

# INDEX OF DOCUMENTS

## CONSUMER TASK FORCE

JULY 22, 2008

OFFICE UPDATE

BUDGET FY09 CONFERENCE RECOMMENDATIONS

PROJECT UPDATES

# **OFFICE OF LONG-TERM CARE SUPPORTS & SERVICES**

Update for the Consumer Task Force

July 22, 2008

**BUDGET** - The bill passed the conference committee last week. The next step is for it to be signed by the Governor which usually includes some vetoes to meet spending limits. This will probably occur in the next two weeks. See attached budget sheet

**GRANT UPDATES** - Attached

## **OFFICE UPDATES:**

- Stacy Smith has joined the staff as Administrative Support.
- Joe Warren and Erin Lindholm have joined our staff as student assistants to help with the nursing home transition data.

**LONG-TERM CARE INFORMATION FORUM** - The next LTC Information Forum is scheduled for July 31, at the Capitol View Building, from 9:30 to noon. The topics include Home Help, MI Choice Quality Management, Nursing Home Case Mix, and the State Profile Grant. (Notice attached)



**YOU ARE INVITED TO ATTEND**  
**THE**  
**LONG-TERM CARE INFORMATION**  
**FORUM**

**THURSDAY JULY 31, 2008**

**AT THE**

**Capitol View Building**  
**Conference Rooms A, B, C**  
201 Townsend Street, Lansing, Michigan  
(Driving directions on back)

**9:30 am – Noon**

An informational session for stakeholders and persons interested in learning about and discussion:

- Home Help Program
- Nursing Facility Case Mix Reimbursement
- State Profile Grant
- MI Choice Quality Management

**Sponsored by the Office of Long-Term Care Supports & Services**  
**Michigan Department of Community Health**

For More Information: 517.373.3860 or [thelen@michigan.gov](mailto:thelen@michigan.gov) **RSVP not required.**

## DRIVING DIRECTIONS

### Capitol View Building, Conf Rooms A, B, C

201 Townsend Street, Lansing, Michigan

The Capitol View Building is located on the southeast corner of West Allegan Street and Townsend Street. Parking is available, for a fee, in two city-run parking ramps. One ramp is located on Townsend Street, adjacent to the Capitol View Building. The other ramp is at the corner of West Allegan Street and South Capitol Avenue. Parking is also available at meters throughout the downtown area.

**From Grand Rapids:** Take I-96E to I-496E. Follow I-496E to the Pine Street Exit (Exit 6). Follow the off ramp to West Main Street and continue down West Main Street. Turn left on to Walnut Street (see map below).

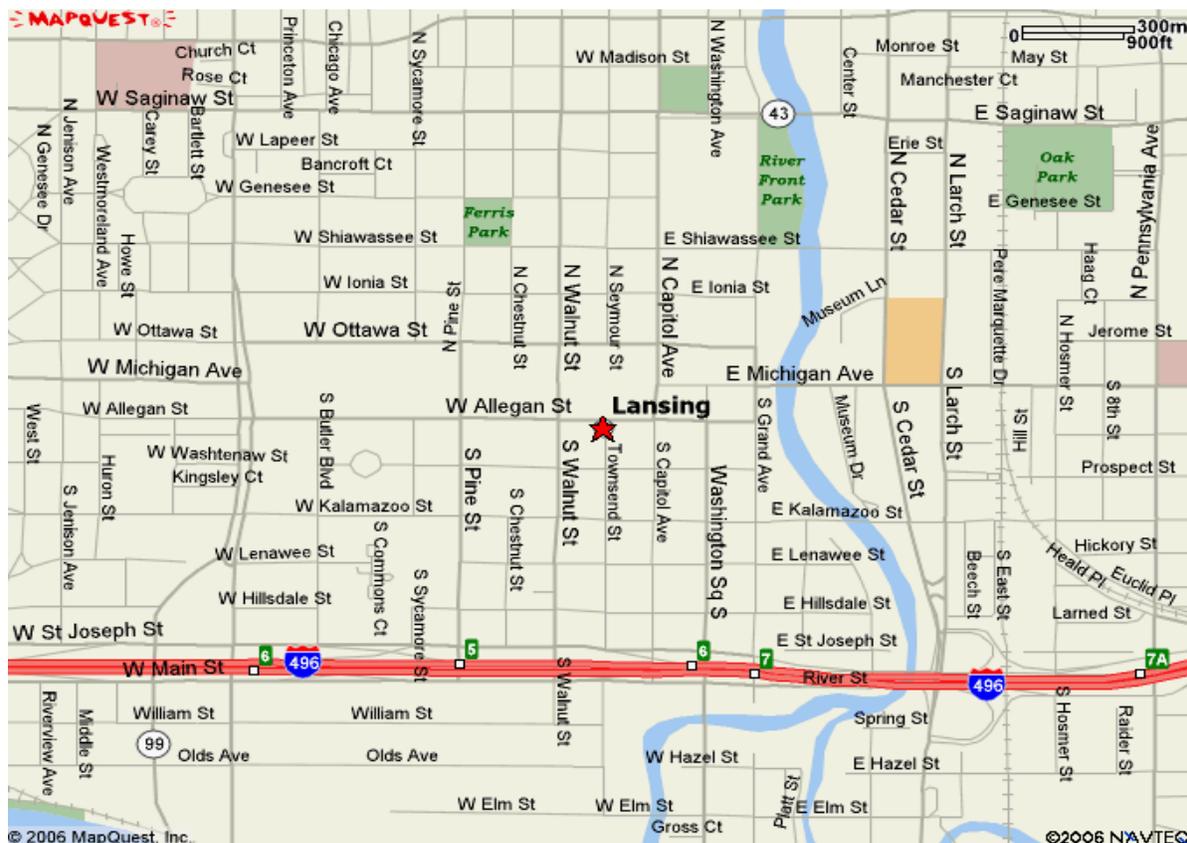
**From Clare and Points North:** Follow US-127S to I-496W. Take I-496W to the Walnut Street Exit (Exit 6). Follow the off ramp to West St. Joseph Street and continue on St. Joseph Street for one block. Turn right on to Walnut Street (see map below)

**From Flint:** Take I-69W to US-127S. Follow US-127S to I-496W. Take I-496W to the Walnut Street Exit (Exit 6). Follow the off ramp to W. St. Joseph St and continue on St. Joseph St. for one block. Turn right on to Walnut Street (see map below)

**From Detroit:** Take I-96W to Lansing which runs right into I-496W. Get on I-496W and continue to Exit 6 which is Walnut Street. Follow the off ramp to W. St. Joseph St and continue on St. Joseph St. for one block. Turn right on to Walnut Street (see map below)

**From Jackson and Points South:** Take US-127N from Jackson to Lansing. At I-96, I-496 will join US-127N. Follow I-496W to the Walnut Street Exit (Exit 5). Follow the off ramp to W. St. Joseph St and continue on St. Joseph St. for one block. Turn right on to Walnut Street (see map below)

**From Southwest Michigan (Kalamazoo-Benton Harbor-St. Joseph Area):** Travel North on I-69 to Lansing. Follow I-69 to I-496E. Follow I-496E to the Pine Street Exit (Exit 6). Follow the off ramp to W. Main Street and continue down W. Main Street. Turn left on to Walnut Street (see map below)





**FY2009 BUDGET: COMPARISON OF SELECTED EXECUTIVE RECOMMENDATIONS TO CONFERENCE COMMITTEE  
AGREEMENT (SENATE BILL #1094) - AS OF JULY 2, 2009**

Description	FTE	Rev. Exec. Rec. Changes		FTE	Conference Agreement		FTE	Change	
		Gross	GF/GP		Gross	GF/GP		Gross	GF/GP
<b>DEPARTMENT WIDE ADMINISTRATION &amp; INFORMATION TECHNOLOGY</b>									
Office of Long-Term Care Federal Grant Changes	2.0	\$654.2	\$0.0	2.0	\$654.2	\$0.0	0.0	0.0	0.0
Office of Long-Term Care - Staff Transfers	4.5	\$508.8	\$249.3	4.5	\$508.8	\$249.3	0.0	0.0	0.0
<b>MEDICAL SERVICES</b>									
Annualize Minimum Wage Increase-Adult Home Help Workers to \$7.50/Hr.		\$10,892.4	\$4,327.6		\$10,892.4	\$4,327.6	0.0	0.0	0.0
MSHDA Affordable Assisted Living Waiver		\$2,555.0	\$1,015.1		\$1,277.5	\$507.5	0.0	(1,277.5)	(507.6)
Add Specialized Residential Services to HCBW		\$14,109.1	\$5,605.5		\$0.0	\$2,802.7	0.0	(14,109.1)	(2,802.8)
Reduce HCBW Waiting List		\$10,001.9	\$3,973.8		\$10,001.9	\$3,973.8	0.0	0.0	0.0
Expand PACE Program - Calhoun & Muskegon Counties		\$5,400.0	\$2,145.4		\$4,050.0	\$1,609.0	0.0	(1,350.0)	(536.4)
Recognize NH Transitions to fund expanding PACE Program		(\$10,392.9)	(\$4,129.1)		(\$10,392.9)	(\$4,129.1)	0.0	0.0	0.0
Reduce NH Admissions from SPEs Conducting Level of Care Determinations		(\$5,807.8)	(\$2,307.4)		(\$5,807.8)	(\$2,307.4)	0.0	0.0	0.0
Recognize FY08 NH Transitions into the Community		(\$10,581.0)	(\$4,203.8)		(\$10,581.0)	(\$4,203.8)	0.0	0.0	0.0
Recognize FY09 NH Transitions into the Community		(\$5,647.5)	(\$2,276.0)		(\$5,647.5)	(\$2,276.0)	0.0	0.0	0.0
Limit Nursing Home Variable Cost Increase to 2.5%		(\$31,261.9)	(\$12,420.3)		\$0.0	(\$12,420.3)	0.0	31,261.9	0.0

**CONSUMER TASK FORCE**

**UPDATE OF PROJECTS**

**JULY 2008**

## Self Determination in Long Term Care July 2008

### **Enrollments**

As of June 30, there were 339 enrollments in Self Determination in 13 out of 21 waiver agents. I am working with the new ones and the ones who have yet to enroll individually.

### **Robert Wood Johnson Foundation Grant**

The final report was submitted to the foundation. Let me know if you have anymore questions. Further work on developing and expanding Person Centered Planning and Self Determination are now happening under the Systems Transformation grant.

### **Trainings and Technical Assistance**

We are providing monthly technical assistance calls to waiver agents on implementing Self Determination. July's call will focus on worker issues including wage negotiation, training participants on effective employer skills (Project Success), and backlash from traditional providers. We are deciding which topics to address based on what issues surface.

The PCP guidelines were released to as many places as we could think of.

### **Outreach**

We have begun to place things on the mdch/ltc website that specifically address Self Determination. We will be adding regularly and also hope to have a "best practices" spot for waiver agents to share information.

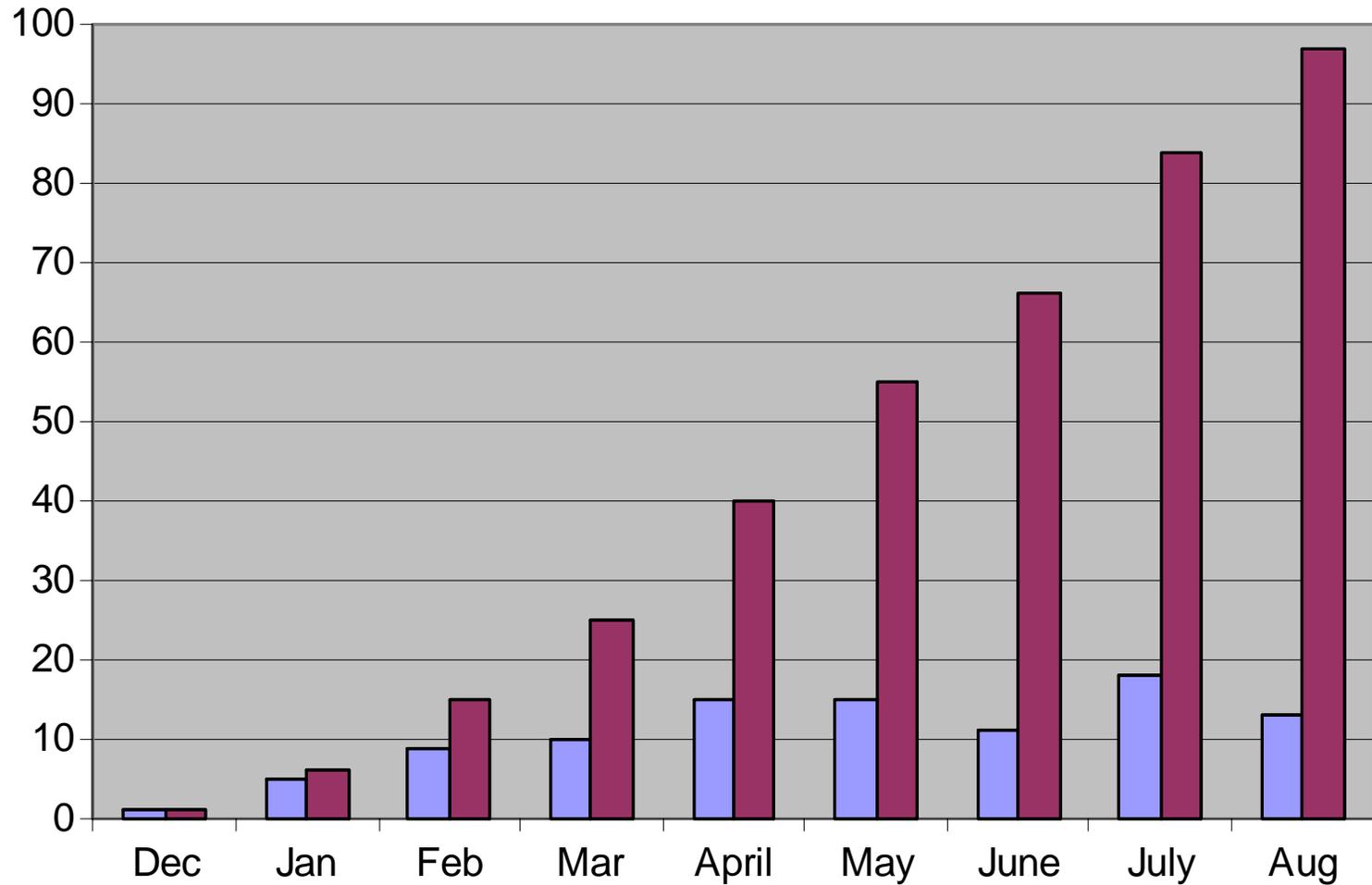
### **POSM**

The Participant Outcomes Status Measures is a quality of life survey that is being used with Self Determination. We hope to discover how much the quality of life improves for people who choose this option.

### **Other**

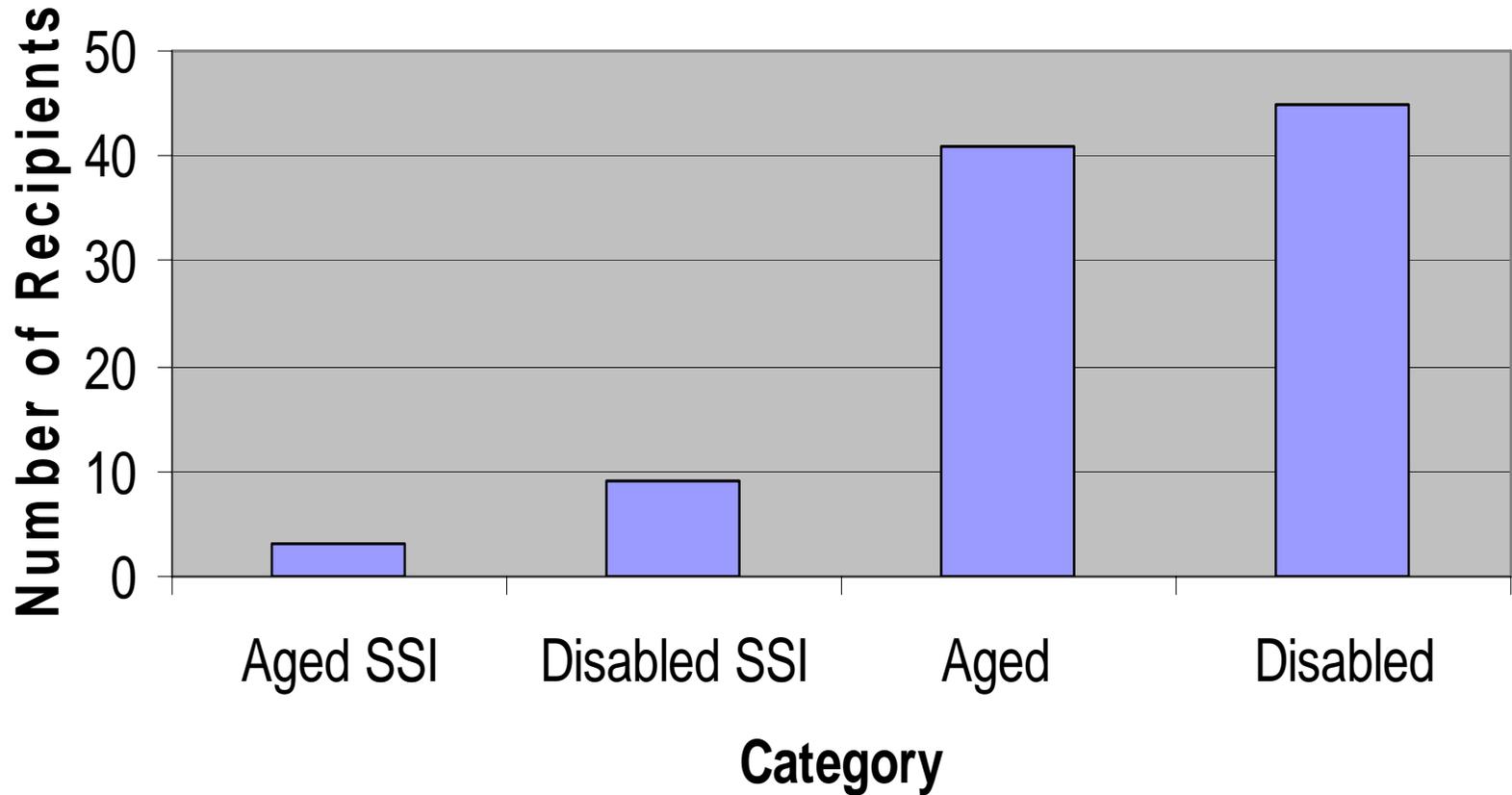
We are working with MQC3 to discuss how to expand their list of workers to other groups.

