

Fiscal Intermediary Business Rules for Fiscal Year 2013

□ Communication

- Stacie Albert will be the Central Office primary Liaison for all FI related issues or concerns. She will filter correspondence to Pat Dillon and/or Greg McMahon depending on specifics.
- Please make sure you contact the regional FI liaisons for regional related issues and Krista Pender at our Central Office Audit Unit for reports of suspected misuse of state funds.
- For all CDS issues and any Criminal History Background Check issues contact the regional Self Determination Directors: SR Greg, WR Beth Aura, and NR Currently Vacant(Amy Blazawski, Acting).

□ Expenditure Reports

- New expenditure report format for Family Reports will be implemented effective 7/1/12.
- Monthly Reports sent to Individual/Family who self direct services
- Quarterly (same as monthly) Reports sent to Region & CM for consumers who self direct services. Arrangements should be made to send these electronically to the region in FY 2013 using a secure format FI will pilot various electronic formats with each region and feedback will be gathered as to best practice.
- End of year expenditure report includes utilization factor and is required within 120 days of budget end period. This report is sent to Janice Grant at Central Office electronically.
- VSP summary reports are required quarterly and should be sent to Janice Grant.
- All documentation and information transfers between the department and the fiscal intermediary will be done electronically through either secure e-mail or secure website. for FY 2013.

□ Medicaid Billing Data

- Medicaid billing data is required every month between the 15 and 20th and submitted through FTP. Please notify Krista Pender when the data is uploaded or notify DAS directly.

□ DDS Program Fund Payments to FI

- We are required to use the new format that was issued under procedure I.C.2.PR.012 dated April 15, 2010 to continue payments in FY 2013.
- Bonding levels need to be sufficient based on high average monthly balance of bank accounts.

□ FI Payments to vendors, individual providers, and payments for goods and services

- **FI is authorized to pay 1% COLA effective 1/1/13 to all Vendor lines using new rates provided by DDS without Budget amendment until the end of the Budget Period. When budget is renewed it should be built using the new rates.**
- Any budget submitted with lines built incorrectly based on the cost standards should have the incorrect lines held and notification made to the Case Manager and Case Manager Supervisor in writing immediately identifying the correction needed. If corrections are not made within two weeks the FI should forward the original email to

the FI Liaison in the appropriate region. If correction still not completed within three weeks from the original email, the entire email string should be forwarded to the SD Director or Private ARD. If corrections are still not completed after four weeks, the complete email string should be forwarded to the Operations Center for tracking and follow-up with the region .

- Any NEW Group Day budget submitted MUST be built with the Day Service LON rate lines. Any NEW Group Day budget not utilizing these service LON rates should follow the notification procedure outlined above. This notification procedure should be used for **any issues that need to be addressed with the region.**
- For all service lines: FI to manually put the last month of funds and units into the first month.
- FI can pay up to the monthly amount in the budget for any service and can exceed the monthly amount when there is a carry over balance from previous month for the specific line . This includes the front loading of the last month.
- For Group Day services including Staff Modifier and Transportation when applicable, the FI is authorized to pay up to the equivalent number of days a week being purchased. Case managers have been instructed that budgets should be based on 225 days per year or an average of 18.75 days per month. The 225 days is to be considered a full year of funding for someone attending 5 days a week. For people who are part-time attending a set number of full days the same approach will be used for Group Day Program Types. The chart below provides a guide.

Number of Days attending per week	Number of days for Full Year Funding	Number of days the FI is Authorized to Pay
4	180	200
3	135	150
2	90	100
1	45	50

- DDS and the FI’s standardized a correction process in regards to missed or re-billing . FI’s will implement process as needed with providers. The correction form designed as part of the process must be utilized.
- FI’s will continue to access the IP 6 database for authorizations for FY 2013.
- CM can authorize adjustments up to \$5000 following DDS adjustment process. Case Manager Supervisor can authorize over \$5000
- Self Determination Directors and a representative of PRAT review prior approvals on Individual budgets. Contact the Self Determination Director in the region if there are questions.
- **NEED TO ADD GRID FOR PRIOR APPROVALS**
- DDS to develop a Prior Approval procedure that will identify whose authorized to completes the Prior Approval process and in what circumstances.
- FI will submit quarterly report to the SD Directors regarding Prior Approvals needed per cost standards and those coming up for expiration in the upcoming quarter. Format to be developed for implementation no later than 1/1/13. Copies of these reports should also be submitted to Central Office Operations Center.

