

The Department of Developmental Services

Individual Supports Cost Standards

This document supplements the department's procedures for the Home and Community Based Waivers and Individual Support Procedures and establishes requirements for Individual Budgets funded by the Department of Developmental Services (DDS).

1. These requirements are designed to provide department staff, Fiscal Intermediaries (FI's), and the recipients of DDS funds, the standards to assure the appropriate use of state and federal funds for goods and services that meet the requirements for reimbursement under the CT DDS Home and Community Based Waivers.

2. The related documents are set forth in the following Attachments:
 - A. Individual Budget Guidelines Pg 2
 - B. Program Allowances and Restrictions Pg 3 -8
 - C. Program Allowance Quick Reference Pg 9 -11
 - E. Prior Approval Procedure Pg 12 -13

A Individual Budget Guidelines for Case Managers

Definitions:

1. **Adjustment** The movement of funds between services or from an existing service to a new service within an authorized budget. An adjustment does not change the total amount of the budget. Adjustments are allowed once per quarter, unless it is the result of portability or a health and safety need.
2. **Agency with Choice** A qualified agency that provides a waiver service and offers the individual or their representative a choice of staff and a role in the supervision and administration of staff. The agency is the employer of record of the worker while the participant and his or her representative is considered the managing employer of the worker.
3. **Amendments** are revisions of the individual plan and individual budget that change the total amount of the individual budget.
4. **Individual/Participant** For the purpose of this document refers to a person who is eligible for DDS services.
5. **Prior approval** Prior approval in this context means securing the department's permission in advance for those items that require prior approval in this document, DDS procedures, HCBS Waivers, or DDS Directives.
6. **DDS Established Rates.** Rates established by DDS for HCBS waiver services. See Attachment D Service Rates.
7. **Self-Directed Services** Services provided to an individual from employees hired directly by the individual or their representative, or from and Agency With Choice Service.

General Guidelines

1. Payment can only be for the services provided directly to the participant.
2. Service rates for providers must be at or below the rates established by DDS. Hourly rates for support staff hired by the participant or family must be within the range in the attachment D for individual provider, service rates.
3. Providers must be qualified to provide the service and be on the qualified provider list.
4. Documentation of competitive bidding is required for goods in excess of \$2,500. Three detailed and comparable bids are required.
5. Services must be consistent with the participants Individual Plan and within the PRAT authorized funding range.

Documentation of costs.

1. The Fiscal Intermediary issues payments upon submission of a valid invoice, bill, for an authorized good or service. Supporting documentation must demonstrate the cost was incurred to directly support the participant funded by the DDS.
2. Documentation includes signed provider invoices, time sheets and mileage logs. Time sheets and mileage logs for staff hired by the participant or family require a signature by the individual performing the service and the responsible person knowledgeable that the services were provided as indicated on the time sheet and mileage log.
3. For recreation activity fees included in the individual budget a valid receipt is required.

B Program Allowances

1. Self-Directed Employee Wages

- a. **Pre employment requirements** include an employee application, Criminal History Background Check, Drivers License check, DSS provider agreement, employee agreement, and signed documentation that verifies the employee has completed the required training. The fiscal intermediary is contracted to assist in this process. Employment cannot begin until pre-employment requirements are met.
- b. **The rate of pay is determined by the service type identified in the participants individual plan** and must be within the cost range for the service type.
- c. Wages are paid by Fiscal Intermediaries based on time sheets indicating the support type, days services were provided, and the time periods (start and end times) for each date of service.
- d. The time sheets must be signed by the employee and the employer or an agreed upon designated individual knowledgeable that the hours of service on the time sheet were provided to the participant.
- e. **Wages are limited to compensation for time worked directly with the participant** the employee was hired to support.
- f. Compensation is limited to salaries, wages, and employer contributions for mandatory benefits (social security, governmental payroll related taxes, unemployment taxes) and workmen's compensation insurance
- g. **Compensation paid to employees during periods of authorized absences from the job**; such as vacation leave and/or sick leave are allowed when they are included in the participants budget and within the authorized funding range. A total of ten days per year is the maximum allowed. Paid time off must be submitted on a separate time sheet and clearly indicated as paid time off.
- h. **Employee health insurance** costs are allowed when funding is available in the budget for full time employees (35 hours per week) who are not family members. Health insurance costs cannot exceed 10% of the employees' annual wages.
- i. **Planned Overtime pay** cannot be built into the individual budget.
- j. **Wages for HCBS services cannot be provided** at the same time a participant is in a **Medicaid facility (hospital, Long Term Care Facility)**. Prior approval is required and if granted the time sheet must be marked as state funded.
- k. **Wages for support staff to accompany a participant on out of state travel** is allowed when the travel is a part of the Individual Plan, the staff is qualified for the service, and funds are available in the budget.
- l. **Payment for routine care and supervision provided by family members** living with the participant is not allowed. Prior approval is required for situations that are considered extra ordinary and not a typical family support function where the family member is uniquely qualified such as complex

