community supports effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p>
5	<p>Adult day services; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 7a. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for adult day services effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p>
6	<p>Day support services; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 7b. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for day support services effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p>
7	<p>Prevocational services; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 7c. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for prevocational services effective January 1, 2026, or upon federal approval, whichever is later.</p> <p>Makes this section effective the day following final enactment.</p>
8	<p>Unit-based services with programming; component values and calculation of payment rates.</p> <p>Amends § 256B.4914, subd. 8. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for unit-based services with programming effective January 1, 2026, or upon federal approval, whichever is later. Unit-based services with programming include various employment services, individualized home supports with family training, individualized home supports with training, and</p>

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positive support services provided to an individual outside of any service plan for a day program or residential support services.

Makes this section effective the day following final enactment.

9 **Unit-based services without programming; component values and calculation of payment rates.**

Amends § 256B.4914, subd. 9. Increases the competitive workforce factor component value (from 6.7% to 16.76%) for unit-based services without programming effective January 1, 2026, or upon federal approval, whichever is later. Unit-based services without programming include individualized home supports without training and night supervision provided to an individual outside of any service plan for a day program or residential support service.

Makes this section effective the day following final enactment.



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