## Self-Determination in LTC Enrollment

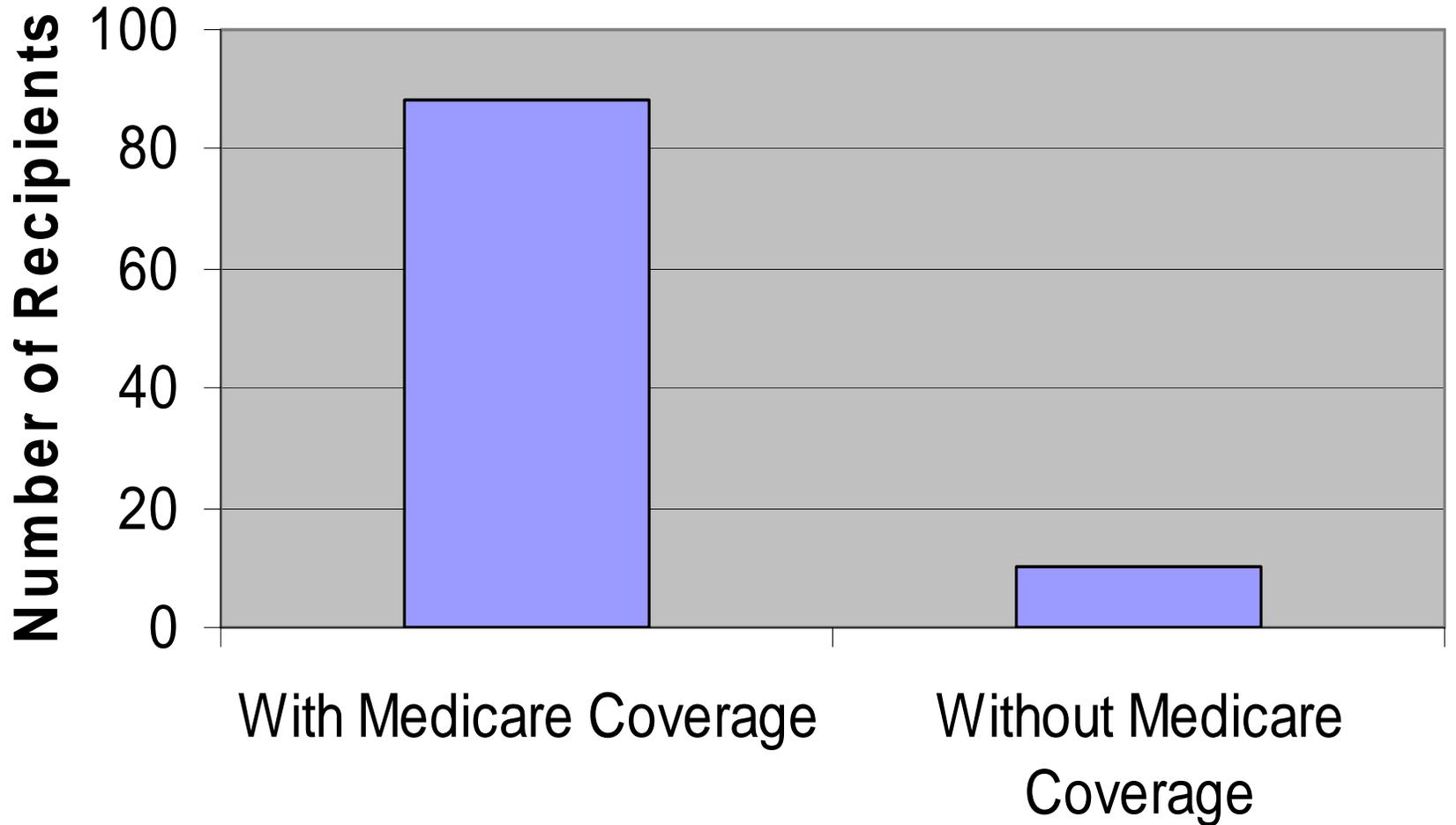


Monthly Enrollment Total Enrollment

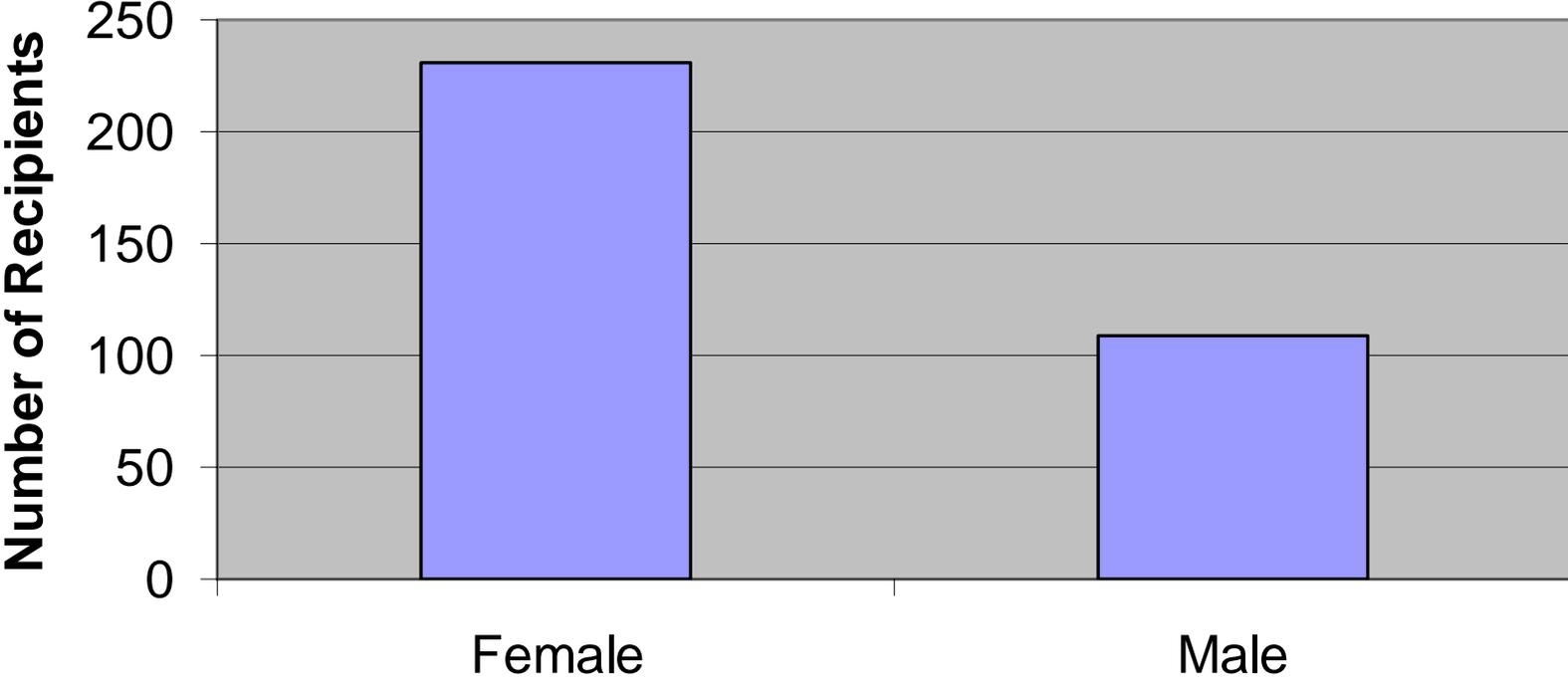
# Program Eligibility Type



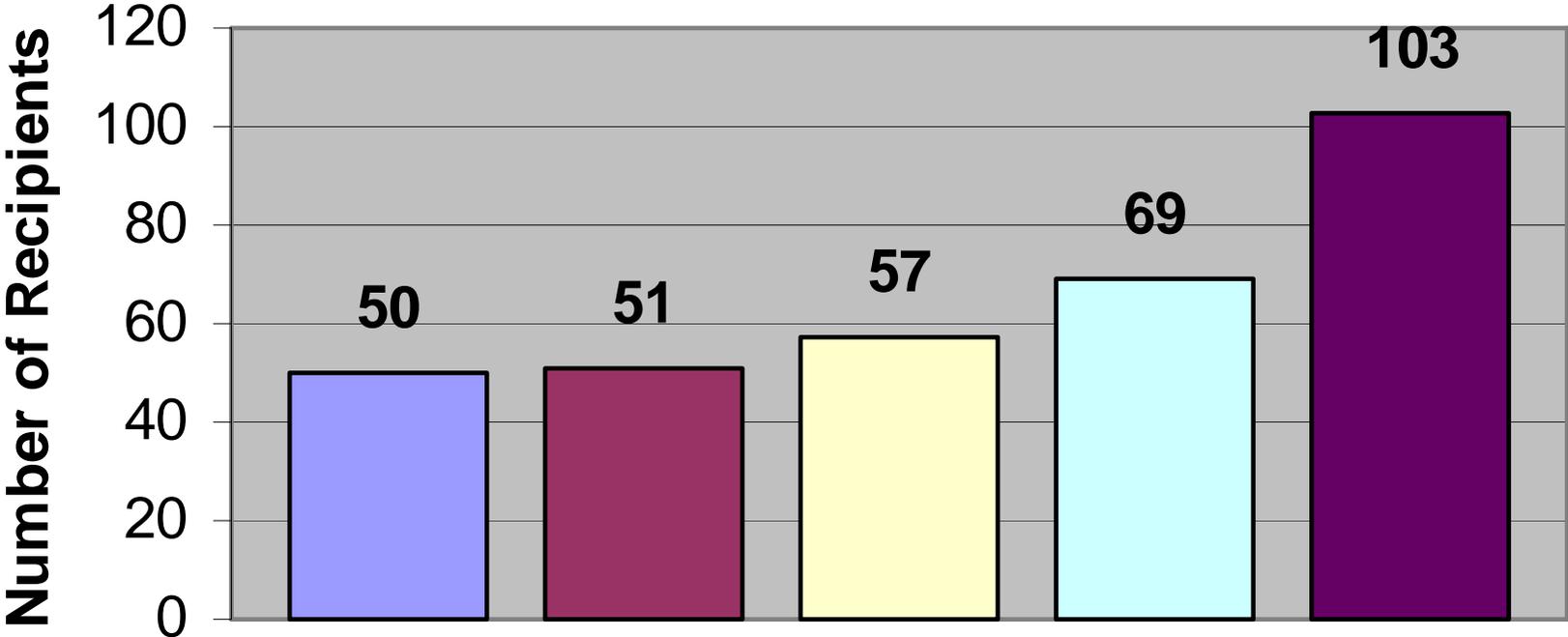
# Medicare Eligibility



# Recipients by Sex



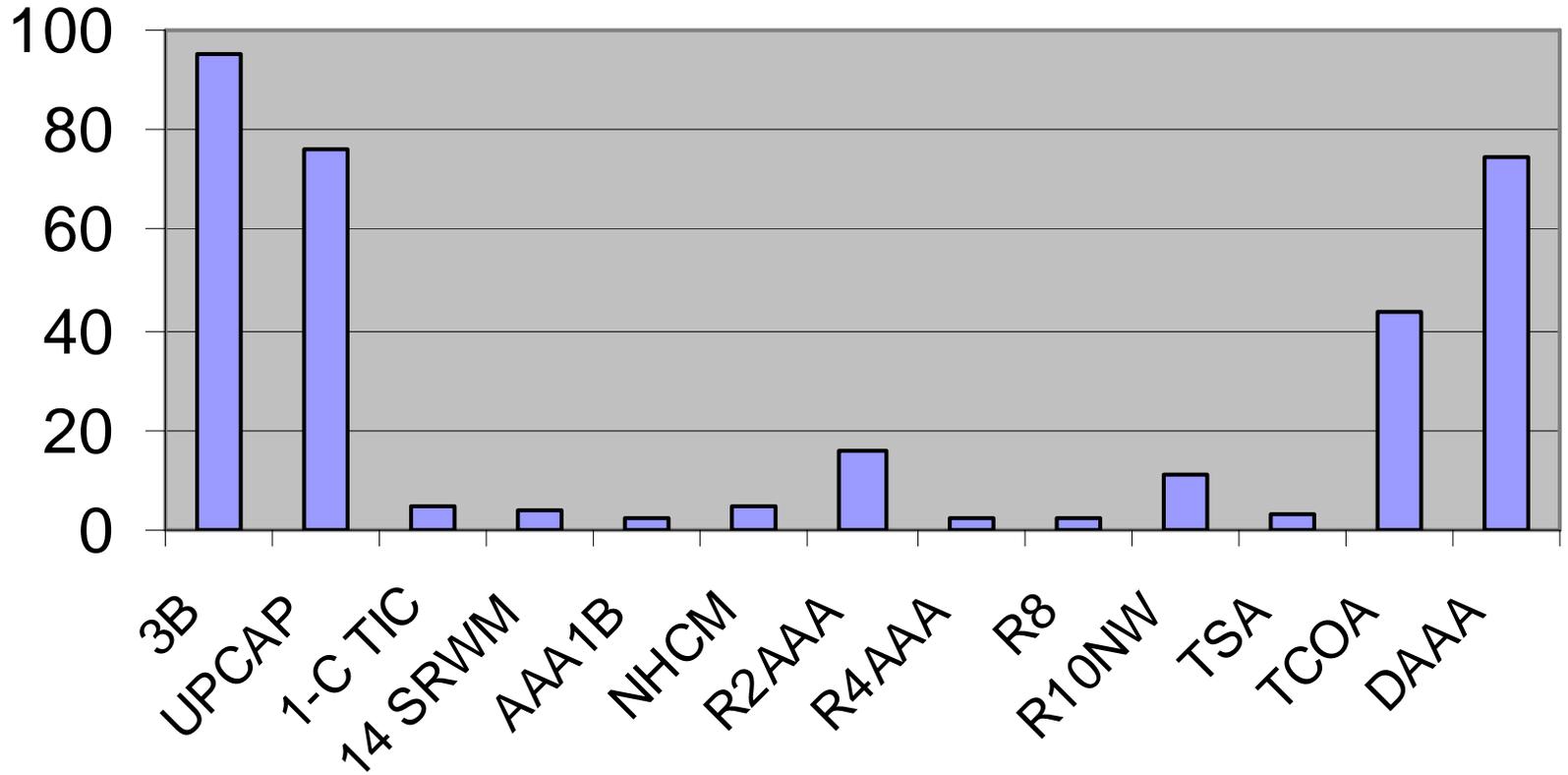
# Age Distribution of Recipients



Legend: Under 50 (light blue), 50-59 (maroon), 60-69 (yellow), 70-79 (cyan), over 80 (purple)

# Number of Recipients in Each Site

Number of Recipients





STATE OF MICHIGAN  
DEPARTMENT OF COMMUNITY HEALTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JANET OLSZEWSKI  
DIRECTOR

July 1, 2008

Ms. Jennifer A. Dobossy, Grants Administer  
The Robert Wood Johnson Foundation  
Route 1 and College Road East  
Post Office Box 2316  
Princeton, New Jersey, 08543-2316

Dear Ms. Dobossy:

Enclosed please find the final narrative report for the Michigan Department of Community Health Cash and Counseling project.

Over the course of the past three and half years, Michigan has changed the MI Choice waiver system to allow self determination through a person centered focus. We are proud of the work we have done on behalf of people receiving home and community based services as a result the support from the Robert Wood Johnson Foundation.

As of this writing, there are 320 participants enrolled in our Self Determination in Long Term Care option. Reaching this outcome involved redefining service delivery methods as well as the roles of professionals and consumers. The guidance of the National Program Office, in addition to the specialized training opportunities offered the foundation were critical components of our success.

We have a created a foundation for service delivery that will be sustained. Our waiver reflects this option, technical assistance and policy guidelines are available, training has been provided throughout the state, and consumers and other stakeholders continue to provide guidance and feedback as this option unfolds.

Thank you again for supporting this important system change.

Sincerely,

Michael J. Head, Director  
Mental Health and Substance Abuse Administration

cc: Janet Olszewski  
Peggy Brey  
Paul Reinhart  
Tari Muñiz



STATE OF MICHIGAN  
DEPARTMENT OF COMMUNITY HEALTH  
LANSING

JENNIFER M. GRANHOLM  
GOVERNOR

JANET OLSZEWSKI  
DIRECTOR

July 1, 2008

# Final Narrative

## Michigan's Self Determination in Long Term Care

Cash and Counseling Grant #: 052102

Grant Period: October 1, 2004 – September 20, 2007  
(March 31, 2008)

Grant amount: \$250,000

**Grant Goal: Develop a self-direction option in the MI Choice waiver program that would become available statewide.**

June 30, 2008

Final Narrative

Self Determination in Long Term Care - Michigan

Cash and Counseling grant # 052102

October 1, 2004 – September 20, 2007 (March 31, 2008)

Grant amount: \$250,000

**Grant Goal: Develop an option for direct consumer control over the selection and direction of providers in order to promote consumer self-determination, in the MI Choice waiver program that would become available statewide.**

***1. What measurable goals did you set for this project and indicators did you use to measure your performance? To what extent has your project achieved these goals and level of performance?***

The grant's primary purpose was to develop, for individuals receiving services in Michigan's home & community-based services waiver program (called "MI Choice") serving elders and persons with physical disabilities, the opportunity to direct and control the funds that would be allotted for their services so that they could choose, select, and employ qualified providers of services and supports necessary to achieve the goals and objectives of their MI Choice Waiver plan of care. Michigan relied on its experience with having developed the same option in its programs and services for individuals with mental health and developmental disabilities, which has been called "Self-Determination." The initiative developed under the Cash & Counseling grant to provide this option to individuals in the MI Choice program has been named, "*Self-Determination in Long-Term Care*." This initiative sought to effect change across the Department's 21 MI Choice Waiver agent entities – organizations which operate under a contract with the Medical Services Administration as provider systems (applying the Organized Health Care Delivery System Medicaid provider method) to assure HCBS services to elders and persons with disabilities statewide – the same opportunity to control and direct providers of services and supports. Major goals include (1) pioneering the new option in 'pioneer' sites; then phasing in statewide expansion, (2) ensuring consumer involvement in the development, implementation and evaluation of this initiative, (3) developing elements of the MI Choice waiver quality management strategy that comply with the minimum design requirements of the Independence Plus waiver, and (4) developing the infrastructure and modifying current policies and procedures to support arrangements that provide direct consumer selection and control over providers of their services.

The state's primary measurable goal was to target 600 consumers from four "Pioneer Sites" – MI Choice Waiver agent entities selected at the outset of the proposal submission process to be the initial areas within which the Self-Determination in Long-Term Care initiative would begin. These "Pioneer Sites" were the Tri-County Office on Aging, Area Agency on Aging 3B, UPCAP Services, and the Detroit Area Agency on Aging. Grant resources to assist these sites were augmented by resources provided by the Michigan Office on Services to the Aging. A phase-in plan including training, policies and procedure guidelines and technical assistance is being implemented. 200 participants

enrolled by 3/31/08. As of this writing, 320 participants have enrolled from 9 waiver sites.

Consumer involvement has been supported through two statewide groups: the Consumer Task Force, and the Quality Management Collaborative. The Consumer Task Force (CTF), formed in 2003 to advise the state's development and implementation of CMS-funded Real Choice Systems Change grants, consists of approximately 20 members with a majority membership of consumers and advocates. The CTF is led by a person with disabilities and its Executive Committee is made up of consumers and advocates. The CTF gives advice to the Office of Long Term Care Supports and Services on its grant proposals and projects, as well as input on policy and system change actions.

The Quality Management Collaborative (QMC) has 20 members and is also consumer led and driven. Its purpose is to advise the State on quality improvement related to MI Choice waiver services. The QMC has been responsible for developing risk management guidelines, quality indicators, and quality indicator review criteria. Their role evolved to include overseeing the Self Determination initiative from a quality standpoint. They continue to provide feedback on participant education and on policy development for Self Determination and Person Centered Planning.

The QMC was active as Michigan developed the CMS-required quality management strategy plan for amendments to Michigan's 1915 (c) waiver needed to institute the Self-Determination in Long-Term Care initiative. The QMC served as the steering committee for the implementation of the quality management strategies, with the project staff bringing into the picture crucial technical assistance provided by the Cash & Counseling NPO and Scripps Gerontology Center of Miami University. Quality feedback from participants was obtained first from a staff-designed initial follow-up satisfaction survey for new participants. The project has also used an instrument called the "Participant Outcomes and Status Measures" (POSM) to measure quality of life outcomes. Implementation of the POSM is being piloted in the Pioneer Sites, with an eye on revising it based on consumer feedback. This instrument is administered at enrollment in Self Determination, at the 6 month mark and annually thereafter.

Each Pioneer site was required to develop and support a local advisory council that consists of consumers, family members and staff as appropriate. They provide input, feedback, and attended and provided training to the waiver agent staff.

The infrastructure necessary to guide and control the evolution of Self-Determination in Long-Term Care includes Person Centered Planning (PCP) guidelines, individual budget guidelines, technical advisories on the Choice Voucher System and on utilizing Agency with Choice options. Contract language was added to wavier agents' contracts to ensure incorporation of PCP. Adapting the current quality management system for the MI Choice program in order to measure the effectiveness of options providing direct consumer control, the quality of service and supports, and the quality of life for participants was challenging, as it had been previously oriented only toward agency service provider arrangements.

A foundation has thus been established to assure the opportunity for MI Choice waiver program beneficiaries to access arrangements that support consumer self-determination statewide. Enrollment numbers are growing and will continue to increase. Over 700 care managers, supervisors and administrative staff from the remaining MI Choice Waiver agent entities have been trained in all aspects of Self-Determination in Long-Term Care. When the state submitted its five-year renewal application for the MI Choice waiver program in June 2007, it continued the self-directed service options from the initial amendments and expanded this to additional services.

Collaboration has been critical to developing and implementing self-determination in the long-term care system. This has included extensive involvement of the Pioneer Sites, the remainder of the MI Choice waiver agents as a network, the state Medical Services Administration, Office of Services to the Aging, the Michigan Community Mental Health Services Programs, as well as consumers on both the statewide and local levels. As an example, the several educational pieces targeted to informing consumers were drafted with consumer review and feedback before being deployed throughout the state.

***2. Did the project encounter internal or external challenges? How were they addressed? Was there something RWJF could have done to assist you?***

The biggest challenge faced involved changing attitudes toward the idea that program participants in the MI Choice Waiver could actually select, direct and control their service providers, as this was foreign to most workers in the program. Self Determination requires a paradigm shift and in any paradigm shift, the early adopters are outnumbered by those who take more time and energy to recognize opportunity and benefit to a new direction. Many care managers appeared to feel threatened by the changes proposed, so it was not unusual to encounter hostility toward the concepts and methods being presented during orientation and training sessions, particularly at the outset of the Department's efforts to bring along the Pioneer Sites. Each Pioneer Site waiver agent has its own distinct organizational culture, and each had numerous groups of stakeholders involved in the learning, evaluating the services available, determining which services most lent themselves to self-direction, and creating new services to support self-direction, including fiscal intermediaries and goods and services. As Michigan continues to work with all of its 21 MI Choice Waiver Agent entities to expand the initiative statewide, each of those networks includes care management staff, executive management, consumer councils and boards, as well as contracted provider organizations. So there were many layers of people to convince.