- medical procedures, and when documented efforts to recruit qualified staff have not been effective. A parent of a child under the age 18 cannot not be paid for services to the participant. Direct care by spouse or significant other is not allowed.
- m. **Related Party Transactions** between the participant and or the family with organizations that are related to that individual, through marriage, ownership, family or business association are allowable when the amount charged is the related party's actual cost, the transaction has been disclosed in writing to the Department identifying the relationship and the cost benefit of the transaction, the goods and services provided are required as a part of the Individual Plan, they are reasonably and competitively priced, and they are included in the Individual Budget.

2. Self-Directed Employee Overhead Costs only applicable for participants who hire staff. The following items are allowed when funding is available in the budget:

- a. **Community Activity fees for staff:** Costs that enhance the participant's ability to be integrated into their community, which are part of the participant's individual plan and cannot be paid through another source. These costs include admissions to events and community activities **for staff hired directly by the participant. Up to \$500 per year.**
- b. **Cell Phone Costs:** A limit of \$20 a month for emergency support, calling back up staff, or when required for health, safety, medical, and behavioral needs. **The cost of the phone is not allowed.**
- c. **Communication Cost:** Fax machine, fax costs, postage, and paper supplies are allowed when related to the supervision and management of staff hired directly by the participant or the family. Costs are allowed only for that portion of the expense that relates directly to the individual's care, separate from costs incurred by other members of the household.
- d. **Personal Protection Supplies.** Supplies for use by staff working directly with the participant to meet the Occupational Health and Safety Act such as gloves and wipes.
- e. **Pre Employment Checks** The costs for criminal background and drivers license checks.
- f. **Staff Training.** The cost to train staff both prior to employment and ongoing training.
- g. **Car Insurance** The additional cost of automobile insurance resulting from an "employee" who will have access to and be driving the family's vehicle. The allowed cost is only the additional cost to the policy. Documentation must be presented to support this additional cost to the Fiscal Intermediary.
- h. **Health Insurance** Employee health insurance costs are allowed for full time employees (35 hours per week) who are not family members when funds are available in the budget. Health insurance costs cannot exceed 10% of employee's annual wages.
- i. **Employee Compensation for meals** A **maximum allowance** of \$9 for lunch or dinner. The employee must work a full shift (defined as 7 straight hours) and provide a valid receipt marked paid in full with date. Maximum one meal per full shift. This is intended for 24-hour supervision settings

where the employee is eating with the consumer or for extended overnight travel.

3. State Funded Allowance (Non-Waiver Allowance) for participants who hire staff (res or day) or have residential supports from a provider and live in their own home or a family home. Combined Limit of \$1200 for one or all services listed below.