- FI cannot pay over the total amount approved in the budget (by line and in total) without a revised budget adjustment/amendment showing the distribution of current or additional resources.
- FI can accept written emailed authorization from RM2 or SD Director prior to approved adjustment or amendment if it relates to workers compensation policy increases.

Third Party Payments: Reimbursement to individuals/participants or their families for purchase against their budget – People with individual budgets may be reimbursed through their individual budget for items that are approved as part of the individual plan, that have funds allocated for the items in the IP.6 budget system, and with the following documentation in advance of the purchase:

1. A list, in advance, of items to be purchased
2. Explanation of relationship to IP goal/outcome

Documentation must be submitted to the case manager, case management supervisor, and self-determination director via prior approval when the amount exceeds 500.00.

Supervisory approval required when less than \$500.00:

The FI will provide reimbursement only if the list is submitted in advance of the purchase. They will only make payment for items that are included on the pre-submitted list upon submittal of receipts that match the listed items. All payment for items other than those listed will be the responsibility of the individual/participant or their family. Local stores are not required to complete a Medicaid Provider Agreement

- FI does not make advanced payments for any service without written authorization from the regional administrator with the exception of a bus pass for transit district or public bus routes and partial payments for home modifications and vehicle modifications when required by the contractor. State funded line items may be prepaid with authorization from regional Resource Administrator, Private ARD or SD Director.
- FI can pay for one additional month of payroll and vendor services beyond the budget end date for all annualized budget lines. After one month either an authorized budget or a written authorization from the Resource Administrator, Private ARD or SD Director is required. One Times should not be paid after the budget expiration date without Central Office approval..
- FI will terminate within their system any budget not renewed within 90 days past budget end date with notification to the FI liaison. To have any budget re-authorized after budget has been terminated in your system needs approval from Central Office Operations Center.
- Staff who are hired directly by individuals/families supported by DDS have at times worked with more than one direct hire family/individual at a time. This presents numerous management and programmatic challenges. In order to effectively manage these situations, **DDS has developed the following guidelines** Direct Hire staff may work with no more than two individuals at one time only within the following support types: Ind Home Support, respite, Adult Companion and Personal Support. Exceptions may be made for individuals residing within the same household using the DDS prior approval process. Families/individuals must agree to work with another individual in advance and this agreement must be reflected in the individual plan and noted in the comment section of IP6. The time entered on the employee timesheet for time worked with two individuals will be split between the individuals. For example: two hours spent supporting two people together, should be billed as one hour of support for each person

at their individual negotiated hourly rate. Family Agreement will document the hours of support and if the support time is to be shared with another consumer