The State views Person Centered Planning (PCP) as the basis for individual budget development. Prior to the outset of the Cash & Counseling grant, the Department was aiming to mandate the use of PCP in its long-term care programs, especially in the MI Choice program. However, prior to receipt of the C&C grant, the State had done little in the way of PCP training. PCP was associated with Michigan's mental health programs, and many members of the LTC community did not understand its relevance to LTC services and how to use it in the LTC system. Attitudinal barriers were widespread;

many stakeholders did not understand the purpose of PCP or were defensive. It was common to hear from them that they were already doing PCP and did not need training.

In order to achieve clear policy and practice direction, a “PCP Action League” was formed by the Office of Long Term Care Supports and Services to address the implementation of PCP in the LTC system generally, and MI Choice in particular. Stakeholders from throughout the state, including consumers, advocates and state policy makers participated in a process to draft policy and practice guidelines and provide input on the training curriculum. The resulting training involved several methodologies; class room, interactive and real time planning. Project staff, local coordinators at the Pioneer Sites and nationally recognized experts conducted trainings.

The Office of Long Term Care Supports and Services revised and finalized both PCP and self-determination policy and practice guidelines based on stakeholder input, and disseminated them to waiver agents. Review criteria for PCP were incorporated into the waiver agent quality reviews conducted through the Medical Services Administration. The Office of Long Term Care Supports and Services also performed an informal PCP audit to see how PCP was documented in participant case files.

Development of individual budgets for self-determination is dependent upon successful application of the PCP process. The Pioneer Sites developed budget templates for waiver services and supports based on and adapted from those used in Michigan Community Mental Health Services Programs, developed during the earlier Self-Determination Initiative in mental health.

There were also attitudes to change within state government. This slowed implementation. We addressed this challenge by communicating both the vision and status of developing this option, we welcomed input and were available to provide training, answer questions and were willing to revisit issues as many times as they surfaced.

RWJF was helpful by providing the Spitfire training to help with our communication plan and effective training techniques. Access to the Cash and Counseling network through the National Program Office was critical in our ability to tap into resources created by other states and adapt for our use.

### ***3. Have there been other sources of support?***

Michigan utilized Medicaid administrative claiming to provide federal matching funds for the RWJF grant, and in-kind support from the Michigan Department of Community Health. Michigan also had earlier received an award from the Centers for Medicare and Medicaid Services under the Real Choice Systems Change program, called “Independence Plus.” This grant award project overlapped with the Cash & Counseling project, and provided much of the resource assistance to develop PCP guidelines and practices. The Independence Plus grant also underwrote Michigan’s annual Self-Determination Conference, an event held in each of the past ten years, offering a yearly

opportunity for over 500 individuals – consumers, care managers, providers and family members – to come together to share and learn about self-determination. This event was primarily targeted to the Self-Determination Initiative in the mental health system, but it also incorporated the Cash & Counseling Pioneer Sites as they began their work. Finally, the Independence Plus grant provided funds for supporting the remaining 17 non-Pioneer Site waiver agent entities to participate in statewide expansion training for Self-Determination in Long-Term Care.

As noted earlier, the Michigan The Office of Services to the Aging provided funding support the local Pioneer Site efforts. Each Pioneer Site provided a 25% cash match for the grants they received. Together with grant-provided support, this allowed for each to retain a local project coordinator as well as to support the involvement of other staff members, such as executive directors, finance and contract staff. The Pioneer Sites were actively involved in all aspects of design and implementation of this system change. Their consumer councils assured local consumer input and feedback. As noted earlier, the state-level Consumer Task Force and the Quality Management Collaborative provided crucial input. The Office of Long Term Care Supports and Services was also awarded a CMS grant that is providing a train the trainer curriculum for consumers as employers. This training, “Project Success”, is being offered to care manager and consumer and advocate partners from the MI Choice program.

#### ***4. What lessons did you learn from undertaking this project?***

- Directly involving the Pioneer Site waiver agents in the design and implementation of new methods to assure direct consumer control was critical to the ultimate success of the initiative. Participating local project coordinators and their staff allies at the sites added expertise essential to addressing their operational realities, during the design stage and during implementation and quality monitoring. Their involvement provided credibility for local training of and participation by Care Managers/Support Coordinators.
- Using the Pioneer Sites not only provided invaluable input, it provided time for the State to identify issues and refine policies, outreach techniques and approaches to measuring quality, prior to statewide implementation.
- While the Office of Long Term Care Supports and Services provided grants to the pilot sites, each site had to provide matching funds and in-kind contributions to support this effort. The process whereby, prior to the grant application, the state solicited from among the 21 MI Choice Waiver agents those with interest in and commitment to pursuing this system change initiative allowed the state to select the very best local pilot sites. Those waiver agents with the most positive plans, who were also seen as leaders among the waiver agent system, were the ones selected for the pilot.
- It is important to have a designated local coordinator and/or a person with the authority to provide direction and support so that all other local staff can become knowledgeable and supportive of the program.

- Be patient and prepared to repeat information—from the principles and values of the paradigm change to the information required on the forms – many times over. Find as many ways to impart the information as possible. Use in-person training, conference calls, “boot camps”, written bulletins and incorporate the message into larger forums on Long Term Care.
- Be flexible and prepared to change as better ways to do things become clear. What seemed logical in theory sometimes did not work in practice. The individual budget template, for example, was refined numerous times to increase its ability to accurately reflect participants’ needs and service preferences. Similarly, a policy requiring CPR training for all staff was changed to allow exceptions for participants with Do Not Resuscitate orders.

**5. *What impact do you think the project has had to date? Who can be contacted a few years from now to follow up on the project?***

This project has impacted more than 320 participants in the MI Choice waiver who now have the ability to choose, hire and supervise workers to provide their services and the control of funds for the services through an individual budget. We project that at least 10% of the participants in MI Choice will choose this option over the next couple of years, which would mean that over 900 participants, would use methods involving an individual budget and self-direction to manage their own care and support. It is difficult to project the expansion of self-determination in the future, but there are some local community mental health organizations with over 20% participation in arrangements supporting self-determination in the developmental disabilities services arena. The impact of assuring person-centered planning in the MI Choice Waiver program has had a significant impact on beneficiaries in the program, even though they may not choose to participate in self-determination. As the paradigm shift continues and there is increasing adoption across the MI Choice program, a change in conventional wisdom about the needs of long term care participants will further support their right to be in charge of their long-term care. The “ripple effect” on other LTC programs will continue in those directions.

The director of the Office of Long Term Care Supports and Services can be contacted to follow up on the project. Contact Peggy Brey at [breypp@michigan.gov](mailto:breypp@michigan.gov), 517.373.4355.

**6. *What are the post-grant plans for the project if it does not conclude with the grant?***

Michigan has incorporated the further development of person-centered planning and self-determination in the LTC system into its CMS-funded System Transform Grant, awarded under the Real Choice Systems Change initiative, in 2006. Goal two of this grant supports statewide implementation of Self Determination in Long Term Care by increasing person centered planning and the use of individual budgets. Plans for providing on-going technical assistance and support are central to this goal. Policy and practice guidance for Self Determination has been successfully developed for the long term care system. All MI Choice waiver agents are required per their contracts to offer

this service option. Person centered planning as a central practice element has expanded from the MI Choice program to Michigan's four regional single point of entry demonstration projects, called Michigan's Long-Term Care Connections. Arrangements that support self-determination are being developed as the foundation for case management services through Older Americans Act funded programs. The Department of Community Health views work to develop arrangements that support consumer control and self-determination to be central to its overall policy direction. As the LTC initiative evolves it will do so in partnership to similar evolutionary efforts for persons with mental illness, and for the many who use arrangements supporting self-determination who are persons with developmental disabilities, served through the Michigan mental health system. There are continued opportunities for shared learning and for the refinement of best practices across all systems. The Consumer Task Force and the Quality Management Collaboration will continue to offer guidance and feedback. Since it was a grant requirement, each of the Pioneer Sites submitted a sustainability plan with their final reports. Part of their work includes using each Pioneer Site to mentor and advise the remaining MI Choice waiver agents just beginning to enroll.

The graduates of Project Success will be available to work with consumers to teach them to be successful employers as well as with care management staff to make them better at supporting local participants in Self Determination.

Ensuring the continuation and growth of Self Determination will be handled by at least one full time staff member, under the CMS System Transformation grant. The OLTCSS will continue to provide technical assistance and training, revise policies as needed, support consumer involvement, and remain connected with the National Program Office.

***7. With a perspective on the entire project, what have been its key publication and national/regional communication activities? Did the project meet its communication goal?***

The major emphasis of this project was communication and training on a statewide basis to include the Pioneers Sites, the waiver agent network, their providers, consumers and other allied professionals. This involved both intensive training and travel within the state as well as numerous presentations at various conferences and other related events.

The key publications have been technical advisories on the Choice Voucher System and the Agency with Choice. Both of which have been distributed throughout the long term care system and the C&C network. Draft guidelines for person centered planning were distributed to the waiver agents and attached as part of their contracts. Numerous pieces of participant education materials were drafted and revised based on consumer feedback. These range from a one page description to the comprehensive "Everything You Need to Know about Self Determination". Most of the communication and training has focused on waiver agents and other long term care providers in order to explain the philosophy and mechanics of Self Determination. This was to facilitate the paradigm shift and provide a solid foundation for implementation.

64 presentations and trainings over the course of the grant period were made to a variety of stake holders in the long term care system. Topics included the values and principles of Self Determination, intensive person centered planning, working with fiscal intermediaries, overview of the Self Determination model and updates on the implementation progress. Presentations were also made at Cash and Counseling National Program Office meetings. The Spit Fire communications training was critical for our ability to develop the strategic communication plan, enhance our trainings and respond to political emergencies. The DC Connect training helped us bring the message of how Self Determination is changing lives for the better to three U.S. Congressmen and both Senators from Michigan.

July 1, 2008

## Final Bibliography

Michigan's  
Self Determination in Long Term Care

Cash and Counseling Grant # 052102

Grant Period: October 1, 2004 – September 30, 2007  
(March 31, 2008)

Michigan Department of Community Health  
Grant # 052102

## **FINAL BIBLIOGRAPHY**

### **Sponsored Workshops**

Self Determination Boot Camp, part I

March, 2006

Self Determination Boot Camp, part II

August 2006

Working with Fiscal Intermediaries

September 2006

Pioneer Sites person centered planning with Michael Smull September 2006

Pioneer Sites fiscal management services with Sue Flanagan September 2006

Person Centered Planning June, 2007

Self Determination in Long Term Care Training

August 2007, November 2007, January 2008, February 2008, March 2008

### **Presentations at other conferences**

Long Term Care Conference – March 2006

Michigan Wavier Conference – June 2006

MDCH Person Centered Planning conference June 2006

MDCH Self Determination Conference September 2006

Cash and Counseling Annual Meeting, Washington DC

“Effective training techniques” December 2006

“Self Determination in Long Term Care, Project Overview”, May 2007

Michigan Association of Area Agencies on Aging

“Person Centered Planning in Long Term Care” May 2007

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“Person Centered Planning in Long Term Care” September 2007

Self Determination Conference

### **Presentations at other agencies**

“Person Centered Planning training”

Tri-County Office on Aging November 2005

Detroit Area Agency on Aging – December 2005

UPCAP Service, Inc. – December 2005

Burnham Brook – December 2005

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Burnham Brook January 2006

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Provider network for Pioneer Site November 2006  
DAAA Board of Directors December 2006  
DAAA Consumer Advisory Council December 2006  
Long Term Care Connections February 2008  
Long Term Care Forum February 2008  
“Self Directed Services in the MI Choice Waiver”, March 2007  
Waiver renewal workgroup

### **Publications**

Choice Voucher System, Technical Assistance Guide  
Agency with Choice, Technical Assistance Guide  
Person Centered Planning Practice Guidelines  
“Self Determination in Long Term Care, Frequently Asked Questions”  
“Everything You Need to Know about Self Determination in Long Term Care”

# Agency with Choice

## August 15, 2006

### Introduction

Agency with Choice is one model for accomplishing arrangements that support self-determination by people who are older or have disabilities receiving MI-Choice Waiver services (described in this document as *participants*). The Agency with Choice acts as a hiring support that provides participants with a method to effectively hire and manage support workers themselves.

In the Agency with Choice model, the employer duties are split between the agency, which serves as employer of record,<sup>1</sup> and the participant, who serves as managing employer.<sup>2</sup> Unlike arrangements with traditional provider agencies, where the agency selects and supervises a worker or workers for a client, in the Agency with Choice model, the participant recruits, hires, supervises, and, if necessary fires, his or her own worker(s). The participant can seek and obtain support from the agency in its role as managing employer or can execute those duties without assistance. The Agency and the participant enter into a three-party agreement with each support worker that explicitly lays out the duties and responsibilities of each party.

The Agency with Choice model has several advantages:

- Participants may want or need the assistance with recruiting and hiring support workers or may value the additional layer of emergency back-up.
- The potential to offer fringe benefits, such as health insurance, may enable the participant to hire more qualified workers.
- Having another entity take responsibility for the complex human resources and financial management services may be appealing to participants who are new to being employers.
- Workers may be able to obtain full-time employment by working for several participants.

Agency with Choice is one option for participants who are implementing arrangements that support self-determination. The values and principles of self-determination are that participants should be given the information, opportunity and freedom to control the resources allocated for their services and supports and be supported to implement the methods that best meet their needs. Agency with Choice is an important option for those who do not want to participate in the Choice Voucher System or who want to gradually transition into the Choice Voucher System.

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<sup>1</sup> An *employer of record* is a term of art to describe an agency or individual that handles the administrative aspects of being an employer (such as handling payroll, withholding and paying income and unemployment taxes and paying worker's compensation insurance). Common law employer is the legal term with the same meaning.

<sup>2</sup> See Medstat, *Promising Practices in Home and Community Based Services, Kansas—Providing Choice among Providers of Financial Management Services, Issue: Consumer-Directed Care—Agency with Choice Model*, <http://www.cms.hhs.gov/promisingpractices/ksawc.pdf>

## **Selection Criteria**

Each waiver agent may contract with one or more Agencies with Choice to provide these services. The waiver agent must assure that the Agency with Choice has competency to complete required duties. If the waiver agent contracts with more than one Agency with Choice, the participant may choose between the agencies.

In order to assure that conflicts of interest are minimized or eliminated, the waiver agent can identify criteria for Agency with Choice and select and contract with an Agency or Agencies with Choice that meet those criteria. The contract should clearly define the expectations of both the waiver agent and the Agency with Choice and should incorporate the assurances of the Medicaid Provider Agreement. Neither waiver agents, nor its subsidiaries or affiliated agencies, can serve as an Agency with Choice. The waiver agent must have a mechanism for monitoring and documenting the quality of the Agency with Choice duties so that it can obtain and act upon feedback from participants and allies. If the waiver agent contracts with the Agency with Choice to provide support services, such as assistance in finding workers, it must provide guidance in how to provide those support services and monitoring through participant satisfaction.

Another possibility for selection of Agencies with Choice is to enable the participant to choose an agency to serve as an Agency with Choice as long as the waiver agent verifies that the agency meets the criteria identified in the Agency with Choice Technical Requirements. A third option is to place Agencies with Choice that meet demonstrated competency in required functions and provider panel requirements on its provider panel.

## **Roles and Functions**

An Agency with Choice must develop a system, that incorporates the philosophy and practice of self-determination, for participants and/or their chosen legal representatives to recruit, interview and select workers and refer them to the Agency with Choice for hiring.<sup>3</sup> Within that system, both participants and the Agency have defined roles and functions.

In its role as employer of record, the Agency with Choice handles many of the employer duties including human resources, financial management services such as payroll and tax withholding, and other support services as determined by the waiver agent and the needs of the participant.<sup>4</sup>

As managing employer, the participant hires, supervises, and if necessary, terminates the workers. The participant has the freedom to choose any worker that meets the provider requirements<sup>5</sup>. He or she is free to hire eligible friends or family members or can recruit workers through word of mouth, advertisements or other means. The participant also sets the terms and

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<sup>3</sup> Id.

<sup>4</sup> See Medstat, *Promising Practices in Home and Community Based Services, Wisconsin—Providing Choice among Providers of Financial Management Services, Issue: Consumer-Directed Care—Agency with Choice Model*, <http://www.cms.hhs.gov/promisingpractices/wiawc.pdf>

<sup>5</sup>The provider requirements do not allow a participant to hire a legally responsible relative or guardian.

conditions of employment, determines the hours and job duties, and authorizes payment by the agency to the worker by signing timesheets.<sup>6</sup>

The Agency with Choice can support a participant to find support workers by assisting in the identification of characteristics that are important to him or her. These characteristics and the job duties identified in the person-centered planning process should serve as guidelines for recruiting workers. The Agency can recruit and recommend workers that meet these qualifications for the participant to interview. In supporting the individual participant to choose providers, the Agency with Choice should never make a choice for or on behalf of the participant.

All services and supports funded through arrangements that support self-determination must be processed through a fiscal intermediary (a neutral and independent entity that acts as a fiscal agent of the waiver agent for the purpose of assuring fiduciary accountability for the funds comprising a participant's individual budget).<sup>7</sup> Agency with Choice services are treated no differently than any other service or support in this regard.

With use of a Fiscal Intermediary, each participant's individual budget is portable. It ensures that the participant can easily choose another agency or another method for obtaining support workers if he or she chooses to do so. In addition, this arrangement assures that the fiscal intermediary is available to provide support to the participant, when necessary—for example, when the participant is experiencing a problem with the Agency with Choice.

The cost of fiscal intermediary services is minimal. Individuals directly controlling a variety of services and supports will be using fiscal intermediary services for their entire individual budget, and payment to the Agency with Choice will involve little, if any, additional cost. For individuals contracting only for Agency with choice services, the fiscal intermediary services will only involve a single check per month and the cost will be minimal. The benefits of using fiscal intermediary services, in terms of maximum participant support and control and portability of funds, greatly outweigh the costs.

## **Implementation Issues**

One challenge in implementing the Agency with Choice model is balancing the duties of the employer of record (the agency) and the managing employer (the participant). The more support the agency provides to the participant, especially in terms of recruiting, scheduling or managing workers, the greater the possibility that support could erode the participant's freedom and control. The agency must always be vigilant that its support enables the participant to direct and control rather than substituting itself in that role.

Another challenge is how the workers view the relationship they have with the Agency employer versus the participant as "managing employer." If a worker is employed to work for multiple participants, either at the same time or successively, he or she may have a greater tendency to view the agency as his or her managing employer and attempt to resolve on-the-job difficulties

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<sup>6</sup> Id.

<sup>7</sup> Michigan Department of Community Self-Determination Policy and Practice Guideline, July 18, 2003

through the Agency, rather than through communicating with the participant. The Agency must be clear about its role and cautious to refrain from intruding upon the participant's role in managing workers. Instead, it must support the participant by making him or her aware of the situation and offering assistance in problem solving, as appropriate to the individual circumstance. With respect to employment tenure, when a worker who has been employed through the Agency has lost an employment situation for any number of reasons, Agency staff may feel obligated to find the worker a new position. It is not unusual that particular workers, though they may be excellent personal assistants, will not "click" with a given participant and may seek placement with another participant. The development of worker-Agency relationships in this situation should be balanced with the expectation that the central purpose of the Agency with Choice is that the participants are supported to be successful managing employers.

### **Compensation**

The Agency with Choice is paid for the administrative duties it performs. Overhead costs should be directly related to the work performed. They should not be based strictly on a percentage of the support workers' wage or salary costs. The amounts allotted for these administrative costs must be included in the individual budget of the participant. Concerns have been raised about the profit motive of agencies, and while a profit margin is acceptable, the size of the margin must be monitored by the waiver agent. There is no absolute standard for an acceptable margin; it may vary from area to area.<sup>8</sup>

### **Requirements**

The Agency with Choice must be able to handle the following functions:<sup>9</sup>

- Financial Management Services
  - Processing payroll and timesheets
  - Withholding income, FICA and unemployment insurance and making these payments to the appropriate taxing authorities
  - Paying worker's compensation insurance
  - Issuing W-2 Forms
  - Maintaining complete current financial records, copies of all agreements, and supporting documentation for each participant
  
- Human Resources
  - Facilitating the completion of background checks
  - Confirming that prospective workers have U.S. Citizenship or legal alien status
  - Confirming that prospective workers meet provider requirements defined by Medicaid Provider Manual and any additional requirements of the waiver agent
  - Handling fringe benefits (such as health insurance) for workers

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<sup>8</sup> Bob Kafka, *Agency with Choice Model*, <http://www.mcil.org/mcil/log/2004/081004sa.asp>

<sup>9</sup> Susan Flanagan, *Suggested Promising Practice Policies and Procedures for Agency with Choice Providers*, [http://www.pacounties.org/mhmr/lib/mhmr/Suggested\\_Promising\\_Practice\\_Policies\\_and\\_Procedures\\_for\\_Agency\\_with\\_Choice\\_Providers.doc](http://www.pacounties.org/mhmr/lib/mhmr/Suggested_Promising_Practice_Policies_and_Procedures_for_Agency_with_Choice_Providers.doc)

▪ Information and Guidance

The waiver agent may contract with the Agency with Choice to provide an array of support services to help participants with the tasks of self-directing and becoming an effective manager. Each participant may choose whether or not to take advantage of these support services. They may include:

- Facilitate or offer training of workers;
- Assist the participant with recruiting, interviewing, hiring and firing support workers; and
- Provide individualized support and respond to each participant in his or her role as managing employer.
- Assist the participant to understand reporting, invoice processing and documentation responsibilities.
- Assist the participant with developing and implementing an emergency back-up staffing arrangement is defined.