- a. **Camp.** Other than an approved respite provider. The Camp must have a state or local license to operate. Examples include town camps and youth organization camps.
- b. **Community Activities:** Costs, which cannot be paid through another source, to cover admissions to events and community activities for the participant that enhances integration into the community. .
- c. **Housing Maintenance.** Costs that are disability related and cannot be performed by another resident in the household. Examples include rug cleaning and sanitization due to incontinence and repairs to accessible home adaptations.
- d. **Education.** Adult Education and post secondary school that is not funded under the IDEA or BRS and prepares the participant for greater independence and employment in a competitive job.
- e. **Damages** Expenditures for damages that result from the actions related to the disability of the participant.
- f. **Therapy not covered by T-19** Therapy recommended by a medical professional that is not available through T-19.
- g. **Vehicle Expenses.** The cost to maintain and repair a vehicle used solely to transport the participant.

4. Other Non Waiver Allowances

- a. **Apartment Set Up and Moving costs:** Costs to move and furnish an apartment for a participant who is moving into their own home. Limit is \$1500 per occasion.
- b. **Security deposits** are allowable when the funds are available in the budget, there are no other sources of income sufficient to pay the security deposit and the move is an emergency related to health and safety. The apartment must meet rent subsidy guidelines.
- c. **Parental Visits for children under the age of 21 who live in an out of state residential treatment facilities.** DDS will support what the team believes is clinically appropriate for on-going family visits, not to exceed 1 weekend per month unless in the process of actively transitioning the child back to the family home. DDS will reimburse parents at the current rate of mileage established by DDS and \$85 per night for a hotel room. These cost must be included in the individual budget and paid upon submission of appropriate paid receipt and mileage documentation required by the assigned Fiscal Intermediary.

5. Environmental Modification

- a.** Costs to renovate and/or modify the primary residence of the participant that are required by the individual's plan of care, are necessary to ensure the health, welfare, and safety of the individual, enable the individual to function with greater independence in the home and without which, the individual would require institutionalization are allowed with prior approval up to a maximum of \$15,000 for the period of the waiver (five years: IFS begin 2/1/2008 and comprehensive begin 10/1/2008). Such adaptations may include the installation of ramps and grab-bars, widening of doorways, modification of bathroom facilities, or installation of specialized electric and plumbing systems that are necessary to accommodate the medical equipment and supplies that are necessary for the welfare of the individual. Excluded are those adaptations or improvements to the home, which are of general utility, and are not typically of direct medical or remedial benefit to the individual, such as carpeting, roof repair, central air conditioning, window replacement, swimming pools etc.
- b.** Three bids are required for all projects over \$2500. Each bid must include
 1. The full scope of the project,
 2. Description of the project,
 3. Demolition cost
 4. The materials for the project and cost of materials,
 5. Fixtures for the project, and cost of fixtures,
 6. Carpentry work and labor cost,
 7. Plumbing work and labor cost,
 8. Electrical work and electrical cost.
 9. Other costs
- c.** Once the request is approved the Fiscal Intermediary will work with the chosen contractor on submission of their Department of Consumer Protection license, Medicaid Provider Agreement, insurance certificate, and building permits.
- d.** The Fiscal Intermediary will also work out the payment arrangements with the contractor. Family members cannot pay the contractor and submit for reimbursement.

6. Specialized Medical Equipment (Adaptive Equipment)

- a.** Items that are not covered under T-19, private insurance, or other sources, such as assistive or augmentative communication devices, adaptive clothes or shoes, therapeutic furniture, therapeutic equipment, and computer (\$800 max) and computer software supplies that are directly related to disability of the participant when recommended by a licensed professional which include physicians, therapists, counselors, psychiatrists, nurses, occupational therapists, physical therapists, and vocational rehabilitation counselors. Any item that exceeds \$7500 requires prior approval.
- b.** All equipment is transferable if the individual moves to another setting. Three bids for items over \$2500.

