

**Subject** Elderly Waiver Payment Rate Reform

**Authors** Schultz and others

**Analyst** Danyell A. Punelli

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## Overview

This bill modifies the elderly waiver payment rate methodology.

The elderly waiver provides home and community-based services not normally covered under MA to MA enrollees who are at risk of nursing facility placement. In addition, EW recipients are eligible for all standard MA covered services.

## Summary

Section	Description
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| 1 | <p><b>Rate setting; application.</b></p> <p>Amends § 256S.21. Expands the list of services to which the elderly waiver payment rate methodology applies. Provides a January 1, 2021, effective date.</p>   |
| 2 | <p><b>Rate setting; implementation and inflationary adjustment.</b></p> <p>Amends § 256S.2101. Paragraph (a) specifies elderly waiver rates and component rates are the rates calculated under the rate methodology in this chapter (currently, only 10 percent of the rate is based on this methodology, the other 90 percent is based on a rate-on-rate reimbursement system).</p> <p>Paragraph (b) requires the commissioner to update the base wage index based on the most recently available Bureau of Labor Statistics Twin Cities metro wage data on January 1 of each odd-numbered year.</p> <p>Paragraph (c) requires the commissioner to update the payroll tax and benefits factor based on the most recently available nursing facility cost report data on January 1 of each odd-numbered year.</p> <p>Provides a January 1, 2021, effective date.</p> |

Section	Description
3	<p><b>Rate setting; rate establishment.</b></p> <p>Amends § 256S.211. Removes obsolete language and requires the use of wage data from the most recently available edition of the Occupational Handbook when implementing or recalculating rates. Provides a January 1, 2021, effective date.</p>
4	<p><b>Rate setting; base wage index.</b></p> <p>Amends § 256S.212. Modifies various terms and base wage calculations and adds a base wage calculation for adult day services. Provides a January 1, 2021, effective date.</p>
5	<p><b>Rate setting; factors.</b></p> <p>Amends § 256S.213. Modifies the following factors: (1) general and administrative factor; (2) program plan support factor; and (3) unlicensed supervisor supervision factor. Creates the following new factors: (1) facility and equipment factor for adult day services; (2) food, supplies, and transportation factor for adult day services; (3) supplies and transportation factor for certain services; and (4) absence factor. Provides a January 1, 2021, effective date.</p>
6	<p><b>Rate setting; adjusted base wage.</b></p> <p>Amends § 256S.214. Modifies the adjusted base wage calculation. Provides a January 1, 2021, effective date.</p>
7	<p><b>Rate setting; component rates.</b></p> <p>Amends § 256S.215. Modifies calculations for the following component rates: (1) home management and support services; (2) home care aide services; (3) home health aide services; (4) chore services; (5) companion services; (6) homemaker/assistance with personal care; (7) homemaker/cleaning; (8) homemaker/home management; (9) in-home respite care services; (10) out-of-home respite care services; (11) individual community living support; (12) home-delivered meals; (13) adult day services; and (14) adult day services bath. Makes conforming terminology and other technical changes. Provides a January 1, 2021, effective date.</p>



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