As more participants discover this option, the demand for it will increase. Traditional provider agencies may want to respond to this demand by becoming Agencies with Choice. Agencies may find that this model reduces the responsibilities of the Agency by shifting responsibility for recruiting, hiring, and managing workers to participants, who serve as volunteer managers that direct their own care. Agencies across the country are reporting the success of this option.

**Conclusion**

Implementing the Self-Determination Policy and Practice Guideline requires waiver agents to provide participants with a range of options to direct and control resources. The Agency with Choice model can take care of many of the complex aspects of being an employer, while supporting the participant as managing employer. Participants with significant support needs have an additional layer of emergency back-up with the model. In addition, the participants may be able to offer their support workers benefits, such as health insurance, that would not be economically feasible if they were the sole employer. Thus, Agencies with Choice are an important option to support people with disabilities to directly hire and manage support workers and choosing methods for arrangements that support self-determined arrangements.

# **SELF-DETERMINATION TECHNICAL ADVISORY**

## **CHOICE VOUCHER SYSTEM**

### **Self-Determination in Long-Term Care**

**Michigan Department of Community Health**

**Office  
of  
Long-Term Care Supports and Services**

**Version 1.1**

**November 16, 2006**

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**A**

**PREFACE**

## PREFACE

The Choice Voucher System provides a concrete set of methods that support self-determination by individuals receiving MI Choice Waiver services. These methods make it possible for recipients involved with self-determination (referred to in this document as “participants”) to directly choose and control the providers of their services and supports. Self-determination embodies a set of concepts and values that these individuals have the right to define their lives and that the system of services should provide them with the freedom to do so and the authority to make the decisions about their lives, including the opportunity to responsibly control the use of needed services and supports. This Technical Advisory provides guidance to MI Choice Waiver Agents so that participants in concert with their allies<sup>1</sup> may be successfully guided and supported in achieving arrangements that accomplish personal goals and outcomes while meeting individual needs for care and support.

By itself, the Choice Voucher System is not “self-determination.” It is a pathway that provides meaningful authority to control and direct services and supports. Promoting true self-determination for adults with significant support needs requires a shift from the traditional attitudes and approaches that fit these individuals into the existing service array to new attitudes and approaches that are truly person-centered and person-controlled. Central to this change is shifting authority to make decisions and control delivery of services and supports from agencies to individuals. To accomplish this shift, waiver agents must ensure that individual and organizational self-interests do not compete with the opportunity and right of participants to responsibly define, direct and control the course of their lives.

The Choice Voucher System uses specific tools including a Self-Determination Agreement, involvement of a qualified fiscal intermediary, and direct consumer-provider contracting. A service plan and an individual budget are developed through the person-centered planning process and provide the basis for authorization of services and supports that need individual needs and address health and welfare issues. The Choice Voucher System supports participants to directly acquire and control needed services and supports using funds allotted in an individual budget.

The elements of the Choice Voucher System have been designed to meet the requirements of the Medicaid program, including the requirements MI Choice (1915(c)) waiver. The Choice Voucher System components make consumer control possible by creating mechanisms to maintain waiver agent accountability for service delivery and the use of public funds, particularly Medicaid funds, and to support the participant in self-direction as needed. This series of documents comprises technical guidance to waiver agents in the use of the Choice Voucher System. It is intended to provide waiver agents and fiscal intermediaries with the tools to protect themselves from liability to the extent allowed by law. This technical advisory includes interpretative statements from the Michigan Department of Community Health and is not the guarantee of the State of Michigan or the Michigan Attorney General’s Office. The Michigan Department Of Community Health cannot and will not indemnify any party for its actions under the Choice Voucher System. This technical advisory includes prototype agreements that local waiver agents and their counsel may adapt to meet local needs.

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<sup>1</sup>An individual’s allies are chosen by the individual and may include: family members, friends, paid staff, other professionals, and community members, etc.

# **B**

## **OVERVIEW OF THE CHOICE VOUCHER SYSTEM**

# THE CHOICE VOUCHER SYSTEM IN LONG-TERM CARE

## INTRODUCTION

The Choice Voucher System is central to implementing self-determination in the MI Choice Waiver. It provides individuals receiving MI Choice Waiver services with a method to control and direct how the services and supports in their care plan are implemented. The individuals (described in this document as participants), with their allies,<sup>2</sup> work with their waiver agent to determine the funding to be allocated in their individual budget, based on the service plan; both components are developed through the person-centered planning process. The individual budget is the central instrument through which a participant may acquire arrangements that support self-determination.

Participants directly employ workers or directly contract with chosen providers by utilizing the methods of the Choice Voucher System. The individual budget authorized by the waiver agent provides a defined amount of resources sufficient to implement the person's plan, which may be directed by the participant to pursue his or her plan's goals and outcomes. Service and support arrangements directly controlled by the participant may range from one specific service to all of those delineated in the person's plan. It should be the participant's choice whether to manage some or all of their services.

In the Choice Voucher System, participants control the allocated resources and directly enter into agreements with qualified providers (both individuals and organizations) of their choosing, who best meet their preferences. When individuals realize and are supported to make their own choices, they are better able to self-determine the course of their lives. Allotted resources are used to address health and welfare needs, engage and connect with people in their community, participate in personally meaningful and productive activities, and take on a valued role in the community.

Conflicts of interest between priorities of a waiver agent, its staff and provider agencies, and the priorities of a participant tend to be reduced through use of the Choice Voucher System. The waiver agent as well as direct providers of services do not decide which providers will be involved in supporting the participant. The participant controls the selection of providers and directs specific details about how, when and for how long those services are utilized. The participant has the authority to terminate or replace a worker, when in his or her judgment, doing so is necessary. Likewise, the processing of payments and support and assistance with using the individual budget is assured to be conducted within the interests of the participant, through the use of an independent qualified entity performing the fiscal intermediary role.

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<sup>2</sup>An individual's allies are chosen by the individual and may include: family members, friends, paid staff, other professionals, and community members, etc.

The Choice Voucher System is available to recipients in the MI Choice Waiver. This Technical Advisory is written to provide guidance on arrangements that support self-determination.

A participant may choose to have his or her family members involved in creating arrangements that support self-determination, but absent legal authorization,<sup>3</sup> the family member of an adult does not have the right to be involved without the participant's consent.

Successful use of the Choice Voucher System requires that all parties understand their rights and responsibilities. Once a service plan and an individual budget have been developed and agreed to, the participant signs a Self-Determination Agreement with the waiver agent. The funds allocated to support the individual budget are transferred to a fiscal intermediary, which provides payment for services and supports, and the participant works with the fiscal intermediary to implement the plan. The fiscal intermediary has a contract with the waiver agent; the participant may have a choice of fiscal intermediaries. Participants must have an Employment Agreement with each worker and a Purchase of Services Agreement with every other provider of services or supports. To ensure that Medicaid requirements are met, each provider must sign a Medicaid Provider Agreement with the waiver agent. Each of these components is described in detail in this Technical Advisory. The prototype agreements provided herein should not be used, "as is." They are presented as technical guidance only for the waiver agents and participants to use as starting points for the parties, with their local counsel, to develop individualized and locally viable agreements.

## **IMPLEMENTING CHOICE VOUCHER SYSTEM ARRANGEMENTS**

The SELF-DETERMINATION AGREEMENT is a contractual arrangement between the waiver agent and the participant. It is an essential component in arrangements that support self-determination. The agreement outlines the relationship between the participant and the waiver agent and describes the obligations and responsibilities of each party involved in the Choice Voucher System. It confirms that the individual is participating in the Choice Voucher System voluntarily and provides his or her informed consent to such participation. The participant agrees to directly manage workers providing services and handle the other responsibilities of participation. It also confirms that the waiver agent affirmatively agrees to the participation, delegates to the participant the authority to manage the funds in the budget, and agrees to support successful use by the participant of the methods making up the Choice Voucher System. The participant's service plan and individual budget are referenced within, attached to the agreement, and updated as the plan changes. The plan must address health and welfare issues, such as the need for an emergency back-up plan to provide support in the event that regular support workers have scheduled or unscheduled absences; the agreement specifically references the parties' obligations regarding this plan. The participant agrees to follow specific requirements outlined by the waiver agent

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<sup>3</sup>A participant may choose to use a power of attorney to authorize a family member or trusted friend to handle matters for him or her; some participants may have a legal guardian whose responsibility is to act in place of the participant in certain matters.

including assuring that selected providers meet applicable provider requirements.<sup>4</sup> If the participant chooses, the fiscal intermediary or another agency may assist the participant in carrying out this task. It is incumbent upon the waiver agent to assure that chosen providers meet Medicaid provider requirements.

## **RETAINING CHOSEN WORKERS & PROVIDERS**

The participant (with support and consultation from allies) selects and contracts with providers of the services or supports identified in his or her individual plan. The participant has the choice to directly hire needed workers or contract with an agency to provide services and supports. The participant must enter into an EMPLOYMENT AGREEMENT with each person he or she directly employs. This agreement outlines the terms and conditions of employment and clearly states that the participant is the sole employer. Similarly, a participant must directly enter into a PURCHASE OF SERVICES AGREEMENT with an agency providing services and supports or a qualified individual professional practitioner providing services and supports. Both types of agreements stipulate that the participant or his or her designated representative has authority to continue or terminate the contract. Neither the waiver agent nor the fiscal intermediary is a party to these agreements.

## **FISCAL INTERMEDIARY**

A fiscal intermediary is an independent legal entity that acts as the fiscal agent of the waiver agent for the purpose of assuring financial accountability for the funds in the participants' individual budgets. The fiscal intermediary receives the funds comprising the person's individual budget; makes payments as authorized by the participant to providers of services, supports or equipment; acts as an employer agent when the individual directly employs workers; and minimizes and eliminates conflicts of interest. While the essential roles of a fiscal intermediary are financial and administrative, the fiscal intermediary may also provide a variety of supportive services that assist the participant in using the Choice Voucher System including assistance in locating and selecting qualified workers and training on how to manage workers. An essential role of the fiscal intermediary is to provide on-going individualized assistance to each participant as he or she arranges needed supports. The fiscal intermediary cannot be a direct provider of services.

The LIST OF FISCAL INTERMEDIARY FUNCTIONS (attached as Appendix I) provides technical guidance regarding the functions of the fiscal intermediary in the Choice Voucher System. The list describes in detail the functions of the fiscal intermediary, the waiver agent and the participants and the allocation of responsibilities among these parties. The FISCAL INTERMEDIARY READINESS REVIEW includes a comprehensive list of fiscal intermediary tasks and provides a mechanism for both waiver agents and fiscal intermediaries to assess capacity to begin services and annual performance. Waiver agents can use these documents to construct fiscal intermediary arrangements to meet the needs of participants and monitor fiscal intermediary performance. These duties are incorporated into a contract called a FISCAL INTERMEDIARY AGREEMENT.

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<sup>4</sup>Provider requirements are to be determined by the waiver agent and communicated to the participant, and are derived from such sources as the Medicaid Provider Manual.

## **USE OF MEDICAID FUNDS**

Medicaid is the primary financing source for most services and supports through the Long Term Care System in Michigan. The use of Medicaid funds places special accountability requirements specifically related to providing services and supports to assure accounting for the use of funds. When Medicaid funds are used, each service provider must execute a separate agreement, called the MEDICAID PROVIDER AGREEMENT, with the waiver agent. In this agreement, the provider stipulates that the provider will: 1) keep required records regarding service delivery and make those records available for review upon the request; 2) disclose financial ownership interest in Medicaid-financed provider entities; and 3) determine if a participant has an advanced directive to refuse life-sustaining medical treatment and inform the participant whether or not the provider is unable to carry out that advance directive so that the participant can make an informed choice in the hiring process<sup>5</sup>. These requirements are described in federal regulations at 42 CFR 431.107 and other sections of the Code of Federal Regulations referenced therein. The Medicaid Provider Agreement complements the Self-Determination Agreement and Employment or Purchase of Services Agreements described above. The Medicaid Provider Agreement neither addresses the obligations that exist between the individual and his or her providers of services, nor makes the waiver agent or the FI a party to the agreements between the participant and the providers of services and supports.

## **IMPLEMENTATION**

Waiver agents are responsible for implementing the Choice Voucher System. Each waiver agent must assure that the proper written agreements described above are in place and meet the purposes of each individual agreement. For example, the prototype Audit Form (Section I) is a checklist to assure that each piece of the Choice Voucher System is in place for an individual participant. The prototypes in this Technical Advisory are provided only for training and guidance purposes. They are not intended to be used "as is," but should be adapted to meet the needs of the local waiver agents in consultation with their local legal counsel.

The waiver agent has a responsibility to support participants in the Choice Voucher System in their efforts to understand and apply the essential components of the system. The LIST OF FISCAL INTERMEDIARY FUNCTIONS contains a list of information and guidance functions the waiver agent can provide itself or contract with the fiscal intermediary to provide. While not every participant will need assistance in each area, it is essential to successful implementation of the system that information, support and guidance be available and accessible to all participants.

The Choice Voucher System is a partnership between the waiver agent and the participants. Participants and their allies shall inform the waiver agent of issues that affect the ability of participants to successfully understand, interpret and implement the Choice Voucher System. Issues might include completion of the required agreements or finding, selecting, and managing workers. The waiver agent shall address these issues

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<sup>5</sup>This requirement applies to home health agencies and providers of home health care and personal care services as well as health care institutions. However, under Michigan law, certain health professionals cannot refuse to honor a Do Not Resuscitate order (MCL 333.1051 et. seq.).

as they arise and is encouraged to schedule regular forums in which participants and their allies may gather to discuss and resolve common concerns and issues in implementing the Choice Voucher System. The waiver agent is expected to develop and implement the Choice Voucher System in a participant-friendly manner, making the methods as easy to use as possible.

The involvement of participants as well as their allies and advocates is critical throughout the process of implementing the Choice Voucher System. These stakeholders must be involved in the development and use of fiscal intermediaries. Once the Choice Voucher System is implemented, the waiver agent must test the integrity of the system and develop both an individual and organizational approach to monitor its use. This may be done using a simple audit of at least ten percent of the system, which identifies the existence and sufficiency of the critical components. As the system may be new to all parties, a defined and regularly scheduled forum involving all of the stakeholders can serve as a useful approach to assure success and avoid potential problems.

In addition, participants must be given a mechanism to provide feedback concerning fiscal intermediary performance to ensure that:

- participants are supported in the direction and control of chosen providers of services;
- each individual budget is presented in a way that the participant can easily understand the budget and allocation of resources;
- waiver agent funds are handled correctly;
- reporting requirements can be easily followed by all parties;
- participants, and their allies and advocates are involved in the process of assessing and monitoring quality; and
- information gathered is used to make positive change to the system.

The success of Choice Voucher System is dependent on the partnership between the waiver agent, the fiscal intermediary and the participant. The waiver agent is expected to assure that its policies and practices empower the participants to make meaningful choices about how the individual budget is spent, consistent with the service plan. Similarly, the fiscal intermediary must assist the participants to create arrangements that support self-determination. The participants and their allies are expected to give input on how the system is working and how the agencies and individuals involved could better facilitate self-determination by participants. As a result, individuals receiving MI Choice waiver services will be able to make decisions about their own lives.

**C**

**SUPPORTING  
PARTICIPANT  
SUCCESS**

## **SUPPORTING PARTICIPANT SUCCESS IN USING THE METHODS OF THE CHOICE VOUCHER SYSTEM**

People who successfully use the methods of the Choice Voucher System to select, direct and control their providers do not do it alone. Often, they use informal support from others to assist them to implement arrangements that best meet their needs. There are a number of ways for a person to obtain and facilitate the informal support of the others in this process.

The involvement of informal supports starts in the person-centered planning process. Through this process, services plan, individual budgets, and the methods for their implementation are developed. The person (referred to in this document as the participant) chooses which of his or her allies<sup>6</sup> to involve in the person-centered planning process. These individuals provide input and support to the planning process and the plans that result.

When the methods of the Choice Voucher System are considered, the person-centered planning process must address the participant's need for information, guidance and support regarding:

- control of the individual budget,
- directly contracting with chosen providers,
- directly employing staff,
- the requirements and responsibilities of the employer role,
- opportunities to learn how to direct and supervise support workers, and
- ways that allies can provide informal support to assist the participant with the tasks involved.

The goal of arrangements that support self-determination is to provide the means and methods to enable people to have meaningful lives in their communities. Most people living in their community already have the involvement of family members, friends, co-workers (if employed), and these individuals constitute their informal support network. They may also have important relationships with paid support workers or other professionals. Each person's situation and relationships are unique; some people may have more support than others. Very few people will have no informal support at all.

### **THE ROLE OF INFORMAL SUPPORTS**

A discussion of possibilities for informal support must start with this legal fact: All individuals, regardless of their abilities and disabilities, are presumed competent under state law unless there is a legal determination otherwise. That legal determination may be in the form of a guardian or conservator under the Estates and Protected Individuals Act for a person who is determined to be legally incapacitated. In cases where the

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<sup>6</sup>An individual's allies are chosen by the individual and may include: family members, friends, paid staff, other professionals, and community members, etc.

person has a legal guardian with authority over contracts, the guardian must be the employer of record.

While some people have guardians, many participants in arrangements that support self-determination successfully use informal supports and representatives to assist them in managing their services and supports.

In its guidance on personal care options in the State Medicaid Manual, the federal Centers for Medicare and Medicaid Services endorses arrangements that support self-determination when the individual expresses the desire and has the ability to do so. It recognizes the role of informal supports and representatives: "Where an individual does not have the ability or desire to manage their own care, the State may either provide personal care services without participant direction or may permit family members or other individuals to direct the provider on behalf of the individual receiving the services."<sup>7</sup> This guidance is applicable to all arrangements that support self-determination.

The general directive-that the person have the desire and the ability to be the employer-must be considered in context of the life situation of each person. Some individuals may possess legal right under common law to be an employer, but cannot perform those functions without assistance or support. For some of these individuals, there may be a one or more involved family and friends or even trusted staff who are able and willing to assist by providing needed support and guidance. For others without this or comparable support, it will not be realistic or prudent for the waiver agent to authorize use of its funds for the participant him/herself to directly control methods associated with the Choice Voucher System until the participant and supports coordinator have worked together to cultivate friends, family and community members to serve as informal supports.

## **CHOOSING A REPRESENTATIVE**

A participant who does not have a guardian may designate another person to help him or her with the arrangements either formally, by executing a power of attorney, or informally, by asking them. Through the person-centered planning process, the participant and his or her allies may determine the best person to serve as representative. A representative must be able and willing to honor the choices and preferences of the participant and support him or her to take as active role in the process as possible.

The waiver agent has input in this process through the involvement of the supports coordinator and must concur in the use of a representative relating to arrangements authorized and funded by the waiver agent. Appropriate documentation of the issues discussed and the resulting agreements and decisions are expected to be found in the participant's record and service plan.

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<sup>7</sup>Section 4480 State Medicaid Manual, Center for Medicare and Medicaid Services

Typically, where a participant has a representative performing the function of employer of support staff, the representative is a spouse or adult child. However, friends and others may take on this role. Regardless of whether the participant is the employer of record or has a representative performing that function, the waiver agent is expected to support the participant to take the lead in responsibly expressing preferences and goals and directing support workers. When the participant appoints a representative to handle some functions, both the participant and representative sign the relevant agreement (e.g., the Self-Determination Agreement or the agreements with providers or employees).

## **FACTORS TO CONSIDER IN SELF-DETERMINATION**

As the forum for developing arrangements that support self-determination, the person-centered planning process is also the forum for determining whether an individual desires and possesses the abilities—with or without support—to participate in the methods of the Choice Voucher System. The person-centered planning process must produce a consensus regarding the appropriateness of particular arrangements.