7. **Transportation costs.** Consider family, neighbors, friends, or community agencies that can provide these services without charge.

a. **Mileage Reimbursement** Mileage reimbursement is limited to the rate established by the DDS in the cost guidelines. To be allowable, the mileage must be documented by the dates of travel, the number of miles, the purpose of the travel, and signed by the responsible person. A family member may be reimbursed for mileage when the purpose of the trip is related to an IP goal.

b. **Transportation Per Trip**

1. Approved providers who are licensed as a Livery Service can charge the established DOT rates
2. The standard calculation for Day Program Transportation for providers is a round trip. A round trip is defined as the distance to and from the individual's home and the program. An agency transporting a person to a day program can charge for up to two (2) round trips per day. An agency can only bill for the trips they provide. Transportation provided as part of the day program is included in the program rate and cannot be billed separately. Individuals and families have the right to negotiate a lower rate as they can with all other rates.
3. Provider Staff and Mileage: **Certain circumstances may require a combination of staff and mileage.** The adult companion rate would be billed when an individual is authorized to have an additional staff present during transport. The personal support rate would be billed when the individual requires a staff to sit with them under an approved behavioral plan. This must be part of the individual's plan and authorized by PRAT.
4. Transportation is inclusive in the rate of Personal support, IS Habilitation, Individual Day Support, SEI, and SL programs and may not be billed separately with the exception noted above for personal supports required during transport.
5. Transportation for self directed services can built into the wage or billed separately, as the department has set a wage range for each service.

c. **Vehicle Modifications**

1. Alterations made to a vehicle that is the individual's primary means of transportation when such modifications are necessary to improve the individual's independence and inclusion in the community, and to avoid institutionalization. The vehicle may be owned by the individual, a family member with whom the individual lives or has consistent and on-going contact, or a non-relative who provides primary long-term support to the individual and is not a paid provider of such services.
2. This service explicitly excludes: 1) adaptations or improvements to the vehicle that are of general utility, and are not of direct medical or remedial benefit of the individual; 2) purchase or lease of a vehicle; 3) regular scheduled upkeep and

maintenance of a vehicle except upkeep and maintenance of the modification

3. Vehicle Repairs are allowed up to \$300 per year for repairs to accessibility equipment.
4. Vehicle lease is not an allowed waiver expense. Prior approval by Central Office is required for extra ordinary situations where all other means to provide transportation for health and safety needs have been exhausted including public and private transportation.

8. Individual Directed Goods and Services

- a. Equipment or supplies that will provide direct benefit to the individual and support specific outcomes identified in the Individual Plan. The service, equipment or supply must address one of the following: reduce the reliance of the individual on other paid supports, be directly related to the health and/or safety of the individual in his/her home, contribute to a therapeutic goal, enhance the individual's ability to be integrated into the community, or provide resources to expand self-advocacy skills and knowledge.
- b. The service or good may be delivered in the individual's home, at work, vocational or retirement location, or in the community. Experimental and prohibited treatments are excluded.
- c. This service is only available for individuals who self-direct his/her own supports; DDS applies consistent guidelines in respect to the appropriateness of the services or items to be approved in this service definition.
- d. This service may not duplicate any Medicaid State Plan service. All services or items are pre-approved by DDS. Costs and rates are negotiable.
- e. Examples include cleaning services, homemaker services, specialized clothing for work, public speaking and self-advocacy training, and specialized therapies not covered by T-19.
- f. The region is responsible for reviewing services and supports in an individual's budget that exceed \$2000. Prior approval is required for goods and services not included in the definition and when the cost of any combination of goods and services exceeds \$2000.

9. Restrictions and Expenses not allowed

- a. Vacations Cost for travel, lodging, food, and entertainment.
- b. Clothing Cost for personal clothing that is not related to the person's disability
- c. Alcohol Any alcoholic beverage or fees to access establishments that serve alcohol.
- d. Room and Board Recurring expenses Any utilities, food, and other housing costs.
- e. Gratuities
- f. Experimental Treatments
- g. Fines
- h. Debts

- i. Activity costs that exceed the allowance in these guidelines.
- j. Legal fees or Advocate fees
- k. Donations and Contributions
- l. Cost for items or services that are of general utility to the members of a household.
- m. Any cost that does not provide a direct support or remedial benefit to the participant.
- n. Costs for items or services that are available to the participant from private insurance or Title 19.
- o. Use of funds from a prior budget period is not allowed.

C. Program Allowance Quick Reference

Funds must be available in the budget or authorized by PRAT when using any of the services and supports in the Program Allowance Quick Reference. All request for prior approval go to the regional designee.

