



Home and Community Based Services Pay-for-Performance Initiative

Issue:

As more people with long-term care needs are served in their homes and communities Minnesota needs to encourage providers to:

- Invest in and provide more efficient, higher quality services.
- Be innovative in their service delivery.
- Use organizational tools and expertise to improve their quality.
- Disseminate successful performance improvement strategies statewide.

Proposal:

- This proposal creates a performance improvement project program for providers of home and community-based services for people with disabilities and seniors.
- During fiscal years 2014 and 2015 planning and development work will begin to establish a set of measures that will form the basis of the quality add-on payment and a consumer survey.
- The second phase in fiscal years 2016 and 2017 will implement the quality add-on payment for providers who meet performance thresholds on the measures.
- This proposal is closely modeled after the nursing facility pay-for-performance structure that is currently in use.

Impact:

- Establishing a quality add-on will promote best practices and positive approaches in service delivery and provide the basis for provider incentive payments.
- Percent of recipients satisfied with their services will be measured as a key indicator of performance improvement.

Fiscal impact:

- FY 2014: \$2.38 million
- FY 2015: \$4.18 million
- FY 2016: \$27.15 million
- FY 2017: \$50.39 million

Related information:

- Minnesota Management & Budget website: <http://www.mmb.state.mn.us>
- References to relevant sections of budget summary document
- Statutory references: creates new statute 256B.4391

DHS Communications: March 2013