In determining which sorts of arrangements are to be used, the person and others involved in the person-centered planning process should consider:

- The participant's preference;
- The participant's ability to manage the desired arrangement. Ability is gauged by considering the support available from chosen family and friends to assist with managing the preferred arrangement. Some individuals with very significant disabilities have the support to enable them to directly control provider arrangements, even though they would be unable to do so themselves;
- Evidence that a particular arrangement would pose a significant risk to the participant that cannot be balanced with available support;
- Other related factors that appear to impinge on or assist the potential success of a given approach.

There is a distinction between the legal right any individual may have to enter into a contract (including an employment contract) and his or her authority to direct funds under the stewardship of the waiver agent to pay for that arrangement. While the individual's right to enter into agreements under common law cannot be terminated, the use of the waiver agent's funds to directly arrange for and control providers of services must be authorized by the waiver agent for the sole purpose of accomplishing the service plan. If use of the Choice Voucher System is beyond the ability of the participant, even with the provision of available support, authorizing such arrangements is inappropriate. This is especially true where there is a significant potential for harm to the individual. When the methods of the Choice Voucher System are deemed to be inappropriate for an individual, given his or her current circumstances, the waiver agent must document the basis for the decision and work with the individual and his or allies to determine how needed informal supports can be cultivated.

It is unacceptable for the waiver agent to arbitrarily determine which methods a person may access and use simply for the convenience of the waiver agent. For example, a waiver agent may not deny individual participants the right to select, employ and manage their own qualified providers simply because existing arrangements with traditional providers may be affected.

Clear information and guidance must be provided by the waiver agent to the participant and/or their representative so that they understand the nature of the arrangements and the responsibilities involved with controlling public funds and employing workers. It must be made clear that these responsibilities could be accompanied by problems, if they are not handled properly. The waiver agent should provide for support mechanisms (e.g., use of a properly defined, constructed and oriented fiscal intermediary) to ensure that tasks the participant will not directly handle are properly performed.

### **ADDRESSING HEALTH AND WELFARE ISSUES**

During the planning process, issues of health, safety and welfare specific to the individual must be brought up, discussed and resolved. Overall, participants should not, by virtue of the sorts of support arrangements that are aimed for, find themselves in a situation where they are physically at risk without a plan of risk management strategies for addressing the potential risk. While this sort of dialogue and planning is already standard practice in the planning process, arrangements that are directly determined and controlled by the participant (or his/her representative) do not include the contingency plans that may be built into traditional provider arrangements. Chief among these needs is planning for a workable back-up system for providing support in the event that directly employed support workers are unable to be present for a work shift or duty. The prototype Self-Determination Agreement, in Article I, Section 1(c), requires the waiver agent to work with the participant to develop and assure a back-up plan for the provision of essential services. Other risk management issues present in the individual's circumstances must be identified and resolved using a person-centered approach. Risk-management solutions must assure the health and welfare of the participant in ways that support attainment of his or her goals while maintaining the greatest feasible degree of personal control and direction.

### **CONCLUSION**

An individual's allies can play an informal, but critical, role supporting the individual. Some people with very significant support needs can participate in arrangements that support self-determination because they have a high level of informal support. Sometimes, these informal supports are developed and fostered through meaningful participation in the community. The extent to which a person may be able to successfully use arrangements that support self-determination may depend on the extent of his or her informal supports.

D  
FISCAL INTERMEDIARIES  
IN  
THE CHOICE VOUCHER SYSTEM

## **FISCAL INTERMEDIARIES IN THE CHOICE VOUCHER SYSTEM**

A fiscal intermediary(FI) is a central component of the Choice Voucher System. The fiscal intermediary performs a number of essential tasks that support self-determined arrangements for individuals receiving MI Choice waiver services while assuring accountability for the public funds allotted to support those arrangements.

A fiscal intermediary is a neutral and independent entity that acts as a fiscal agent of the waiver agent for the purpose of assuring fiduciary accountability for the funds comprising a participant's individual budget developed through the person-centered planning process. The fiscal intermediary makes payments to providers when authorized by the participant. A fiscal intermediary may also provide a variety of supportive services that assist participants in using the Choice Voucher System and managing their own supports.

The LIST OF FISCAL INTERMEDIARY FUNCTIONS (Appendix I) provides technical guidance regarding the functions of the waiver agent, fiscal intermediary in the Choice Voucher System. It describes in detail the functions of the fiscal intermediary, the waiver agent and participants and the allocation of responsibilities among these parties. The FISCAL INTERMEDIARY READINESS REVIEW provides a detailed chart of tasks performed by the fiscal intermediary. Waiver agents can use these documents to construct fiscal intermediary arrangements that meet the needs of participants. A fiscal intermediary shall perform the duties specified in its Fiscal Intermediary Agreement with the waiver agent.

The fiscal intermediary has four basic areas of performance:

- offer supportive services to enable participants to participate in self-determination and direct the services and supports they need;
- ensure compliance with requirements related to management of public funds and the direct employment of workers by participants;
- provide employer agent services for participants directly employing workers; and
- facilitate a smooth relationship between the parties and meet the needs of the waiver agent and participants.

### **FISCAL INTERMEDIARY ROLES AND RESPONSIBILITIES**

A primary role of the fiscal intermediary is its fiduciary responsibility to the waiver agent to handle, manage and account for the funds in the individual budgets of participants in the Choice Voucher System. The waiver agent may contract with the fiscal intermediary to handle other tasks such as providing employee verification functions or offering information and guidance to ensure successful use of the Choice Voucher System.

The fiscal intermediary neither contracts directly for services and supports on behalf of the participant, nor acts as the employer of workers. If a participant chooses to hire workers directly, the participant is the employer and is responsible for hiring and managing the workers. The fiscal intermediary is not a party to Employer Agreements or Purchase of Services Agreements between the participant (or his/her chosen legal representative<sup>8</sup>) and each provider.

However, the fiscal intermediary does support the participant in carrying out his or her self-determined arrangements. The fiscal intermediary processes payments for services and supports upon participant authorization. The fiscal intermediary accounts for all expenditures and provides monthly reports of expenditures to the participant and waiver agent. It also has an obligation to ensure that all required agreements between participants and providers are in place before making payment. When the participant directly employs workers, the fiscal intermediary provides employer agent services for the participant. An employer agent is a term developed by the Internal Revenue Service (IRS) to describe entities that provide the service of handling all of the employer-related duties for an individual or organization. These tasks include those required by the IRS<sup>9</sup>, state and local income tax jurisdictions, and unemployment insurance regulators. (For a list of functions, refer to LIST OF FISCAL INTERMEDIARY FUNCTIONS in Appendix I.) In this role, the fiscal intermediary is providing a service to participants and not serving as their agent as that term is traditionally defined in law.

The fiscal intermediary may also perform functions that enable the participant to direct needed services and supports. These functions include employee verification to check provider qualifications and conducting reference and background checks. The fiscal intermediary also will be expected to perform other functions such as collecting and reporting data related to service delivery to the waiver agent on behalf of participants.

In addition to its administrative functions, a fiscal intermediary performs a critical role in supporting participants to ensure successful use of the Choice Voucher System. The fiscal intermediary may directly support participants in hiring and managing their own workers. If requested to do so, the fiscal intermediary may provide participants with the information and guidance they need to direct their services and supports and work with them to develop creative approaches and arrangements that best meet their needs.

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<sup>8</sup>The participant may decide to use a power of attorney to authorize to a family member or trusted friend to handle the employment of workers. Some participants may have a legal guardian whose responsibility is to act in place of the participant includes functioning as the employer.

<sup>9</sup>See Section 3504 of the Internal Revenue Code, IRS Revenue Procedure 70-6 and 80-4 and IRS Notice 2003-70. These documents deal explicitly with employer agents who handle required IRS tasks for employers.

The information and guidance functions include advice on how to recruit potential workers, sample job interview formats and job descriptions, work formats, discussion groups on being a successful employer, and locating or arranging for training on first aid or universal precautions. These functions may also range from assistance with identifying and locating specific provider organizations in a given area to guidance in constructing contracts and agreements and support in finding and selecting other options for arrangements that successfully support participants as members of their communities. The range of roles of an Intermediary is more fully explored in a publication describing the various roles of an intermediary services organization, available from the Federal Government.<sup>10</sup>

### **KEY ELEMENTS OF THE RELATIONSHIP BETWEEN THE WAIVER AGENT AND THE FISCAL INTERMEDIARY**

The waiver agent is responsible for selecting one or more fiscal intermediaries to serve the participants in the Choice Voucher System in its area. It is suggested that selection be done using the Fiscal Intermediary Readiness Review Protocol.

Regardless of the procurement process used, the waiver agent must construct its contractual arrangements with the fiscal intermediary in terms that clearly define the fiscal intermediary and waiver agent's roles, responsibilities, and reporting requirements through a Fiscal Intermediary Agreement. The FISCAL INTERMEDIARY READINESS REVIEW is a comprehensive list of tasks that the FI must perform. This document provides a mechanism for the fiscal intermediary to measure its capacity to handle all necessary functions; similarly, the waiver agent can use it as an instrument for assessing readiness to provide FI services and monitoring performance. When implementing the Choice Voucher System, the waiver agent has great flexibility to construct a unique relationship with the fiscal intermediary provided that all technical requirements are met. The administrative functions and the employer agent functions are required of all fiscal intermediaries. Each waiver agent may contract for other specific services that meet its or the participants' needs, such as employee verification and information and guidance functions. The LIST OF FISCAL INTERMEDIARY FUNCTIONS (Appendix I) provides a framework that describes these functions more fully, and provides a list of criteria for the waiver agent to use in developing and implementing its fiscal intermediary arrangements. The waiver agent must involve participants and their allies in the development and implementation of the FI arrangement.

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<sup>10</sup>“Consumer-Directed Personal Assistance Services: Key Operational Issues for State CD-PAS Programs Using Intermediary Service Organizations” by Susan A. Flanagan and Pamela S. Green, October 24, 1997, Developed for the US Department of Health & Human Services, Assistant Secretary for Planning and Evaluation. This report can be downloaded from: <http://aspe.hhs.gov/daltcp/reports/cdpases.htm>. Please note that you must click on each section of the report separately to read that section.

The fiscal intermediary must be able to fulfill all functions identified in the selection process and included in the Fiscal Intermediary Agreement. The intermediary must have a positive track record for managing funds and accounting. It also must be oriented to provide an individualized support and response to each participant. The waiver agent has a responsibility to provide clear guidance to the fiscal intermediary on the accounting requirements, reporting formats, and timelines to ensure that the fiscal intermediary properly accounts for public funds, particularly Medicaid funds.

In order to avoid conflicts of interest, the fiscal intermediary cannot be a direct service provider and cannot have any compensated fiduciary relationship with the participant (such as guardian or trustholder) with the exception of serving as the representative payee for Social Security benefits. The waiver agent must implement monitoring and safeguards to minimize and avoid conflicts of interest by the fiscal intermediary especially when the Intermediary serves as representative payee for a participant.

The waiver agent derives many benefits from the fiscal intermediary arrangement. It shifts the responsibility for handling the administration and employer agent role to the fiscal intermediary. The fiscal intermediary provides a guarantee that it will properly handle and account for public funds, particularly Medicaid funds. If properly constructed, the arrangement provides a buffer for the waiver agent and insulates the waiver agent from liability for all of the functions that are handled by the fiscal intermediary<sup>11</sup>. As the potential for waiver agent liability is directly related to the specific contractual arrangement with the fiscal intermediary, local counsel should be actively involved in developing this arrangement.

Fiscal intermediaries must be carefully selected to ensure they have the capacity to perform the required functions and maintain accountability for the allocated funds. The waiver agent must develop and implement a plan for assessing and monitoring fiscal intermediary performance to ensure that the fiscal intermediary is properly performing its functions. (For a list of plan elements, please refer to the LIST OF FISCAL INTERMEDIARY FUNCTIONS in Appendix I and the FISCAL INTERMEDIARY READINESS REVIEW To best monitor the fiscal intermediary, the waiver agent must

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<sup>11</sup>While the use and proper functioning of the fiscal intermediary insulates the waiver agent from liability for those functions, the waiver agent has potential employer liability if it fails to separate itself waiver agent from the participant's role in directly contracting with workers and providers. The participants are the sole employer in charge of hiring and managing their employees. As such, participants, with their allies, must fully and independently select, orient and direct chosen workers. In general, the perspective needs to be that waiver agent provides support as well as information and guidance to participants directly employing workers rather than performing the selection and management duties itself. While the design of the Choice Voucher System is intended to limit the potential for liability, the particular realities of a relationship between a participant, service provider, FI and waiver agent may be result in liability. For more information, consult "Addressing Liability Issues in Consumer-directed Personal Assistance Services" by Charles J. Sabatino and Sandra L. Hughes, January 2004, Developed for the U.S. Department of Health and Human Services, Office of Disability, Aging and Long-Term Care Policy. This report can be downloaded from <http://aspe.hhs.gov/daltcp/reports/cdliab.htm>. Please note that you must click on each section of the report separately to read that section.

actively involve participants and their allies in its assessment plan that includes focus groups, performance loops, and satisfaction surveys (dissemination of surveys by mail is insufficient). The elements of this plan must minimally include: (1) fulfillment of the requirements of Fiscal Intermediary Agreement and indemnification of the waiver agent, (2) demonstrated competency in the safeguarding, management, and disbursement of funds, (3) evaluation of participant feedback and satisfaction data and (4) performance of an audit of a sample of budgets.

If a fiscal intermediary fails to fulfill its functions properly (especially the functions of accounting for Medicaid funds and handling the employer agent duties) and the waiver agent does not discover the situation through its monitoring process and take corrective action, the waiver agent may be held responsible and exposed to liability and potential financial penalties. The waiver agent must require the fiscal intermediary to carry adequate insurance and obtain performance bonding to safeguard against losses that could result from intentional or inadvertent errors of fiscal intermediary employees.

The fiscal intermediary is compensated separately from the individual budgets it manages. Compensation for its services on a flat fee or case-mix rate basis is recommended. The waiver agent and the fiscal intermediary may negotiate a volume-based rate structure, but they cannot base compensation on a percentage or factor of individual budgets. Factoring has the potential to create incentives that may run counter to the interests of both the waiver agent and the participants.

## **THE VALUE OF USING AN INDEPENDENT INTERMEDIARY**

In order for the Choice Voucher System to be successful, participants who have arrangements that support self-determination must see the fiscal intermediary as an independent entity that works in partnership with them as they consider and try out creative, non-standard approaches to obtaining support and making meaningful community connections. To facilitate successful outcomes for participants, a fiscal intermediary should work to develop a relationship based on trust, respect and partnership with each participant and be oriented to individually respond to each person's needs.

The fiscal intermediary has the unique role of administering the service plan with the individual budget directed by the participant. In this role, the fiscal intermediary cannot deny or terminate services. Because it is not a provider of services, it does not have any interests or investments in particular programs, services or providers that may conflict with participant choices. Free from such conflicts of interest, the fiscal intermediary can provide each participant with an individualized response supportive of individual choice. As a result, participants perceive the fiscal intermediary as a partner in implementing their supports in a way that meets their needs and preferences identified during the person-centered planning process.

The Fiscal Intermediary arrangement eliminates other barriers associated with the waiver agent. Some barriers that have been reported include burdensome administrative requirements for the participant, attitudinal and procedural barriers that may hinder the ability of participants to voice their needs and preferences, and simple delays in processing payments. As an independent agent, the fiscal intermediary fosters trusting relationships with participants and thus, creates an environment where true self-direction can occur. To best facilitate this partnership, the waiver agent should offer a choice of intermediaries located in the participant's community, when it is able to do so.

## **PUTTING IT ALL TOGETHER**

The fiscal intermediary is a central component to use of the Choice Voucher System in promoting the opportunity for arrangements that support self-determination for individuals receiving services from Long-Term Care System and for promoting family-directed and controlled arrangements for minors. Establishing a fiscal intermediary is a straightforward process, and since the entities selected as intermediaries will likely have experience in handling the requirements of the payroll administration process, the implementation of the use of the fiscal intermediary is relatively simple.

Putting the fiscal intermediary arrangement into place requires planning at the administrative level by the waiver agent. The waiver agent must map out the specifics of the model it will use to support implementation of the Choice Voucher System. Local legal and accounting professional consultation should be sought to verify that the proposed administrative arrangements between the waiver agent and the fiscal intermediary are properly constructed. The waiver agent must consider whether to contract with the fiscal intermediary to handle employment support functions. Issues concerning potential conflicts of interest need to be identified and managed.

As a central matter, the waiver agent must enlist the involvement of participants and their allies when it begins planning to establish arrangements with a fiscal intermediary. As systems are defined and developed, the waiver agent should walk through them with representative participants and their allies to assure that they can be used easily. The best fiscal intermediaries properly handle the administrative management tasks required by the waiver agent, while making their complexities invisible to the participant. Once the fiscal intermediary arrangement is implemented, the waiver agent should use survey methods, focus groups, and/or an ongoing participant oversight process to obtain feedback on how the system is working. When the participant is properly supported by a successful fiscal intermediary arrangement, the opportunity for identifying and obtaining the choices of supports that best fit the needs of a participant are more likely to become reality.

**E**

**SELF-DETERMINATION  
AGREEMENT**

## **Prototype**

### **SELF-DETERMINATION AGREEMENT**

The Self-Determination Agreement is a contract between the waiver agent and the participant that defines the roles and responsibilities of the parties regarding participation in the Choice Voucher System. This prototype agreement can be used as a template for waiver agents to create local agreements that meet their unique needs.

The provisions of the Self-Determination Agreement:

- Describe the responsibilities of the waiver agent, including ways that the waiver agent can support the participant in creating and using arrangements that support self-determination;
- Describe the authority and responsibilities of the participant;
- Provide the participant with the necessary information and support so that the participant can make an informed choice regarding participation and successfully participate in the Choice Voucher System;
- Outline a mechanism for changing for the agreement, the service plan, or the individual budget;
- Describe the fiscal intermediary arrangements;
- Describe the importance of the Medicaid Provider Agreement;
- Outline requirements for service providers.

## Prototype

### SELF-DETERMINATION AGREEMENT

*Notes in bold, italics and brackets are places where specific information must be inserted. To make the agreement clearer for the participant, his or her name should be substituted for the term “participant” throughout the document.*

This agreement is made on **[insert date]** between **[insert name of waiver agent]** (A waiver agent@) and **[insert name of participant]** (“participant”). The waiver agent is an entity that authorizes services and supports to participants receiving MI Choice waiver services. The participant is an individual who is or will be receiving supports through the waiver agent and has developed a service plan and an individual budget to accomplish arrangements that support self-determination.

The purpose of this agreement is to define the responsibilities of the parties regarding participation in the Choice Voucher System. This agreement will be in effect until it is changed or ended. This agreement may be changed only through a written agreement by both parties. If one party wants a change, that party must provide written notice of the desired change to the other party. The waiver agent will respond to any such notice from the participant within seven (7) working days. Termination of this agreement does not affect the participant’s right to access services and supports through the waiver agent.

The Choice Voucher System is a set of arrangements to support an individual in the process of self-determination. These arrangements include using a person-centered planning process to determine the appropriate service and supports, develop a service plan, and authorize an individual budget.

Funds in the individual budget are the property and responsibility of the waiver agent and must be used consistently with statutory and regulatory requirements. The authority over control and direction of the funds is delegated by the waiver agent to the participant for the purpose of assuring the participant the maximum freedom in choosing providers of goods and services that provide the best opportunity for achieving the goals and outcomes in the service plan in ways that best fit the participant’s preferences.

## ARTICLE I

### WAIVER AGENT RESPONSIBILITIES

The waiver agent agrees to the following responsibilities:

1. The waiver agent will provide support coordination in the following ways:
  - a. The waiver agent will participate in the development of a service plan and an individual budget for the participant through a person-centered planning process.
  - b. The waiver agent will assist in accessing sources of financial support. Specifically, the waiver agent will provide assistance in maximizing and maintaining eligibility for SSI, SSDI, Social Security, Food Stamps, Adult Home Help, Medicaid and/or any other sources of financial support.
  - c. The waiver agent will develop and assure a back-up plan is in place for essential services in case of worker absences, emergencies or unforeseen circumstances.
  - d. The waiver agent will assure that all the necessary documentation is in place, including the Medicaid Provider Agreement completed by each provider of services or supports.
  - e. ***[Insert other specific supports coordination roles to be provided by the waiver agent.]***
2. The waiver agent will provide and/or facilitate access to opportunities for additional support services. Additional support services may include, but are not limited to the following: housing and utility subsidies, personal assistance, home maintenance, transportation, and employment opportunities.
3. The waiver agent will fund services and supports directed by the participant and authorized through the service plan and the corresponding individual budget (see attachments A and B). The individual budget will be administered by the fiscal intermediary (FI) **[insert name and contact information for the fiscal intermediary]**, which will be responsible for completing and submitting paperwork associated with billing, payment for services and supports upon participant authorization, and handling the employer agent functions if the participant directly employs workers.
4. If the services of a fiscal intermediary will be used, the waiver agent will assign **[if there is a choice of fiscal intermediary, replace “assign” with “assist the participant with selecting”]** a fiscal intermediary. Further, the waiver agent will convene a meeting with the participant and the fiscal intermediary at least two weeks prior to beginning the use of the fiscal intermediary’s services. At this meeting, the participant and the fiscal intermediary will receive an approved copy of the participant’s individual budget.