Item	Status	Limits	
Direct Care Mother, Father, or another family member living in the same home.	Prior Approval Region + CO	Must meet criteria. Cannot be sponsoring person/ employee of record. Must review and sign Agreement for Self Directed Supports.	Page 3, L
Direct Care by siblings or other family members, excluding mother/father, not living in the same home.	Allowed	Must meet all qualifications and cannot be sponsoring person/employer.	Page 3, L
Transportation Family Member	Allowed	Mileage Reimbursement related to IP goal.	Page 7, a
Direct Care by parent for child under 18. Direct Care by Spouse or Significant Other	Not Allowed		Page 3, L
Individual Goods and Services <ul style="list-style-type: none"> • Homemaker Services • Specialized Clothing/Adaptive Shoes • Self Advocacy Training • Therapies not Covered by T-19 	Allowed up to \$2000 Prior approval region if over \$2000 or not on authorized list of services	Cannot be available from private insurance or another state plan (T-19)	Pg 8
Environmental Modification	Prior Approval Region	Need 3 comparable bids Max \$15,000	P 5-6
Vehicle Modification	Prior Approval Region	Need 3 comparable bids Max \$10,000	P 7 -8
Specialized Medical Equipment/supplies	Allowed Prior Approval Region if over \$750	Limit \$5000 over 5 years. Region Cannot be available from private insurance or another state plan (T-19)	Pg 6

Item	Status	Limits	
Overhead Wages			Pg 4
<ul style="list-style-type: none"> • Recreation Fees for Staff • Cell Phone Cost • Fax, postage • Personal Protection Supplies • Background Checks • Staff Training • Employee Health Insurance • <u>Meal compensation for employee</u> • Car Insurance 	<p><u>Allowed for Self Hires only</u> <u>Not allowed for provider services</u></p>	<ul style="list-style-type: none"> • \$500 per year • \$20 per month max. must be health and safety related. Cost of phone not included • Only what is related to management of employees • Supplies to meet the Occupational Health and Safety Act such as gloves and wipes. • Cost of training. Staff time must be documented on separate time sheet and marked training. • Must be full time employee 35 hrs per week and cannot be sponsoring person. Maximum of 10% of annual salary. • Employee must work full shift One meal per full shift. \$9 maximum. • Employers vehicle: only the increase applied to have staff drive. 	<p>2a</p> <p>2b</p> <p>2c</p> <p>2d</p> <p>2e</p> <p>2f</p> <p>2h</p> <p>2i</p> <p>2g</p>
Vehicle Lift Repairs	Allowed	\$300 per occasion Region	P 7

Non Waiver Program Allowance (State Funded)

Item	Status	Limits	
<ul style="list-style-type: none"> <input type="checkbox"/> Camp (state or locally licensed) <input type="checkbox"/> Community Activities for participant <input type="checkbox"/> Housing Maintenance <input type="checkbox"/> Education <ul style="list-style-type: none"> ○ Adult Education 	<p>Allowed for:</p> <ul style="list-style-type: none"> • Individuals who self hire (Res or Day) • Individuals who have provider residential supports in their 	<p>Maximum of \$1200</p> <p>Limit of \$1200 annual can be one item or spread over several items.</p>	<p>PG 5</p> <p>3a</p> <p>3b</p> <p>3c</p> <p>3d</p>

Item	Status	Limits	
<ul style="list-style-type: none"> ○ Higher Education Accredited Programs. □ Damages □ Therapy/Medical □ Vehicle Expense 	<p>own home or family home.</p> <ul style="list-style-type: none"> • Service Cannot be covered by T19 or other waivers 		<p>3e 3f 3g 3h</p>
Apartment Set Up/moving costs	Allowed	Limit \$ 1500 per occasion	Pg 5 4a
Security Deposit	Allowed	Health or emergency related when rent subsidy or other income source not available. Apartment must meet Rent Subsidy guidelines.	Pg 5 4b

Procedure: I.C.2.PR 009

Subject: Individual Support Prior Approval Process

Section: Service Delivery, Individual Supports

Issue Date: July 7, 2003

Effective Date: Upon release

Revised: May 1, 2007, July 1, 2008

A. Purpose

To ensure that the review and prior approval or denial of individual cost items within the Individual Plan and Budget are processed and documented in a standardized and consistent manner throughout the department.

