

Making Sense of System Change

Exceptions in the Disability Waiver Rate System



DWRS Exceptions

Learning Objectives

- Participants will:
- Understand the cost-drivers considered in the Disability Waiver Rate System frameworks
- Understand when to consider applying for an exception
- Understand how to apply for an exception
- Understand lead agency responsibilities in the exception process
- Understand DHS responsibilities in the exception process
- Learn about common exceptions
- Have an opportunity to ask questions of the presenter

DWRS Exceptions

The Disability Waiver Rate System:

- Ensures state's ongoing participation in federal programs
- Provides a rational architecture for the calculation of service rates that:
 - Are equitable, consistent, and transparent
 - Allow choice and portability for consumers
 - Reflect individualized nature of service
 - Promote quality

DWRS Exceptions

The DWRS frameworks calculate standardized payment rates based on information about:

- The amount of direct staffing (staff hours or ratio) purchased for an individual
- The amount of nursing assessment and treatment (RN or LPN) purchased for an individual
- Transportation purchased for an individual
- Deaf/Hard of Hearing Customization purchased for an individual

DWRS Exceptions

256B.4914

Subd. 14.Exceptions.

- (a) In a format prescribed by the commissioner, lead agencies must identify individuals with exceptional needs that cannot be met under the disability waiver rate system. The commissioner shall use that information to evaluate and, if necessary, approve an alternative payment rate for those individuals.*
- (b) Lead agencies must submit exception requests to the state.*
- (c) An application for a rate exception may be submitted for the following criteria:*
- (1) an individual has service needs that cannot be met through additional units of service; or*
 - (2) an individual's rate determined under subdivisions 6, 7, 8, and 9 results in an individual being discharged.*
- (d) Exception requests must include the following information:*
- (1) the service needs required by each individual that are not accounted for in subdivisions 6, 7, 8, and 9;*
 - (2) the service rate requested and the difference from the rate determined in subdivisions 6, 7, 8, and 9;*
 - (3) a basis for the underlying costs used for the rate exception and any accompanying documentation;*
 - (4) the duration of the rate exception; and*
 - (5) any contingencies for approval.*
- (e) Approved rate exceptions shall be managed within lead agency allocations under sections [256B.092](#) and [256B.49](#).*
- (f) Individual disability waiver recipients may request that a lead agency submit an exception request. A lead agency that denies such a request shall notify the individual waiver recipient of its decision and the reasons for denying the request in writing no later than 30 days after the individual's request has been made.*
- (g) The commissioner shall determine whether to approve or deny an exception request no more than 30 days after receiving the request. If the commissioner denies the request, the commissioner shall notify the lead agency and the individual disability waiver recipient in writing of the reasons for the denial.*
- (h) The individual disability waiver recipient may appeal any denial of an exception request by either the lead agency or the commissioner, pursuant to sections [256.045](#) and [256.0451](#). When the denial of an exception request results in the proposed demission of a waiver recipient from a residential or day habilitation program, the commissioner shall issue a temporary stay of demission, when requested by the disability waiver recipient, consistent with the provisions of section [256.045, subdivisions 4a](#) and 6, paragraph (c). The temporary stay shall remain in effect until the lead agency can provide an informed choice of appropriate, alternative services to the disability waiver recipient.*

DWRS Exceptions

- Exceptions are for exceptional needs that cannot be met by a DWRS framework rate through additional units of service.
- Exceptions are available to:
 - New recipients, or
 - Existing recipients who have a change (of provider or intensity) in service plan—and then the exception is only for the difference

DWRS Exceptions

An individual can apply for an exception when their needs cannot be met with the rate produced by the framework due to other cost drivers. Common examples of other cost drivers include the following:

- Wage differential
- Training costs
- Supervision intensity
- Absence costs

DWRS Exceptions

When to consider an exception?

