



Minnesota Department of **Human Services**

Memo

DATE: November 22, 2004

TO: All County Social Service Directors

FROM: Shirley York
Director, Disability Services

SUBJECT: MR/RC Waiver Litigation

The Department of Human Services recently reached a full settlement of the federal court lawsuit that was initiated by the Association of Residential Resources (ARRM) on behalf of its member providers and a recipient of waiver services. The lawsuit challenged the "rebase amendment," which governs how the Department allocates resources to county agencies for the provision of MR/RC waiver services. With the resolution of this lawsuit, DHS looks forward to moving ahead with its plans to continue to improve this program.

Please note that the settlement of this litigation does not affect the ongoing obligation of all counties to follow the provisions of any contracts that they have negotiated with providers of waiver services. Counties are required to comply with the terms of their provider contracts until the terms are amended pursuant to the terms of the contracts by written agreement of the parties, or renegotiated at the end of the contract term.

I again want to express our thanks to you for your ongoing work on behalf of consumers, for your efforts toward good financial stewardship of public dollars, and for your willing cooperation with our contractor Johnston, Villegas-Grubbs and Associates LLC (JVGA) as they design a state to county resource allocation methodology for the MR/RC Medicaid Waiver program.