5. The waiver agent will assure that the fiscal intermediary will provide a monthly spending report to the participant.
6. If the waiver agent is to make services and supports arrangements directly with any provider on behalf of the participant, the waiver agent will assure that:
  - a. the individual can change provider agencies within **[insert reasonable period of time (e.g. not to exceed thirty (30) calendar days)]**;
  - b. the waiver agent honors the participant=s preferences in selecting provider agencies;
  - c. the waiver agent=s contracts with provider agencies allow the participant to choose and direct the employees of the provider agency assigned to support the participant, to the greatest extent possible.
7. The waiver agent will assure and pay for appropriate background checks of support providers as requested and/or needed by the participant. The waiver agent will inform the participant of the Medicaid requirements for providers (such as age, relationship to participant).
8. The waiver agent will provide the participant=s fiscal intermediary with the appropriate funds necessary to implement the individual budget and purchase services and supports on a monthly basis with the first payment made by **[Insert start up date]**.
9. The waiver agent will assist the participant with the process of providing the fiscal intermediary with copies of required employment agreements and documents, and provide the fiscal intermediary with a copy of a completed Medicaid Provider Agreement for each provider selected and employed or contracted by the participant.
10. The waiver agent and the participant will review the service plan at least annually and the individual budget periodically.
11. The waiver agent will provide assistance to the participant in monitoring expenditures and reviewing financial reports monthly or as requested.
12. The waiver agent will assure that its policies and practices empower the participants to make meaningful choices about how the individual budget is spent, consistent with the service plan.
13. The waiver agent will facilitate modification of the service plan through a person-centered planning process at the request of the participant or when the waiver agent determines that modification is necessary. The waiver agent will not reduce the participant=s service plan and/or budget without holding a person-centered planning meeting and providing adequate notice as required.
14. The waiver agent will provide the necessary forms, information and material relevant to the waiver agent=s reporting requirements for the participant.
15. The waiver agent will provide the participant with the applicable dispute resolution procedure **[Insert information about how to access dispute resolution procedure]**.

## **ARTICLE II**

### **PARTICIPANT RESPONSIBILITIES**

The participant agrees to the following:

1. The participant voluntarily chooses to participate in the Choice Voucher System in order to directly manage a portion or all of his or her services and supports. The participant may choose to end participation in Choice Voucher System and such a decision does not affect the participants' ability to obtain the services and supports identified in the service plan through the waiver agent.
2. The participant will direct the person-centered planning process and the development of a service plan and an individual budget. The plan of services and supports will outline the types, frequency and on-going review of support the participant may receive. The plan will include a backup plan for essential services in case of worker absences, emergencies or unforeseen circumstances. This plan will be reviewed at least annually with the waiver agent or more often, if requested by the participant.
3. The participant will use services and supports consistent with the goals and outcomes in the service plan.
4. The participant will communicate with the waiver agent on the effectiveness of purchased supports and the person-centered plan in achieving the goals and outcomes in the service plan. The participant may initiate a change to the service plan or individual budget by convening a person-centered planning meeting.
5. In directing his or her own services and supports, the participant agrees to manage the use of funds so that expenditures in the aggregate do not exceed the amounts identified in the individual budget. The participant will notify the waiver agent of a material change in circumstance or an emergency that may require a modification of the service plan or the individual budget. (For example, the loss of a natural support).
6. The participant will make arrangements, as necessary, for obtaining formal and informal providers of services and supports sufficient to accomplish the goals and outcomes of the his or her service plan.
7. If the participant directly employs workers, the fiscal intermediary will provide employer agent services and handle paperwork associated with employment and payroll of workers including withholding and paying federal, state and local income taxes and unemployment taxes.
8. The participant will assure that each provider of services and supports retained by the participant meets provider requirements identified by the waiver agent and agrees to secure or have secured appropriate background checks on any potential support providers to assure they meet minimum requirements.

9. The participant will provide the waiver agent and/or the fiscal intermediary with necessary documentation supporting expenditures of funds provided by the waiver agent pursuant to the individual budget. Supporting documentation may include, but is not limited to, contracts and agreements with providers of services and supports, utility bills, payroll checks, receipts for furnishings and transportation, invoices and time sheets.
10. When directly hiring and managing workers, or when contracting for services and supports from other providers, the participant agrees to use a written agreement that clearly states that the waiver agent and fiscal intermediary are not the employer of any workers and providers or a party to the contract between the participant and his or her employees or providers.
11. The participant agrees to provide the waiver agent and the fiscal intermediary with all necessary information regarding all providers of services and supports including executed copies of employment and purchase of services agreements and Medicaid Provider Agreements prior to authorizing payments for services and supports. **The participant agrees to specify in all Employment Agreements or Purchase of Services Agreements the requirement that all employees and support providers must execute a Medicaid Provider Agreement.**
12. If the fiscal intermediary serves as employer agent, the participant will provide the fiscal intermediary with the information and documentation necessary for it to perform the employer agent duties.
13. The participant agrees to allow a the waiver agent to review his or her financial situation for purposes of assessing financial eligibility for SSI, SSDI, Social Security, Adult Home Help services, Medicaid or similar programs.
14. The participant agrees to attempt to resolve any dispute over this agreement, the person-centered planning process, the service plan or the budget through the applicable dispute resolution procedure described above. While an informal dispute resolution process may result in a quick resolution to the issue, use of an informal process is not a waiver of any legal remedy available for resolving disputes pertaining to this agreement, including the right to a Fair Hearing under provisions of the Social Security Act and the Michigan Administrative Procedures Act.
15. The participant agrees to communicate with the Fiscal Intermediary and waiver agent and to seek assistance from these entities as needed.
16. When requested to do so, the participant agrees to provide feedback to the fiscal intermediary to enable it to improve its service delivery system.

The waiver agent and participant agree to the terms and conditions of this agreement.

\_\_\_\_\_  
**Participant** <sup>[12]</sup>

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Waiver Agent Self Determination Coordinator**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Executive Director or Self Determination Coordinator**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
<sup>12</sup>Some individuals may have a guardian or a chosen legal representative. If the participant has a guardian or a chosen legal representative, a place should be inserted for that person to sign and the appropriate documentation verifying that person's authority should be attached to that agreement.

**F**

**FISCAL INTERMEDIARY  
AGREEMENT**

## **Prototype**

### **FISCAL INTERMEDIARY AGREEMENT**

The purpose of this contract is to define the roles and responsibilities the waiver agent and the fiscal intermediary in the use of the fiscal intermediary to perform a number of essential tasks that support self-determination arrangements for adult recipients of MI Choice Waiver services while assuring accountability for the public funds allotted to support those arrangements. The use of a fiscal intermediary assures the opportunity for participants in the Choice Voucher System to control and direct the use of funds allocated in their individual budgets in order to acquire supports and services to accomplish the goals and purposes of their service plans developed through the person-centered planning process. This prototype should be used to develop a specific agreement for use locally.

The provisions of this Agreement:

- Explain the Choice Voucher System and the role of the fiscal intermediary in supporting self-determined arrangements for participants;
- Describe the duties of the waiver agent;
- Describe the duties of the fiscal intermediary;
- Describe the importance of the Medicaid Provider Agreement.

# Prototype

## FISCAL INTERMEDIARY AGREEMENT

*Notes in bold, italics and brackets are places where specific information must be inserted.*

This agreement is made on [Insert date between ***[Insert name of waiver agent]*** (the “waiver agent”) and ***[Insert name of fiscal intermediary]*** (the “fiscal intermediary”). The purpose of this contract is to define the roles and responsibilities of the parties in the use of the fiscal intermediary’s services to assure the opportunity for participants in the Choice Voucher System to control and direct the use of funds allocated in their individual budgets in order to acquire supports and services to accomplish the goals and purposes of their individual plans of services and supports developed through the person-centered planning process.

This contract shall remain in effect until it is terminated or modified. Any party can initiate a termination or modification by providing 30 days written notice to the other party. The waiver agent shall respond to any such notice within seven (7) working days.

This agreement supersedes any previous agreements between these two parties. This agreement is entered into under authority granted by Public Act 258 of 1974, as amended, and in accordance with the rules and regulations of the Michigan Department of Community Health adopted and promulgated under Act 258. The waiver agent policies shall govern in any area not specifically covered in this Agreement and are available from the waiver agent for review upon request.

### ARTICLE I

#### WAIVER AGENT RESPONSIBILITIES

The waiver agent agrees to the following:

1. To designate a liaison person, who shall be the primary contact person with the fiscal intermediary, and a procedure for the fiscal intermediary to use to obtain and access the funds necessary to implement the individual budget for each person who is a participant in a Choice Voucher System through the waiver agent using this fiscal intermediary.
2. To provide the fiscal intermediary with funds to be expended by each participant, in accordance with the service plan and individual budget. These funds shall be sent in monthly payments, reflecting 1/12th of the approved budget, by the 10th business day of each month.
3. That the fiscal intermediary is acting as the agent of the waiver agent in administering agency funds for services and supports authorized in the service plan for each assigned participant.

4. That the role of the fiscal intermediary is that of an agent of the waiver agent, through this contract, for the purpose of assuring for each assigned participant maximum control over the selection of providers of goods and services, within the framework of the participant's service plan and his or her individual budget.
5. The fiscal intermediary is not an employer of workers directly employed by the participant or a party to any contract in which the participant enters.
6. To develop and provide a written set of procedures for the fiscal intermediary including clear guidance on the minimum requirements for accounting.
7. To provide the necessary forms, information and material relevant to the waiver agent's reporting requirements for the participant.
8. To assist each participant with the use of his or her individual budget, as requested or needed.
9. In consideration for the above outlined services, to provide the following administrative fee of [Insert fee] to the fiscal intermediary. This fee shall be paid in the following manner [Insert manner of payment].
10. To assist each assigned participant to assure that all necessary documentation is in place including but not limited, to all agreements required by the waiver agent, especially a Medicaid Provider Agreement between each provider of services and the waiver agent.
11. It is understood that payments of Medicaid funds held by the waiver agent and administered by the fiscal intermediary cannot be made to a provider of goods or services unless a Medicaid Provider Agreement is in place with that provider.

## **ARTICLE II**

### **FISCAL INTERMEDIARY RESPONSIBILITIES**

The fiscal intermediary agrees to the following:

1. To designate a liaison person, who will be the primary contact person and have responsibility for monitoring and ensuring that the terms of this contract are fulfilled.
2. To receive, safeguard, manage and account for funds provided by the waiver agent on behalf of each participant and maintain complete and current financial records and supporting documentation verifying expenditures paid by the fiscal intermediary and a chart of accounts [Reference and attach approved verification forms, and chart of accounts format].
3. To assist participants to understand billing and documentation responsibilities.

4. To perform the financial administrative duties of employer as described in the LIST OF FISCAL INTERMEDIARY FUNCTIONS attached and provide employer agent services to the participant directly employing workers. The fiscal intermediary shall abide by all federal and state laws regarding payroll taxes and shall remain current with all payroll tax requirements. Both the waiver agent and the participant shall provide copies of all required employment documents including the Medicaid Provider Agreement to the fiscal intermediary.
5. To disburse funds to vendors and other providers of services and supports as directed by each participant for the services and supports selected by the participant and in accordance with his or her service plan and individual budget, only upon receipt of all required agreements including the Medicaid Provider Agreement and timesheets or invoices approved by the participant or his or her authorized representative.
6. To maintain complete current financial records, copies of all agreements, and supporting documentation verifying expenditures paid by the fiscal intermediary on behalf of each participant. These records shall be retained for seven years from the start of fiscal intermediary services.
7. To record and maintain a monthly spending report for each participant to keep each participant informed of his or her own individual budget expenditures and to keep the waiver agent of the expenditures in all individual budgets. These reports are due within five (5) calendar days of the close of each month. The year-end report is due within twenty (20) calendar days of the close of the fiscal year. The year-end report will include a listing of accounts payable and other accrued expenses, not included in the accounts payable and accounts receivable. [Replace time periods in this section with specific requirements of the waiver agent]. These records shall be retained for seven years.
8. To safeguard all confidential information including the results of any background checks, and/or other documents pertaining to providers of services as needed or requested by the participant and/or waiver agent.
9. To flag for the waiver agent and the participant any deviation in an individual budget of ten (10) percent in either under or over expenditures at any time.
10. To reconcile all accrued expenses/accounts payable by [Insert applicable time period] following the end of the fiscal year.
11. To make records regarding participants available to the waiver agent as requested and to allow each participant access to his or her own records.
12. To commission a full financial audit of the fiscal intermediary's books and records [Insert specific requirements of the waiver agent].
13. To indemnify the waiver agent and maintain a valid insurance policy for its role as a fiduciary of the funds in the participants' budgets in the amount sufficient to indemnify the waiver agent for potential losses.

The Parties also agree to the following

1. That the fiscal intermediary shall be kept informed of any changes such as a change in the employment status of an employee or a contract modification or termination.
2. This agreement is subject to and governed by the laws of the State of Michigan.
3. Any notice to amend or terminate this contract shall be in writing by receipt of personal delivery or by first class mail, postage prepaid as follows:

**[Insert contact information and person for the waiver agent.]**

**[Insert contact information and person for fiscal intermediary.]**

This agreement, with its attachments, sets forth the entire understanding and agreement between the parties regarding the provision of fiscal intermediary services. This agreement supersedes any and all other agreements, either oral or in writing between the parties. No modification of the terms of this contract is valid unless it is in writing and signed by the parties.

\_\_\_\_\_  
**Fiscal Intermediary Representative**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Waiver Agent Executive Director**

\_\_\_\_\_  
**Date**

**G**

**EMPLOYMENT  
AGREEMENT**

## **Prototype**

### **EMPLOYMENT AGREEMENT**

This agreement should be used as a prototype for developing an agreement between an individual with a disability (or his or her chosen legal representative<sup>13</sup>) who is a participant in the Choice Voucher System and a person directly employed by the participant to provide services or supports. It outlines and describes the duties and responsibilities of the parties to the contract.

The provisions of this agreement:

- Describe the Choice Voucher System, the nature of the employment relationship, and the structure of service authorization and payment mechanisms;
- Describe the duties required of the employee;
- Detail the employee's compensation and benefits;
- Outline the rules and regulations affecting the employee's employment;
- Explain the importance of the Medicaid Provider Agreement;
- Outline the requirements that the employee must meet.

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<sup>13</sup>A participant may choose to use a power of attorney to authorize a family member or trusted friend to handle matters for him or her; some participants may have a legal guardian whose responsibility to act in place of the participant in certain matters.

# PROTOTYPE

## EMPLOYMENT AGREEMENT

*Notes in bold, italics and brackets are places where specific information must be inserted. To make the agreement clearer for the participant, his or her name and the employee's name should be used throughout the document.*

This agreement is made on **[Insert date]** between **[Insert name of participant directly employing the worker]** ("employer") and **[Insert name of employee]** ("employee") to describe the supports that the employee will provide to the employer and the terms and conditions of employment.

### ARTICLE I

#### EMPLOYEE RESPONSIBILITIES

I, **[Insert name of employee]** (employee) am aware and agree that my employment is conditioned on my employer's participation in the Choice Voucher System administered by the waiver agent. If my employer ends participation in the Choice Voucher System, my employment may end. I agree to the following terms of employment:

1. During the term of this Agreement, I shall provide support to my employer by performing the duties outlined in this agreement and any attachments to it.
2. I agree to assist my employer in maintaining the documentation and records required by my employer or the waiver agent. I agree to complete all necessary paperwork to secure mandatory payroll deductions from my pay. All records I may have or assist in maintaining are the property of my employer. I will keep these records confidential, release them only with the consent of my employer, and return them to my employer if my employment ends. In addition, I will complete illness and incident reports when necessary as required or requested by the waiver agent or my employer.
3. **[Optional Provision: I shall immediately notify (*insert the name and contact information of the contact person chosen by the employer (for example, it may be an ally)*) if my employer experiences a medical emergency or illness. I will also notify (*insert name of contact person*) before taking my employer to the physician, except in case of an emergency.]**
4. I agree to participate in any meetings if requested to do so by my employer.

5. I agree to abide by all of my employer's rules and waiver agent regulations (described below) regarding my employment duties to the employer through the Choice Voucher System and I acknowledge receipt of the following rules and regulations
  - a. Attachment A to this Agreement, which outlines the supports that I will provide to my employer.
  - b. ***[Employer should insert rules he or she may have (such as rules regarding phone usage or smoking in his or her home)].***
  - c. ***[The waiver agent shall insert its policies and/or procedures for the Choice Voucher System or other policies that the employee needs to understand and follow].***
  - d. ***[Insert reporting and documentation requirements for verifying hours worked].***
6. I understand that this is an employment at will relationship, which can be terminated by me or by my employer at any time. However, my employer cannot terminate my employment on the basis of my race, religion, sex, disability or other protected status under federal or Michigan law. In addition, I agree to give [insert number of days] days written notice to my employer if I terminate my employment.
7. I understand and acknowledge that my employer is my sole employer and that I am not an employee of the waiver agent, which authorizes the supports I provide, or the fiscal intermediary, which is the financial administrator of the Choice Voucher System funds used to pay me.
8. I agree to not to sue the fiscal intermediary for its role as the financial administrator of my employer's Choice Voucher System funds and the waiver agent for its role in administering the Choice Voucher System.
9. I agree to the following compensation for the services I shall perform: ***[\$[Insert hourly wage] an hour. [Insert specific information about any benefits the employee shall receive and describe benefits that will be excluded].***
10. **I agree to execute a Medicaid Provider Agreement with the waiver agent and acknowledge that this agreement does not alter the fact that the waiver agent is only the project administrator of the Choice Voucher System, and that my employer is [insert name of employer]. I understand that my employment is contingent on completing this agreement.**

**ARTICLE II**  
**EMPLOYER RESPONSIBILITIES**

I, ***[insert name of Employer]*** (“Employer”) agree to the following:

1. I will provide my fiscal intermediary with the necessary documentation to assure timely compensation of my employee.
2. I will compensate my employee in the following manner: \$ ***[Insert hours wage]*** an hour. ***[Insert specific information about any benefits the employee shall receive and describe benefits that will be excluded.]*** Payroll will be handled by my fiscal intermediary ***[Insert name of fiscal intermediary]***, which will withhold all necessary tax, unemployment and other withholdings from the employee’s paychecks.
3. I will assure my employee receives appropriate training.
4. I will evaluate the performance of my employee and provide appropriate feedback to assure that I am receiving quality supports.
5. **I will assure that my employee executes a Medicaid Provider Agreement with waiver agent.**

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**Employee Signature** **Date**

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**Employer Signature<sup>[14]</sup>** **Date**

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<sup>14</sup>Some individuals may have a guardian or a chosen legal representative. If the employer has a guardian or a chosen legal representative, a place should be inserted for that person to sign and the appropriate documentation verifying that person’s authority should be attached to that agreement.

**H**

**PURCHASE OF SERVICES  
AGREEMENT**

## Prototype

### **PURCHASE OF SERVICES AGREEMENT**

This agreement should be used as a model for designing a locally sanctioned agreement to be used between the individual with a disability (or his/her chosen legal representative<sup>15</sup>) who is a participant in self-determination, and a provider agency from which they choose to purchase services. This agreement can be modified and used when the agency is providing all or some supports coordination to the individual. A modification of this agreement format may also be used to contract with an independent licensed/certified professional, or an entity that provides other goods or services. The format does not allow for the sort of arrangements necessary to define an employer-employee relationship, and should not be used as such.

The provisions of this agreement:

- Describe the Choice Voucher System, the nature of the contractual relationship, and the structure of service authorization and payment mechanisms;
- Describe the duties required of the service provider;
- Detail the service provider's compensation and benefits;
- Outline the rules and regulations affecting the provision of services;
- Explain the importance of the Medicaid Provider Agreement.

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<sup>15</sup>A participant may choose to use a power of attorney to authorize a family member or trusted friend to handle matters for him or her; some participants may have a legal guardian whose responsibility to act in place of the participant in certain matters.