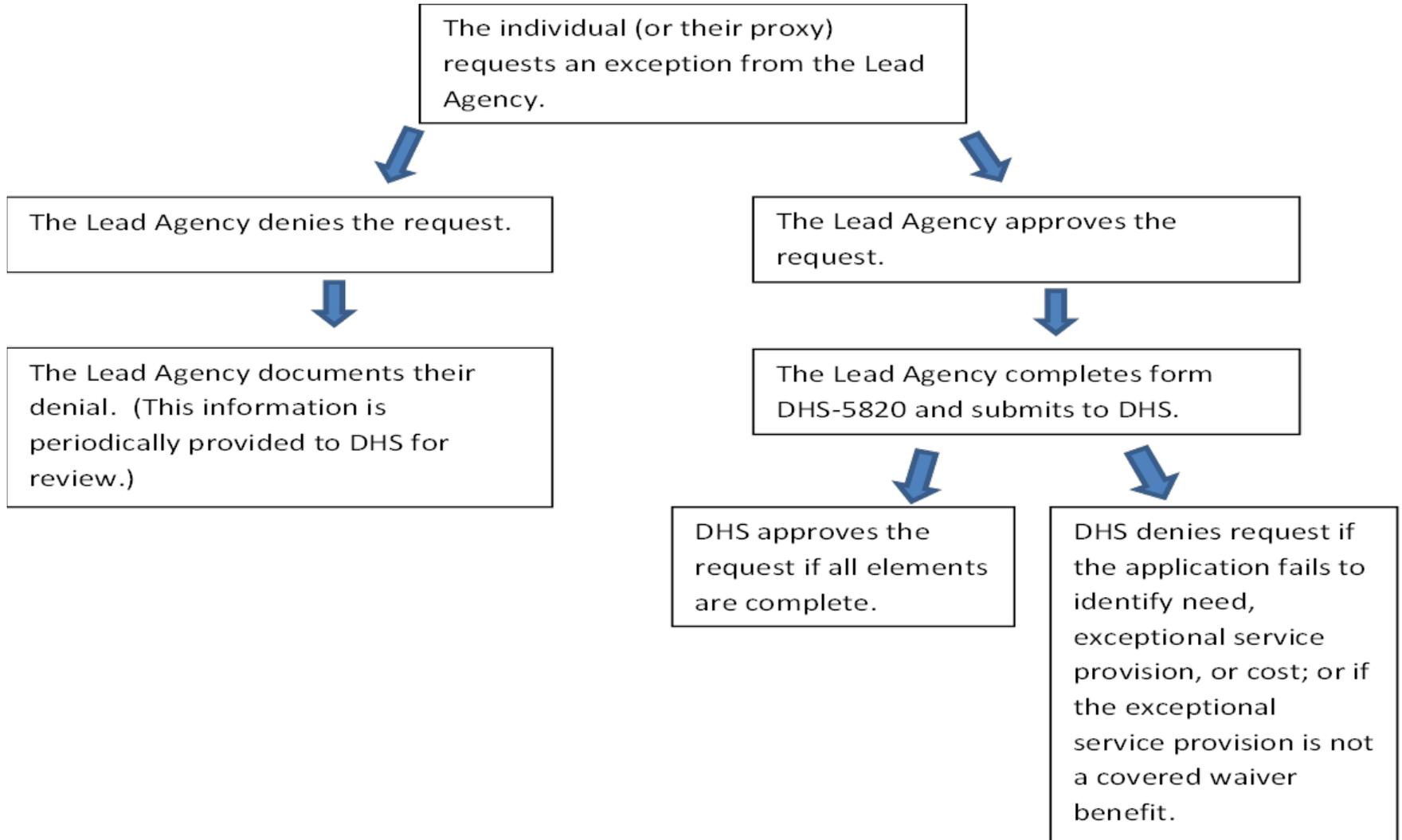
- You are a niche provider with an appropriate referral
- You have to hire special staff
- You have to develop and offer extensive training
- There is a reasonable expectation of a very high absence rate
- You need to assign more supervision resources than you normally would

DWRS Exceptions

Applications must include a thorough account and documentation of:

- Summary of recipient need
- Extraordinary program/service response (to meet need) that is not acknowledged by the framework
- Cost of extraordinary program/service response
- ISP/CSSP

DWRS Exceptions



DWRS Exceptions

Exception Request Application: DHS-5820

- <https://edocs.dhs.state.mn.us/lfservlet/Public/DHS-5820-ENG>

DWRS Exceptions

WAIVER

CADI

COUNTY OF FINANCIAL RESPONSIBILITY

Ramsey

APPLICATION DATE

4/10/2014

CASE MANAGER

Jenny Lewis

PHONE NUMBER

651-431-0000

EMAIL ADDRESS

jenny@ramsey.mn.us

We can't contact you without these!

Consumer Information

RECIPIENT FIRST NAME

Jenni

LAST NAME

Louis

DATE OF BIRTH

1/11/1980

PMI

11111111

Please double-check these!

RELEVANT DIAGNOSIS AND ICD-9 CODES

TBI 854.14, Borderline Personality Disorder 301.83, Cerebral Palsy 343.9

REQUESTED DURATION (1 year maximum)

FROM

5/1/2014

TO

4/30/2015

EXCEPTION EXPECTED TO BE

One time

Ongoing

TYPE OF REQUEST

New Request

Renewal Request

FOR THE FOLLOWING SERVICE

Corporate Adult Foster Care

Please tell us the name of the service. (Not the provider—that information is below.)

DWRS Exceptions

Provider Information

PROVIDER

Hawkridge Homes

PROVIDER CONTACT

Dale Hawkridge, 507-446-9663

NPI

A123456789

Exception Request Information

Exception requested due to: (check all that apply)

Competent provision of care requires specialized provider standards

annual training

Discharge

Extraordinary cost driver exceeds assumption in frameworks

Liability insurance

Staff turnover

Physical plant

Wage differential

Other cost driver not recognized in the frameworks

RATE PRODUCED BY RMS

\$229.52

PROPOSED RATE

\$373.70

This should be the pure framework rate.