B. Applicability

This procedure shall apply to DDS staff with responsibility for developing, reviewing and authorizing Individual Budgets, the Fiscal Intermediaries responsible for the financial management of individual budgets, and individuals and families who purchase services through an individual budget.

C. Definitions

Prior Approval: means securing the department's permission in advance to incur costs for those items, goods, services, rates, or fees designated as requiring prior approval or requiring review in the Cost Standards.

Cost Standards: Requirements designed to provide department staff, Fiscal Intermediaries (FI's) who contract with the DDS and the recipients of DDS funds, the guidelines and standards required to assure the appropriate use of state funds, and that expenditures submitted for Federal reimbursement are approved in the Home and Community Based Waivers.

Individual Budget: A budget that details the service type, the rate, the amount of service and the annualized costs for these services for an eligible DDS participant. Individual budgets are authorized by the DDS Regions. A Fiscal Intermediary on contract with DDS administers the payment for supports and services to vendors, contractors, and employees in the authorized budget.

D. Implementation

The Individual Supports Prior Approval process shall be implemented to request funding for items, goods, services, rates or fees that are identified as requiring prior approval or requiring review within the established cost standards, or for unique circumstances. This process shall be implemented prior to the authorization of any service, support, or cost that requires prior approval. The Individual Supports Prior Approval process was issued for all new amended, or adjusted Individual Budgets (ISA's) initiated on or after July 1, 2003. All supports, services and costs in budgets that were approved before July 1, 2003 and that require a prior approval under the cost standards were required to go through the prior approval process by January 1, 2004.

The following criteria must be met for a prior approval request to be considered:

- Relates directly to the individual's disability
- Relates directly to a specific need identified in the individual's plan or plan summary
- Funds necessary to support the requested items, goods, services, rates or fees must be included in the individual budget or approved by the PRAT.

The following criteria shall be used to further evaluate requests for prior approval:

- Prevents or minimizes a health or safety risk to the individual
- Directly supports the individual's ability to maintain his or her home or work/day arrangement
- Represents a support arrangement that is significantly cost effective.

- Represents a one-time investment, which will lead to less dependence on the department in the future.
1. When the case manager, support broker, or designated regional staff receives a request to include expenses that require prior approval, he or she shall complete the “Individual Supports Prior Approval Request Form” and shall send the form along with any relevant documents (bids, T-19 denials, clinical recommendations) to the regional designee.
 2. The Regional Designee will review the request and ask for clarification from the case manager or broker when needed and consult with the Central Office Director of Waiver Services or other Central Office staff as needed. The Regional Designee will email the form with any additional clarifications to the other regional reviewer(s). The operations center designee will be included in the review for requests related to paid family members and the purchase or lease of a vehicle.
 3. If a consensus for approval is reached the regional designee will send the request marked approved to the case manager. The Fiscal Intermediary will get copies along with the bids for approved home and vehicle modifications. Instructions or qualifications may be a condition of the approval and the approval can either be ongoing or one time. Denied requests will be returned to the case manager or broker with an explanation for the denial. The case manager, support broker, or designated regional staff may include approved items, goods, services, rates, or fees in the Individual Budget and shall attach a copy of the approved form to the Individual Budget.
 4. Denied requests for non-waiver services or items may be appealed through the DDS regional PAR process. Denied requests for waiver services are made through the DSS appeal process.
 5. The regions will meet with central office representatives annually to review the process, the cost standards, and the prior approval procedure. This review is a systems review and will not overturn any approvals or denials. However, the review may change the program allowances of cost items within the Individual Support Cost Standards.

E. References

- Individual Support Cost Standards
- Individual Budget Procedure
- Individual Support Prior Approval Form