

**STATE OF CONNECTICUT**  
**Department of Developmental Services**

**Procedure No.** I.C.2.PR.008  
**Subject:** Individual Budget Fiscal Management  
**Section:** Services and Supports: Individual Support

**Issue Date:** January 11, 2002  
**Effective Date:** Upon release  
**Revised:** July 7, 2003  
**Revised: June 1, 2009**

**A. Purpose**

To ensure a standardized process for fiscal management of Individual supports, services, and costs.

**B. Applicability**

This procedure shall apply to DDS staff and Qualified Independent Brokers, providers contracted to provide fiscal intermediary services, and those individuals responsible for self-directing their own services.

**C. Definitions**

Broker/Case Manager: A DDS employee who is assigned primary responsibility for individuals who are eligible for DDS services. The case manager serves as primary contact with the individual or family/guardian on the person's behalf. The Case Manager is responsible to ensure the development of an Individual Plan that meets DDS requirements and monitor the delivery and quality of all services and supports as identified in the Individual Plan. This person may also function as a support broker. (See support broker definition)

Fiscal Intermediary (FI) An organization that has a contract with the Department of Developmental Services for the purpose of managing funds and making payroll and non-labor related payments for people with approved IP 6's and Individual Budgets.

HCBS Waiver – The Home and Community Based Services Waiver administered by DDS “waives” certain restrictions of Medicaid regulations and allows a flexible approach to providing services within the community. These services assist a person to live in the community, who would otherwise be eligible for placement in an ICF/MR.

Self Directed Support Agreement An agreement between DDS and the sponsoring person that outlines the responsibilities for self-direction for the individual, family member, or sponsoring person.

IP 6 Database: An electronic database that is used by the case manager or broker to create the Individual Plan section 6, the individual budget, Waiver form 223 and provider authorizations.

Level of Need Assessment: the department's method for determining an individual's level of support need for the purposes of allocating DDS funded resources in an equitable manner.

Planning and Resource Allocation Team (PRAT) – A Regional Team chaired by the Planning and Quality Coordinator and comprised of DDS regional representatives. This team manages the process whereby DDS identifies available resources, identifies individual consumer needs, assigns priority, implements planning and resource allocation policies and procedures, makes recommendations regarding applicants for the HCBS waiver, processes allocation of resources, and referrals to available out of home residential group living settings and Provider Agency based day services.

Qualified Independent Broker: Individuals or providers qualified by DDS, who deliver supports to individuals and families such as the provision of information, advocacy training and support, assistance

with meeting employer tasks, assistance with managing and monitoring the individual budget, assistance with developing and sustaining a personal emergency back-up plan, and assistance with coordinating training for directly hired support staff.

Support Broker: Refers to DMR Case Management staff designated as Support Brokers or an Independent Broker.

Spending Plan: The financial management database, which compares regional appropriations to actual and projected expenditures. It is used to reserve funds for contractual obligations and measure the availability of funds for new obligations for each residential and day account including Community Training Home (CTH), Residential School, Community Living Arrangement (CLA), Supported Living (SLV), Individual Supports, Employment Opportunities, and other services

## D. Implementation

### 1. Monthly Expenditure Reports:

These reports will be sent by the FI to individual or sponsoring family member who self direct their services. The reports are due the 25<sup>th</sup> day of each month. The reports are based on expenditures that were paid at the time the report was created. These reports include the budget amount, expenditures, and balance. The purpose of the expenditure report is to identify and discrepancies in reported expenditures and to review service utilization this review may result in changes to the Individual Plan and Individual budget or may require follow up when there are discrepancies in expenditures.

### 2. Quarterly Cash Adjustment Report

The quarterly cash adjustment report is submitted to the regional business at the end of each quarter and includes the total amount of funds (by SID) received by the region and the expenditures by client by SID on the date of the report. This report is used by the region to adjust the next program fund payment to the Fiscal Intermediary.

### 3. End of Year Budget Expenditure Reports

This is the final expenditure report for the client that includes the total expenditures, the difference between the authorized amount and expenditures and a utilization factor. These reports are formatted by SID and submitted in an aggregate format for consumers with the same budget end dates. These reports are sent to the Fiscal Office designee and are used for auditing and for utilization management. The Resource Management division follows up with the Case Management to address allocation changes as a result of the utilization review.

### 4. Amendments to an approved IP 6 and Individual Budget

Request for additional services and supports are made through PRAT. If PRAT approves the request and authorizes an increase in the allocation a revision to the IP 6 and Individual Budget in the IP 6 database is required up to the amount of the increase authorized by PRAT. The amendment must be approved prior to implementation of the services. **One-time amendments in the fourth quarter.** When a payment for a one-time amendment is made in the fourth quarter of a budget, the payment for goods and services can be used for the intended purposes in the first quarter of the new budget year for the following services: home modifications, vehicle modification, purchase and installation of adaptive equipment, and a series of clinical visits that extend beyond the end of the budget period.

### 5. Adjustment to existing Individual Budget (No change in the funding amount)

The individual/family and support broker may discuss the need for a change in the type or amount of a particular support or service. When this change is within existing line items or

results in a new line item without a change in the authorized allocation, a revision to the IP 6 and individual budget is required to effect the change.

The case manager or support broker will document the change in the IP 6 database. For changes under \$5000 the change is effective upon completion of the IP 6 database by the broker or case manager. For changes that are at or above \$5000 the adjustment requires supervisor approval. All adjustments must follow cost standard guidelines. The resource manager must be notified when a change involves a vendor so that a new or revised vendor authorization can be issued.

**6. Termination of an Individual Budget**

An individual/family may decide to terminate services funded by DDS in their individual budget and choose an alternative support service. The broker or regional designee will fill out the form for termination of the individual budget. The form should be sent within 10 business days of date of termination to the Resource Manager 2 or regional designee who make this change in the IP 6 database. A termination notice stops payment to the FI by the DDS business office and indicates that an Individual Budget is no longer active and no longer a billable Fiscal Intermediary Service.

**7. Transfer of an Individual Budget between Regions**

Transfer of an Individual Budget is initiated by using the DDS Regional Transfer form. The transfer form is completed by the Resource Administrator or designee and distributed to the fiscal office, Operations Center at CO, and the regional designee in the receiving region.

**8. Change of Fiscal Intermediaries**

Individuals who self direct their services can change Fiscal Intermediaries. The individual or responsible person completes and signs the FI choice form. The request is reviewed by the resource manager 2 or regional designee who makes the change in the IP 6 database. Change of Fiscal Intermediaries occurs with the next quarterly prospective payment or when the budget is renewed. The notification must be made at least one month prior to the end of a calendar quarter (example: February 15 for change on April 1). Copies of the form are distributed to the New FI, Former FI, and the Fiscal Office Representative.

**E. References**

- Individual Support Cost Standards
- Self Directed Support Agreement
- Individual Support Agreement Authorization Process I.C.2.PR.007
- Fiscal Intermediary Contracting Management I.C.2. PR 012

**F. Attachments**

- Fiscal Intermediary Choice Form
- Individual Budget Termination Form
- Fiscal Intermediary Monthly Expenditure Report Format