DWRS Exceptions

SUMMARY OF EXTRAORDINARY RECIPIENT NEED

Jenni is a strong, smart, well-spoken young woman who presents as a peer to staff and has a documented history of gaining their trust and manipulating them. She has been sexually aggressive with staff and has exploited them financially. Jenni often cruel and even abusive to her housemates. Jenni and her team struggle to find and maintain a therapeutic psychiatric medication regimen to treat her BPD that does not disastrously slow her bowel and result in obstruction, for which Jenni has twice required surgical intervention.

SUMMARY OF EXTRAORDINARY PROGRAM/SERVICE BASED RESPONSE

Jenni requires an extraordinary staff who:

- *recognize and employ her strengths while also recognizing and redirecting her when she struggles
- *are vigilant about maintaining boundaries and yet skilled in developing the rapport of a healthy relationship
- *run weekly sessions of Dialectical Behavior Therapy
- *run weekly sessions of Aggression Replacement Training
- *meticulously track key patterns relating to Jenni's isolation and withdrawal
- *meticulously track her nutrition and bowel habits

In addition to meeting the requirements of 245D, the direct care staff annually receive 80 hours of specialized training in DBT, ART, strengths-based approaches, person-centered thinking and planning for persons with SPMI, maintaining boundaries, and the provision of personal cares to people with sexually aggressive behaviors.

The direct care supervisors have a low span of control in order to provide the level of support and oversight necessary in such an intense setting, and the supervisors are credentialed mental health professionals at the PsyD level.

DWRS Exceptions

Attach documentation

Manage attachments

After attaching the documentation using the button above, check the box(es) below:

- ISP/CSSP** *(required)*
- Cost documentation** *(required)*
- Behavioral programs
- Quantitative documentation (graphs, grids, charts) of need
- Other supporting program plans as evidence of need

DWRS Exceptions

Add New Attachment

Type

Address

Title

Finish

Add

Reset

Delete

Attachments for: DHS-5820-ENG-1

  	Title	Included By	Date
1  	Cost Documentation		Nov 17, 2014 3:09 PM

DWRS Exceptions

Exception Request Cost Documentation:

- Jenni Louis, Hawkridge Homes
- Average wage for direct care staff is \$14.70 per hour. This is competitive in the region given:
 - their skills (all have national CBIS credential and are trained DBT facilitators)
 - their experience in this industry (average 12 years of experience at start)
- 80 hours of specialized training a year at a total cost of approximately \$75,000 annually, including:
 - Training to maintain CBIS credential
 - Best practices in DBT
 - Skill Development using ART
 - Person-Centered Thinking and Planning
- Supervisor on site in supervisory capacity 32 hours per week
- Supervisor is a licensed Mental Health Professional and the supervisor wage is \$30.75 per hour.

DWRS Exceptions

Tips for Lead Agencies

- Do not send it to DHS for denial
- Print a copy before submitting
- Make sure situation is exception-eligible
- Review carefully for all three criteria:
 - Exceptional need
 - Exceptional service provision
 - Cost of exceptional service provision

DWRS Exceptions

Tips for Providers

- Separate exceptional business practices from exceptional service provision
- Identify and quantify the cost drivers
- Don't submit 5820 to DHS
- Know your business, your budgeting system, and how things are defined differently in the frameworks

DWRS Exceptions

What does DHS do when a 5820 is submitted?

- Identify situation: is this eligible for an exception?
 - If no, withdraw
- Review criteria: are all met?
- Identify exceptional inputs to produce new framework rate
- Approve or deny
 - If deny, needs second denial
 - If second denial, send Notice of Action

DWRS Exceptions

- Timelines
 - Lead Agency has 30 days to process an exception request
 - DHS has 30 days to process an exception request
 - Most are processed more quickly
 - When all parties agree that an exception request is urgent, an expedited process can be requested and DHS will respond in three business days

DWRS Exceptions

Exception Renewals

- When exceptions are approved, they are approved for no more than 1 year
- When the exception expires, the lead agency needs to review the terms of the approved exception and determine the need to continue, modify, or end the exception rate
 - If continue: abbreviated process forthcoming
 - If modify: use existing process

DWRS Exceptions

Misconception #1:

Exceptions are too much work.

Reality: Exceptions require consideration...but not more than is reasonable in service planning for people with complex needs.

DWRS Exceptions

Misconception #2:

The process takes forever.

Reality: None of the exception requests has exceeded the stated 30 days to process. Only the most complex exceptions have taken longer than a few days.

DWRS Exceptions

Misconception #3:

None of the exceptions get approved anyway.

Reality: DHS has received 186 exception requests. None have been denied. (Roughly 83 have been withdrawn, 77 have been approved, and 26 are currently pending.)

DWRS Exceptions

Misconception #4:

We're on our own.

Reality: DHS offers technical assistance! If information is incomplete or unclear, we will walk you through it.

DWRS Exceptions

Resources

- Email: DSD.ResponseCenter@state.mn.us
- [DWRS webpage](#)
- [CBSM page on exceptions](#)
- [DHS 5820](#)

DWRS Exceptions

Questions?