# PROTOTYPE

## PURCHASE OF SERVICES AGREEMENT

*Notes in bold, italics and brackets are places where specific information must be inserted. To make the agreement clearer for the participant, his or her name and the service provider's name should be used throughout the document.*

This agreement is made on ***[Insert date]*** between ***[Insert name of participant]*** ("participant") and ***[Insert name of service provider]*** ("service provider"), a provider of [Insert type of services] to describe the services or supports the participant is purchasing from the service provider and how the service provider will be compensated for providing such services.

**This contract shall remain in effect until it is terminated or modified. Any party can initiate a termination or modification by providing 15 days written notice to the other party. The other party shall respond to any such notice within seven (7) working days by accepting the modification or termination or proposing an alternative modification.**

The parties acknowledge and agree that this contract is conditioned on the participant's participation in the Choice Voucher System administered by the waiver agent. If the participant ends participation in the Choice Voucher System, this contract may be terminated.

1. During the term of this Agreement, the service provider shall provide support to the participant by performing the following duties ***[Insert detailed description of duties]***.
  - ***There can be different types of services, different rates by service or shift, and it could outline which employee of the provider agency will provide which services, or cover which shift.***
  - ***This will be different in each situation. The individual, with support from their allies<sup>16</sup> and supports coordinator, should determine what services they want to purchase and how they should be delivered. This should be determined prior to approaching providers so the individual can shop around. The provider should not determine this. The provider can always turn down the contract if it does not feel comfortable with what the individual wants to purchase from them.***
  - ***Keep in mind, as with all contracts, the terms of the contract result from negotiation between the parties to the contract.***

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<sup>16</sup>An individual's allies include chosen: family members, friends, paid staff, other professionals, and community members, etc.

- ***If all supports coordination and/or personal agent functions are to be provided by the agency, those should be specifically outlined. This will be very important if some of the supports coordination and/or the functions of a personal agent will be provided by another party, for example the waiver agent).***
2. The participant agrees to authorize his or her fiscal intermediary to pay the service provider for the provision of the services described on a **[insert appropriate period such as weekly or monthly]**. Payment will be made only when authorized by the participant. If the service provider has a question about payment, it must contact the participant to clarify the issue. If more information is necessary, the service provider may contact the fiscal intermediary directly to process payment under this agreement and to understand requirements of the Choice Voucher System. If further clarification is still needed, then the service provider may contact the waiver agent for information.
  3. **[If the service provider is providing staff, insert the following provisions:**  
The service provider is an independent contractor of the participant. **The service provider shall provide staff to perform the services or supports described above in a manner consistent with this agreement. The service provider is the sole employer of the staff members and shall fulfill all federal and state employment obligations including, but not limited to:**
    - **maintaining worker's compensation insurance;**
    - **complying with minimum wage standards and overtime regulations; withholding and payment of employment taxes; complying with occupational health and safety standards;**
    - **and all other reasonable employer responsibilities.**

**The service provider has the legal responsibility to recruit, screen, hire, manage and supervise the staff in accordance with all applicable federal and state laws, and the requirements of the Choice Voucher System. The provider shall, make every effort to meet the participant's preferences when employing and scheduling its employees. This includes involving the participant in the employee selection and assuring re-assignment of employees when they are not acceptable to the participant. The participant will have the maximum amount of control over staff as allowed by law.]**

4. The parties agree and specifically acknowledge that the services may be performed in the participant's home. The service provider agrees that its staff will abide by all of the participant's rules and waiver agent regulations and the service provider acknowledges receipts of the following rules and regulations:
  - a. **[participant should insert can rules he or she may have (such as rules regarding phone usage or smoking in his or her home)].**
  - b. **[The waiver agent shall insert its policies and/or procedures for the Choice Voucher System or other policies that the employee needs to understand and follow].**
  - c. **[Insert reporting and documentation requirements for verifying hours worked].**
5. If the participant has a complaint regarding the provision of services under this contract, it should inform the service provider and the service provider shall respond to the complaint within seven days. If the complaint cannot be resolved directly by the parties, the participant shall inform his or her supports coordinator.
6. If a dispute arises concerning an invoice or the authorization of payment on an invoice, the following procedure should be followed: **[Insert Applicable Dispute Resolution Procedure].**
7. **[Optional Provision: The service provider shall immediately notify [insert the name and contact information of the contact person chosen by the participant [for example, it may be an ally] if the participant experiences a medical emergency or illness. The service provider will also notify [insert name of contact person] before taking the participant to the physician, except in case of an emergency.]**
8. The service provider agrees to complete illness and incident reports when necessary as required or requested by the waiver agent or my employer.
9. The service provider understands and acknowledges that this contract is with the participant only and that the waiver agent, which authorizes the supports provided, and the fiscal intermediary, which is the financial administrator of the Choice Voucher System funds used to fund the services or support, are not parties to this contract.
10. The service provider agrees not to sue the fiscal intermediary for its role as the financial administrator of the participant's Choice Voucher System funds and not to sue the waiver agent in its role in administering the Choice Voucher System.
11. The service provider agrees to the following compensation for the services performed: **[\$[Insert hourly wage] an hour**. The payment shall be paid within fourteen (14) business days of receipt of authorization at the following address **[insert service provider address].**

12. The service provider agrees to execute a Medicaid Provider Agreement with the waiver agent and acknowledges that this agreement does not alter the fact that the waiver agent is only the administrator of the Choice Voucher System, and that this contract for services or supports is solely with the participant. The service provider acknowledges that payment for services is contingent on completing this agreement.
13. This agreement represents the entire understanding and contract between the parties, and supersedes any and all prior agreements, whether written or oral that may exist between the parties. Any modification to this agreement must be made in writing.

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**Service Provider's Signature**                      **Date**

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**Participant Signature<sup>[17]</sup>**                      **Date**

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<sup>17</sup>Some individuals may have a guardian or a chosen legal representative. If the participant has a guardian or a chosen legal representative, a place should be inserted for that person to sign and the appropriate documentation verifying that person's authority should be attached to that agreement.



# MEDICAID PROVIDER AGREEMENT

## **Prototype**

### **MEDICAID PROVIDER AGREEMENT**

The purpose of the Medicaid Provider Agreement is to assure that all providers of services and supports funded by Medicaid agree to comply with the federal Medicaid Requirements. Every Medicaid provider must complete the Medicaid Provider Agreement and this agreement must be on file with the fiscal intermediary prior to the first payment for services.

# PROTOTYPE

## MEDICAID PROVIDER AGREEMENT

*Notes in bold, italics and brackets are places where specific information must be inserted.*

This agreement is made on **[insert date]** between **[insert name of waiver agent]** (“waiver agent” and **[Insert name of Medicaid Provider]** (“Medicaid Provider”). The purpose of this agreement is to define the roles and responsibilities of the above named parties. This agreement shall remain in effect until such time it must be terminated or modified. Any party can initiate a termination or modification by providing written notice to the other of the desire to terminate or modify this agreement.

Upon receipt of this agreement, the waiver agent will certify the Medicaid Provider as available to provide services to individuals who receiving services and/or supports in accordance with their service plans developed through the person-centered planning process, authorized by the waiver agent or one of its subcontractors, and funded through the MI Choice Waiver.

The Medicaid Provider stipulates that it agrees to the following:

1. To keep any records required by the participant or the waiver agent regarding the services provided to participants and to provide such information and any related invoices or billings, upon request, to the participant, waiver agent, the State Medicaid Agency, the Secretary of the Department of Health and Human Services or the State Medicaid fraud control unit.
2. To comply with the ownership disclosure requirements specified in 42 CFR 455, subpart B, as applicable.
3. To comply with intent of the advance directive requirements specified in 42 CFR 489, Subpart I and 42 CFR 417.436 (d), as applicable, by finding out if a participant has an advance directive to refuse life-sustaining medical treatment, and informing the participant, before the provider starts work, whether or not the provider will carry out that advance directive so the participant can make an informed choice during the hiring process.<sup>18</sup>

Both parties expressly acknowledge that the sole purpose of this agreement is to assure compliance with 42 USC 1902 (a) 27. Further both parties recognize and reaffirm that the waiver agent is not the employer of the Medicaid Provider, and that the participant is the sole employer of the Medicaid Provider.

This agreement sets forth the entire understanding between the parties with respect to the subject matters, and supersedes any and all other agreements, either oral or in writing between the parties pertaining to these matters. No change or modification of the terms of this agreement is valid unless it is in writing and signed by the parties.

\_\_\_\_\_  
**Executive Director**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Medicaid Provider Agency/Individual**

\_\_\_\_\_  
**Date**

<sup>18</sup>This requirement applies to home health agencies and providers of home health care and personal care services as well as health care institutions. However, under Michigan law, certain health professionals cannot refuse to honor a Do Not Resuscitate order (MCL 333.1051 et. seq.).

**J**

**AUDIT FORM**

# SELF-DETERMINATION PARTICIPANT AUDIT OF COMPLIANCE WITH EMPLOYER ROLE REQUIREMENTS SAMPLE

Participant: \_\_\_\_\_ Supports Coordinator: \_\_\_\_\_

**FISCAL INTERMEDIARY INFORMATION:**

1. Is there a signed employment agreement between the participant & each worker he or she employs?
2. Does the fiscal intermediary have a copy of each?
3. Is there a current worker's compensation insurance policy in effect for each worker?
4. Where is this policy located?
5. Has the Medicaid Provider Agreement been executed between the waiver agent and each worker employed by the participant and each provider with which the participant directly contracts as applicable?
6. Does the fiscal intermediary possess a copy of each of these?

**PROVIDER REQUIREMENTS:**

1. Have criminal background checks been conducted for each worker?
2. Where is this documentation located?
3. Is there evidence that each worker is able to prevent the spread of communicable diseases?
4. Where is this documentation located?
5. Is there evidence that each worker is trained in first aid & CPR?
6. Where is this documentation located?
7. Are there any specialized training requirements which are indicated or required, and specified in the individual plan of services and supports, which relate to the individual's health or welfare?
8. Is there evidence that each worker is aware of these requirements?
9. Is there evidence that each worker has been trained as indicated in the person's service plan?
10. Where is this documentation located?
11. Does the service plan include an emergency back-up plan?
12. Does each worker possess a copy of his or her Employment Agreement?
13. Does each worker possess a copy of a job and/or tasks description?

Audit Conducted by: \_\_\_\_\_ Date: \_\_\_\_\_

REMEDIAL ACTION	ACTIVITY	PARTY RESPONSIBLE	CONFIRMATION BY: (PERSON & DATE)
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# K

## APPENDIX 1

### LIST OF FISCAL INTERMEDIARY FUNCTIONS

## APPENDIX 1

### List of Fiscal Intermediary Functions

The following is a list of the functions of the parties involved in the Choice Voucher System, which is a set of arrangements that enable recipients of MI Choice Waiver services (participants) to direct the services and supports they need. The list includes functions of the waiver agent, fiscal intermediary (FI) and the participants.

<p><b>I. The Role of the waiver agent and Fiscal Intermediary Selection</b></p> <p><i>The waiver agent is responsible for selecting and contracting with at least one fiscal intermediary. The following sections describe the role of the waiver agent, the qualifications of the fiscal intermediary, and the criteria to be used to monitor the fiscal intermediary.</i></p>
<p><b>A. Waiver Agent Functions</b></p> <p><i>The waiver agent may have the following functions:</i></p>
1. Develop a Fiscal Intermediary Agreement that outlines the minimum functions of both the waiver agent and the FI;
2. Develop and provide a written set of procedures for the FI including clear guidance on the minimum requirements for accounting;
3. Require FI to maintain liability insurance and indemnify waiver agent for performance of FI functions;
4. Involve participants and their allies <sup>19</sup> as advisory to the process of developing and defining the purpose and use of fiscal intermediaries, and continue to use participant feedback to assess and improve quality in the FI performance to ensure that: (a) participants are supported in the direction and control of chosen providers of services; (b) the Waiver Agent funds are handled correctly; and (c) the reporting requirements can be easily followed by all parties;
5. Implement monitoring and safeguards to avoid and minimize potential conflicts of interest by FI;
6. Develop a procurement process (such as a RFP Process) with clear delineation of the FI requirements and functions;
7. Create reporting formats and timelines;
8. Compensate the FI on a flat fee basis, case rate, or other payment process that is not a percentage of individual budgets;
9. If the waiver agent has more than one fiscal intermediary, provide participants with choice of FI entity;
10. Define and inform participants of procedures to request an adjustment to an individual budget.

<sup>19</sup>An individual's allies include chosen: family members, friends, paid staff, other professionals, and community members, etc.

**B. Fiscal Intermediary Qualifications**

*The following attributes have been identified as qualifications for a fiscal intermediary and are to be considered in the selection process:*

1. Cannot be a direct provider of waiver services;
2. Cannot be a guardian or trust holder of any participant or have any other compensated fiduciary relationship with a participant (except representative payee);
3. Must be able to fulfill the functions (which may include Employee Verification, Employer Agent, and/or Information and Guidance Functions) required by waiver agent as identified in the Fiscal Intermediary Agreement;
4. Has a positive track record of managing money and accounting;
5. Is oriented to support and respond to each participant with an individualized response;
6. Is able to work with participants to consider creative approaches both in payments and in arrangements (such as weekly payroll payments).

**C. Criteria For waiver agent To Use To Assess & Monitor FI Performance**

1. Develop and implement a plan for assessing and monitoring FI performance that involves participants and their allies in the assessment and monitoring.  
The plan should include:
  - a. Use of an initial readiness review checklist and process review of FI performance to be performed prior to implementation of FI services; and
  - b. A periodic performance review process of FI performance at least annually.For further guidance, consult the Fiscal Intermediary Initial Readiness Review (attached as Appendix II)
2. Elements of the plan must minimally include:
  - a. Fulfillment of Fiscal Intermediary Agreement requirements;
  - b. Competency in safeguarding, management and disbursement of funds;
  - c. Ability to indemnify waiver agent pursuant to Fiscal Intermediary Agreement requirements;
  - d. Evaluation of participant feedback and experience with and satisfaction of FI performance data with alternate methods for collection data from participants (i.e. more than mailed surveys);
  - e. Involvement of participants and their allies in the development and implementation of the FI arrangement;
  - f. Performance of an audit of a sample of the budgets.

## **II. Fiscal Intermediary Functions**

*The fiscal intermediary has four basic areas of performance: (1) to ensure compliance with requirements related to management of public funds and employment of workers by participants; (2) to provide employer agent functions for participants as requested; (3) to offer supportive services to enable participants to self-determine and direct the services and supports they need; and (4) to otherwise facilitate a smooth relationship between the parties and meet the needs of the waiver agent and participants.*

### **A. Administrative Functions**

*The following are the general administrative functions of the fiscal intermediary:*

1. Safeguard, manage and account for funds disbursed from the waiver agent;
2. Disburse funds to vendors and providers after obtaining (a) Purchase of Services Agreements and Employment Agreements; (b) verification that a Medicaid Provider Agreement has been signed by each provider; and (c) timesheets or invoices approved by participant or his or her authorized representative<sup>20</sup>.
3. Assist each participant in assuring all necessary documentation is in place including, but not limited to, all agreements required by the waiver agent including a Medicaid Provider Agreement from each service provider;
4. Maintain complete current financial records, copies of all agreements, and supporting documentation verifying expenditures paid by the FI on behalf of each participant for seven years;
5. Record, maintain and provide a monthly spending report for each participant and provide a copy to the waiver agent and the participant and maintain records for seven years;
6. Indemnify waiver agent for FI Functions and maintain liability insurance;
7. Flag for the waiver agent and the participant any deviation in an individual budget of ten (10) percent either in under or over expenditures at any time;
8. Reconcile all accrued expenses/accounts in the period defined in the Fiscal Intermediary Agreement following the end of the fiscal year;
9. Make records regarding participants available to the waiver agent as requested and allow each participant access to his or her own records;
10. Perform an audit as required by the Fiscal Intermediary Agreement;
11. Accumulate and report service activity and encounter data if a contractual requirement applies.

<sup>20</sup>A participant may choose to use a power of attorney to authorize a family member or trusted friend to handle matters for him or her; some participants may have a legal guardian whose responsibility to act in place of the participant in certain matters.

**B. Employer Agent Functions**

*When a participant is directly employing workers, the fiscal intermediary shall provide employer agent functions and perform the financial administrative duties of employer, pursuant to the Internal Revenue Code Section 3504, IRS Revenue Procedure 70-6 and 80-4 and IRS Notice 2003-70. The required tasks for employer agent services of the fiscal intermediary include but are not necessarily limited to:*

1. Issue payroll payments to workers hired directly by the participants;
2. Withhold income, Social Security, and Medicare taxes from payroll payments and make payments to the appropriate authorities for taxes withheld;
3. Make payments for unemployment taxes and worker's compensation insurance to the appropriate authorities, when necessary;
4. Serve as payment agent for vendors of services and supports chosen and retained by the participant;
5. Issue W-2 forms and tax statements;
- 6 Obtain documentation from the participants and file it with the IRS so that the FI can serve as Employer Agent for participants, and meet the requirements of state and local income tax authorities and unemployment insurance authorities;
7. Assist the participant with purchasing worker's compensation insurance, if required.

### **III. Employment Support Functions**

*Employment support functions ensure that the participants are able to successfully use the Choice Voucher System. The waiver agent is responsible for assuring that these functions are provided. It can provide the services itself or contract with the fiscal intermediary or another agency to perform these functions.*

#### **A. Employee Verification Functions**

*All workers hired through the Choice Voucher System must provide written verification that they meet employment requirements. In some cases, the FI will be responsible for this verification; in others, the participant or another agency will be responsible.*

1. Perform criminal background checks and reference checks on workers;
2. Verify citizenship or resident alien status of each worker;
3. Assure that each provider of services and supports retained by the participant is not a legally responsible person for the individual, and is in compliance with provider requirements of the waiver agent including the five minimum requirements of Chapter Three of the Medicaid Manual:
  - a. at least 18 years of age;
  - b. able to prevent transmission of any communicable disease from self to others in the environment in which they are providing supports;
  - c. able to communicate expressively and receptively in order to follow individual plan requirements and participant-specific emergency procedures, and report on activities performed;
  - d. in good standing with the law pursuant to the criteria developed by the relevant waiver agent;
  - e. able to perform basic first aid procedures.

*If the fiscal intermediary performs these functions, it is responsible for safeguarding the findings, reporting them to the waiver agent and the appropriate participant, and maintaining records.*

*If another agency performs these functions, then the agency must report its findings to the participant and the FI. The FI maintains its responsibility to safeguard the information and maintain records.*

*If the participant performs these functions, he or she must share the findings with the FI. The FI maintains its responsibility to safeguard the information and maintain records.*

**B. Information and Guidance Functions**

*The waiver agent and fiscal intermediary shall make information and guidance available to the participants when they are to be the direct employer of workers. Such information shall assist participants in being successful employers. These supportive services shall include at least the following tasks:*

1. Assist the participant to understand reporting, invoice processing and documentation responsibilities.
2. Provide information on how to recruit workers;
3. Provide of sample job interview formats and job descriptions;
4. Arrange and facilitate participation in peer discussion groups aimed at supporting a participant to be successful in the employer role;
5. Locate and arrange training, including training in first-aid and the prevention of transmission of communicable diseases, for employment candidates referred by the participant;
6. Assist each participant with the use of his or her individual budget, as requested or needed;
7. Support participants to facilitate timely authorization of payments and accurate record keeping;
8. Assist participants to find and select options for support arrangements including locating and selecting qualified workers;
9. Assure that an emergency back-up staffing arrangement is defined in the participant's individualized plan of services and support.

The waiver agent is responsible for ensuring that these functions are performed. It can perform them itself or contract with the FI or a participant-chosen third party to perform them. If the waiver agent contracts with FI to perform them, the waiver agent must monitor and assess the FI's performance and involve participants and their allies in that process.

**C. Participant Role**

*Participants must be actively involved in all aspects of the Choice Voucher System. They must agree to fulfill their responsibilities in the Self-Determination Agreement. Their responsibilities are:*

1. Manage the use of funds so that expenditures in the aggregate do not exceed the amounts identified in the individual budget and notify the waiver agent and FI about any change in circumstances that may require a modification of the individual plan of services and supports or the individual budget;
2. Provide all necessary information to the FI regarding all providers of services and supports and ensure that all required documentation and written agreements are in place, including a Medicaid Provider Agreement by each employee and service provider;
3. Assure that each service provider retained by them is in compliance with the provider requirements of the waiver agent;
4. Provide the FI with necessary authorization and documentation (such as timesheets and invoices) to support expenditures of funds;
5. If FI serves as their employer agent, provide FI with the information and documentation necessary to perform employer agent duties;
6. Attempt to resolve any dispute with the FI through the local dispute resolution process, when possible;
7. Communicate with the FI and waiver agent and seek assistance from these entities as needed;
8. Provide feedback to FI to enable it to improve its service delivery.