- Independent Contractors: FI's will clarify the status of a worker who claims to be an independent contractor with the IRS when needed.
- Multiple Services at the Same Time: Although this should be rare, it is possible in a family home to encounter unusual cases where two people are needed to support a person at the same time in a family home. This doesn't apply to provider day programs and will need to follow the prior approval process. If emergency occurs email from SD Director is sufficient to begin services but Prior Approval must follow.
- **Camp and Respite Payments**
 - Respite and camp payments cannot be paid in advance. Qualified vendors should be directed to the regional resource administrator if this becomes an issue.
- **Provider Qualifications**
 - The department is currently managing the qualified providers in the IP 6 database. Providers who are included in an authorized IP 6 individual budget have been qualified by the department.
 - **Providers of Clinical Behavioral, Healthcare Coordination and Nutrition** will be qualified by the department.
 - All providers must sign the DSS provider agreement. This includes home and vehicle modifications.
 - Any state funded line with services to a non-qualified vendor must have written approval from the Deputy Commissioner
- **Audits**
 - FI is required to submit an audit of agreed upon procedures provided by DDS on or before October 15 of each year.
 - The agency audit must include a review of the Purchase of Service Cost Standards for Fiscal Intermediary Operations for the previous fiscal year.
 - FI will complete Compliance Audit Quarterly based on the agreed upon format and sample size. These audits will be sent to Central Office Operations Center by the 10th of the next quarter following the audit period.
- **Reporting Potential mis-use of funds**
 - Follow the False Claims Act Procedure (attached). This procedure has been updated. The initial report should be made to Krista Pender at Central Office. Follow up on gathering information should be coordinated with the regional FI liaison. Greg McMahon is the DDS contact for the department.
- **Self Direction Requirements**
 - **Self Directed Support Agreement**
 - The Self Directed Support agreement is required for all individuals, family members, or the sponsoring person when the consumer or family chooses to self direct their supports (hire their own employees). The Case Manager is responsible for reviewing the requirements in this agreement to ensure the employer or sponsoring person fully understands their responsibilities. The employer or sponsoring person is required to sign the agreement if they choose to self direct

their supports. The FI should have a copy on file but the department does not currently have a standard system for getting a copy to the FI.

- No self hire staff can work more than 40 hours a week resulting in an overtime issue without an approved prior approval by the SD Director. If an emergency occurs email from SD Director is sufficient to begin services but Prior Approval must follow..If an individual has an ongoing identified need for more than 40 hours a week of support there must be more than one person providing the supports. .
- **Pre-Employment (prior to starting work)**
 - **Employment Application** provided by the FI
 - **Criminal History Background Check:**
 - A CHBC is good for 90 days. A valid CHBC that is within 90 days can be used in place of doing the check over if the individual or family chooses.
 - FI can do a CHCB check through the Internet or through DPS.
 - Please follow the new CHBC procedure for anyone with a conviction history found in the check or identified in the application.
 - If staff changes employers a new Criminal Background check needs to be completed.
 - Only SD Directors can authorize if a self hire staff began services prior to Criminal Background check being completed.
 - **Registry check** is required every time an employee is hired and is completed by the FI. Anyone on the registry is disqualified from employment
 - **License checks** are required for all employees who will drive as part of their employment. The FI completes the license check unless specified other wise by the employer that the job does not include driving.
 - **DSS Medicaid Provider Agreement** is required for every qualified individual employee and should be signed by the employee prior to or at the time of employment.
 - **Individual Family Agreement with Employee** - The agreement is required for all new employees. It is in the employer's best interest to have this completed as it helps to clarify WC coverage, termination, rate of pay, hours per week, and work rules. It should be updated when the hourly rate changes. This form may be combined with the DDS Provider Agreement in the future and include additional employee assurances to protect the employer from falsification of time sheets.
 - **Employee training materials must be completed and documented prior to working.** The training materials currently required are:
 - Abuse neglect, False Claims Act, Fire and Other Emergencies, Human Rights, Incident Reporting, and Approved and Prohibited Physical Management Techniques.
 - The employer training and verification record is completed by the employer and employee. An employer who hires an employee, who was previously trained by another employer, can use the existing training verification record for up to one year. A copy needs to be placed in the employees file for both employers for audit purposes

- Some employees may need additional training to work successfully with the individual. The case manager is responsible for assisting the employer with arrangements for these consumer specific trainings for the employee.
- New employees must meet the CDS training requirements or produce CDS training comparability form signed by both the employee and qualified provider who provided the training.
- Exceptions to the above are; Foreign language, durational hire (less than 3 months), disability related and transportation.
- Extension may be granted by the SD Director for unusual circumstances.
- CDS training (\$180 + 14% benefits) will be included in the IP6 as a separate line item listed under staff training for all new budgets effective 3/1/13.
- **Individual/Family Agency/Vendor Agreement**
 - The vendor agreement is required for negotiated rates for new budgets only and for any Agency with Choice service. The case manager is responsible for the vendor agreement.