# *Everything You Need To Know About Self Determination*

- What is Self Determination?*
- Principles of Self Determination*
- How to Choose Self Determination*
- Choosing Allies*
- Person Centered Planning Process*
- Choosing Arrangements*
- Managing Your Arrangements*
- Glossary*



## What is Self Determination?

**Self Determination in Long Term Care** is a way for you to manage your services and have control over your life.

## Principles of Self Determination

Self Determination is built on these four principles:

- **Freedom** You plan your own life with the support you need.
- **Authority** You control your budget.
- **Support** You arrange resources and persons —to support the life you want.
- **Responsibility** You agree to use public dollars wisely.

## How to Choose Self Determination

1. Request information about Self Determination from your Supports Coordinator/Care Manager.
2. Choose allies to help you in the process.
3. Through the person centered planning process, decide what services you need to support your goals.
4. Manage your services.

## Choosing Allies

Ask people you have chosen to participate in your person-centered planning process. You can include:

- friends,
- family members,
- members of your church, mosque or temple,

- people you know from community organizations,
- staff at agencies, Supports Coordinators/Care Managers.

When choosing your allies, think about people whose opinion you trust. It's important to involve those who care about you. Remember, **YOU** choose who is involved and who is not involved. You are not required to include allies to participate in this program.

### **Person Centered Planning Process**

In the **person centered planning process**, you decide what services and supports you need. The process involves you, the allies you choose and your Supports Coordinator/Care Manager. Person centered planning is a way of talking about and planning your future. It's about what you **CAN** do, not what you can't do. Through the person centered planning process, your **Service Plan** and **Individual Budget** are developed.

Your **Service Plan** includes goals based on what you want and need. The services included in your plan support you to:

- accomplish these goals,
- meet your health and safety needs,
- support you in being more involved in your community, if you choose.

In the planning process, you may find services you need that are not funded by Medicaid. If that happens, you, your Supports Coordinator/Care Manager and your allies can help you look for ways to obtain them.

Your **Individual Budget** is the amount of funds that are needed to obtain the services and supports in your Service Plan. Your Individual Budget can only be used for the services and supports in your plan. You have the responsibility to handle this budget, with help from your allies, Supports Coordinator/Care Manager and your fiscal intermediary.

### **Choosing Arrangements**

After developing your Service Plan and Individual Budget, you will decide the best way or ways for you to make your plan work, including:

- Responsibility for Your Individual Budget
- The Choice Voucher System
- Use of a Fiscal Intermediary
- Agency with Choice

#### **-Responsibility for your Individual Budget**

Your responsibilities include:

- Using public dollars wisely;
- Using funds in your individual budget to obtain the services in your plan;

- Being a good employer;
- Communicating with your Supports Coordinator/Care Manager, or fiscal intermediary if there is a problem, concern or need for change.

### **-The Choice Voucher System**

With the **Choice Voucher System**, you choose your workers and providers and employ them directly. You may directly employ one specific service, or all of the services in your plan; it's your choice. The fiscal intermediary handles payment for all services in the Choice Voucher System.

### **-Use of a Fiscal Intermediary**

A **fiscal intermediary** is an independent agency that handles your Individual Budget. All services and supports funded through Self Determination must be processed through a fiscal intermediary. Your supports coordinator will provide you with information regarding fiscal intermediaries available in your area.

### **-Agency with Choice**

**Agency with Choice** is another method for you to obtain services. In the Agency with Choice model, you and the agency share the employer duties. The agency handles many of the legal and technical employer duties, but you are the managing employer. You hire, supervise, and, if necessary, fire your own worker(s). The Agency with Choice may help you find workers. The Agency with Choice duties include paying your workers, withholding income and other taxes for your workers, and providing employee benefits such as health insurance.

### **Managing Your Arrangements**

The person-centered planning process is the best way to make changes and resolve problems that arise. Sometimes, your choices cannot be honored because they pose risk to your health and welfare. Often, through person centered planning, the discussion can lead to other choices that meet your needs and satisfy your goals. If you are unable to find a solution to the problems, be sure to let your Supports Coordinator/Care Manager know. You have the right to appeal through the Medicaid Fair Hearing Process. Your waiver agent may also have a dispute resolutions process to help you find a solution.

### **Conclusion**

Self Determination in Long Term Care is a way for you to manage your services and supports, direct a fixed and individualized budget, and have control over your life. You can make choices about your needs, your services, and your providers. You will be in charge—of your needs, goals, and your life!

## **Glossary –Words used in this Booklet and What they Mean**

**Agency with Choice** An agency that shares employer duties with you, allowing you to recruit, hire and manage workers, with support from the agency.

**Allies** Individuals who you choose to help you develop your service plan.

**Choice Voucher System** A system for you to directly employ workers.

**Fiscal Intermediary** An independent agency that manages the funds in your individual budget and makes payments to providers of services.

**Individual Budget** The funding authorized to provide the services and supports in your Individual Plan.

**Service Plan** The plan of services and supports that will be authorized and paid for by your waiver agent.

**Participant** A term used for individuals, like you, who are choosing to direct their own services and supports.

**Person Centered Planning** The way that you come together with your allies and Supports Coordinator/Care Manager to determine what services and supports you need and how, when and where you receive them.

**Qualified Provider** A person or agency you choose to hire to provide your services and who meets the Medicaid and your waiver agent's provider requirements.

**Self Determination** The belief and value that you have the freedom to direct the services and supports you need to pursue a life that meets your goals.

**Waiver Agent** The agency that authorizes your Service Plan and Individual Budget for the MI Choice Waiver.

**Supports Coordinator (formerly called Care Manager)** A person who works for your waiver agent and works with you to develop a Service Plan and Individual Budget. The Supports Coordinator also provides other assistance and support to you.

## ***FREQUENTLY ASKED QUESTIONS ABOUT SELF DETERMINATION IN LONG TERM CARE***

### **What is Self-Determination in Long Term Care?**

Self Determination is the option of choice and control over services for your care at home. It means you can choose and hire workers with a designated individual budget for those services.

### **Who is eligible to participate?**

Anyone who is approved for the MI Choice waiver can enroll. Case managers/supports coordinators from the MI Choice agency will provide information.

### **Are family and friends required to be hired as workers?**

Participants choose the workers they want to help them. They do not have to be family members. If there doesn't seem to be anyone to choose, your supports coordinator will help with search ideas. These could be posting flyers in the community, at colleges or other locations. This could also involve placing an ad in local papers. If needed, help finding, interviewing and hiring workers can be provided.

### **How is the budget developed?**

The amount of an individual budget is based on a person centered planning process to decide what services you need, how much to spend for them, and other costs like taxes for your workers. The costs must be reasonable. All of your services will be authorized by your supports coordinator. The budget can be updated by contacting your supports coordinator when and if things change.

### **How are expenses from the budget paid?**

A neutral third party, known as a “fiscal intermediary” pays the bills that are in the budget for you. They will send a monthly report to you and your supports coordinator.

### **Do workers have a background check? Who does it?**

All workers chosen by a participant must have a criminal background check. The fiscal intermediary does the background check.

### **What kind of training do workers get and who does it?**

The training needed will be different based on the work. Personal Care workers must have training in CPR, first aid and blood borne pathogens training. Other training depends on what you need. How the training is provided varies by agency.

### **What is a back-up plan?**

Everyone in Self Determination develops a back-up plan, in other words, a plan for services when your regular worker can't be there. Sometimes this is covered by a family member or friend; sometimes it's one of the workers who usually work a different shift. Arrangements can also be made with a regular agency to be on call as needed to provide back-up. Options for a back-up worker are discussed when you make your plan.

### **Is there a lot of paperwork?**

At first, it looks like a lot of paper at enrollment. There are several documents and agreements that clearly spell out the responsibilities of everyone involved. All papers are explained before you sign them. You may ask as many questions and take

as much time as you need. After the initial enrollment, you review and sign the timesheets for your workers and the monthly statement from the fiscal intermediary. New forms and agreements are required when there is a change in workers.

### **Which services can be directed?**

There are 10 services you can choose to direct. They are:

Personal Care

Home maker

Chore

Non-Medical Transportation

Respite

Home Modifications

Goods and Services

Community Living Supports

Private Duty Nursing

Fiscal Intermediary

For a complete description of what each service is, talk to your supports coordinator.

### **Do I have to direct all my services?**

You choose which services you want to direct by hiring the workers and managing the budget. You can also combine services that you control and services that come from an agency. It depends on what works best for you.

### **Can someone help me?**

You can choose someone to be your representative. That person agrees to help you as much as you feel you need help with

understanding the paperwork, supervising workers or anything else.

### **Why is Michigan offering this option?**

Giving people more choice and control of how they live their lives and the services they need is important to us all. It is part of a national movement. It isn't about saving or spending money. It's about people getting help to stay at home, while getting the best value for the dollars. Michigan has been enrolling MI Choice participants in Self Determination since December of 2006. Currently, there are hundreds of people in Michigan who have chosen this option.

### **How do I get more information and get started?**

Contact your care manager/supports coordinator and tell her or him you want more information about Self Determination. She/he can explain how it works and listen to you about the way you would like to receive your services and who you would like to provide them. A planning process with you will lead to a budget for your services that you manage.

Medicaid Infrastructure Grant (MIG)  
July 2008

There are presently 1072 Freedom to Work (FTW) participants.

Medical Services Administration (MSA)/MIG joint meeting was held on June 17. Staff has not been hired to address transitioning people from AD Care to FTW. Discussion about a possible FTW amendment continues.

Marty attended the Work Incentives Planning and Assistance (WIPA) training in Tennessee to better understand Social Security benefits planning and work incentives. He will not be a CWIC, but attended the training to become even more accurate when encouraging work to individuals throughout MI.

Joe attended Project Search in Cincinnati, OH, with eight other people from Oakland County. It was very informative and underscored the success of this initiative. Workers explained their work duties at Cincinnati Children's Hospital (CCH), 5/3 Bank, and Otterbein Retirement Living Community. It was impressive to learn how CCH & 5/3 administration have both found Project Search employees to raise the bar in both attendance and quality.

Joe also attended a joint meeting of about 15 MIG projects across the nation with Social Security. The topic was focused on building capacity and sustainability within benefits planning by enhancing WIPA projects. Brenda Etheridge with the WIPA project of Greater Detroit Goodwill also attended the meeting.

There was also an Asset Building Summit held in Lansing on June 26. This is a network of organizations that includes credit unions, foundations, non-profit organizations, legislative analysts, small business people, and others that are focused on helping individuals build assets. A follow up memo from Ross Yednock, Director of this Project is also attached providing further information. A credit union shared that they extend loans to individuals for education at little or no interest for up to 24 months. The site is [www.ctpforcumembers.com](http://www.ctpforcumembers.com)

The 2009 MIG Continuation grant is due August 25.

Greetings!

Thank you for taking the time to participate in last week's Asset Building Coalition meeting. The energy and enthusiasm in the room that day was tremendous and the feedback we received has been extremely helpful. I look forward to the work ahead!

I greatly appreciate all you did to help make June 26<sup>th</sup> a very productive and successful day!

Per your request, the CEDAM website has been updated to include presenter contact information and PowerPoint presentations. A list of attendees (with addresses), the policy update materials and both the participant and action committee questionnaires are also available on the "Events" page. Links to the websites of other ABC participants and asset building organizations can be found on the "Useful Links" page.

A detailed report of the day will be available by the end of next week, so please let me know as soon as possible if there is anything you would like included in the report.

Again, thank you for your help last week and enjoy the Fourth of July weekend!

- Ross

Updated information can be found at:

[www.cedam.info/ABC.htm](http://www.cedam.info/ABC.htm)

[www.cedam.info/ABC\\_Events\\_June26\\_2008.htm](http://www.cedam.info/ABC_Events_June26_2008.htm)

[www.cedam.info/ABC\\_UsefulLinks.htm](http://www.cedam.info/ABC_UsefulLinks.htm)

[www.cedam.info/ABC\\_Publications.htm](http://www.cedam.info/ABC_Publications.htm)

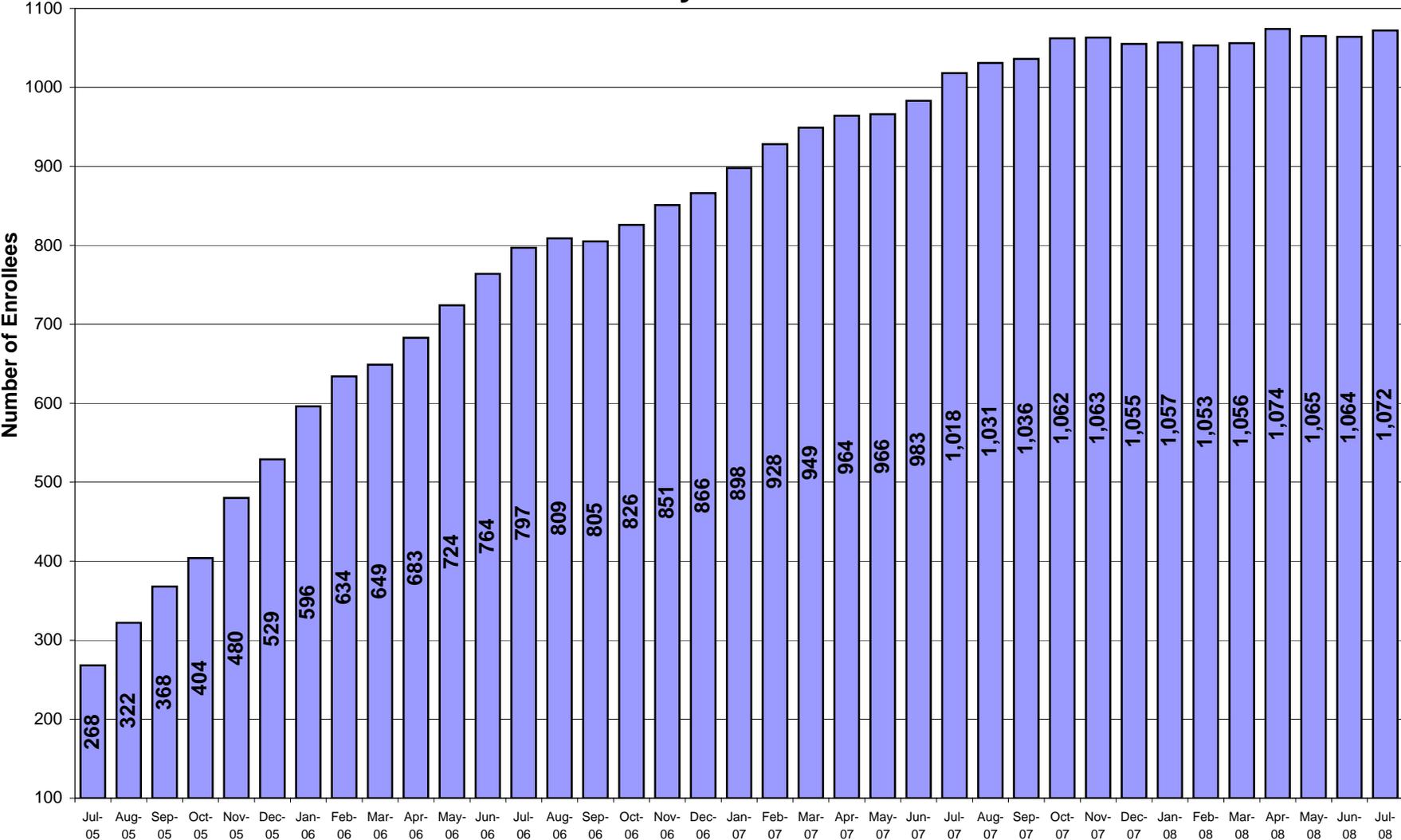
Ross H. Yednock, Director, Asset Building Policy Project  
Community Economic Development Association of Michigan (CEDAM)  
1000 South Washington Avenue, Suite 101  
Lansing, MI 48910-1647  
517.485.3588 phone  
517.485.3042 fax  
[www.cedam.info](http://www.cedam.info)

Freedom to Work Enrollment - By County  
JULY 2008

Alcona	3	Grand Traverse	24	Monroe	16
Alger	1	Gratiot	3	Montcalm	1
Allegan	13	Hillsdale	7	Montmorency	2
Alpena	5	Houghton	9	Muskegon	42
Antrim	4	Huron	6	Newaygo	7
Arenac	3	Ingham	45	Oakland	96
Baraga	1	Ionia	2	Oceana	4
Barry	6	Iosco	1	Ogemaw	2
Bay	33	Iron	4	Ontonagon	1
Benzie	2	Isabella	5	Osceola	3
Berrien	28	Jackson	12	Otsego	11
Branch	6	Kalamazoo	62	Ottawa	23
Calhoun	17	Kalkaska	3	Presque Isle	1
Cass	5	Kent	104	Roscommon	2
Charlevoix	6	Lapeer	8	Saginaw	8
Cheboygan	2	Leelanau	1	St. Clair	14
Chippewa	13	Lenawee	14	St. Joseph	9
Clare	4	Livingston	5	Sanilac	4
Clinton	5	Mackinac	1	Shiawassee	13
Crawford	2	Macomb	62	Tuscola	6
Delta	9	Manistee	6	VanBuren	5
Dickinson	8	Marquette	11	Washtenaw	37
Eaton	20	Mason	4	Wayne	99
Emmet	3	Mecosta	8	Wexford	4
Genesee	32	Menominee	5		
Gogebic	4	Midland	15	TOTAL	1,072



# Michigan FTW Enrollees July 2008





**STATE PROFILE TOOL GRANT  
JULY 2008**

The outline of the profile tool has been drafted. MPHI is working on filling in the information needs and contacting staff for input on the various programs. The outline will be presented at the LTC Information forum on the 31<sup>st</sup> for stakeholder input, as well. The Office is working with MDRC on convening an advisory group for this grant.

**SYSTEMS TRANSFORMATION GRANT  
JULY 2008**

Jane Alexander is the Project Director. Jackie has taken over the daily activities of this grant. The Strategic Plan was approved by CMS last year. The Semi-Annual Report has been submitted to CMS. They asked for clarification on a few issues; these were corrected and the report re-submitted. The progress of this grant is mirrored in the progress of the other grants the Office is working on: ADRC, Money Follows the Person, Cash and Counseling.

**PRE-PAID LTC HEALTH PLAN  
JULY 2008**

This project has seen high-level discussions regarding the role of the State, the needed Health Plan Provider organization and a local provider network coordinating organization. It now seems likely that a bid process will be used to select a provider organization. The Feasibility Study is completing preliminary analysis of one year's data to assure that all needed data has been pulled, prior to the other five year's data being downloaded. The project will be continued and the waivers will be submitted, once the feasibility study is completed. The plan for consumer participation and review is being updated at this time.

**LTC NEEDS OF INDIVIDUALS RELEASED FROM MICHIGAN PRISONS  
JULY 2008**

At this time, a methodology and possible grant support to identify the people and processes needed to serve the LTC needs of inmates paroled from Michigan Prisons is being investigated. The number of individuals, age, and their LTC needs is not well documented. The supports and methods to divert these individuals from nursing facilities into safe community living options needs to be considered jointly with the Michigan Department of Corrections. Rob Curtner is coordinating this effort.

# Summary of Long Term Care Connection Activities

FY 2008 as of May

<b>SERVICES</b>	<b>Actual</b>					<b>FY 2007</b>	<b>Program</b>
	<b>SWMLTCC</b>	<b>WMCLTCC</b>	<b>DWCLTCC</b>	<b>UPLTCC</b>	<b>Totals</b>	<b>Totals</b>	<b>Totals</b>
<b>I and A Calls</b>							
Long Term Care Contacts	7461	4577	5386	855	18279		
Contacts Referred to Options Counselors	829	798	2971	1984	6582		
Total Contacts	8290	5375	8357	2839	24861	19,439	44,300
<b>Resource Database</b>							
Resource availability by county/city (list the county/city)	701	2002	197	681	3581	N/A	3581
<b>Options Counseling Cases</b>							
Options Counseling Cases Opened	624	999	2460	939	5022	2533	7555
Cases Closed	237	402	1204	590	2433	438	2871
Cases Continuing Open	865	940	2168	711	4684	2095	4684
Level of Care Determinations	2045	2473	2075	1448	8041	N/A	8041
<b>Community Education Presentations</b>							
Number of Presentations	87	21	21	501	630	132	762
Number Present	2017	211	2645	642	5515	19,527	25042
<b>Outreach Activities</b>							
Number of Activities	114	31	58	119	322	888	1210
Number of brochures distributed	4838	7891	7126	6713	26568	22,701	49269
<b>COMMUNITY</b>	<b>SWMLTCC</b>	<b>WMCLTCC</b>	<b>DWCLTCC</b>	<b>UPLTCC</b>	<b>Totals</b>	<b>Totals</b>	<b>Totals</b>
<b>Stakeholder Meetings</b>							
Number of Meetings	65	40	202	5	312	146	458
Number of Participants	166	319	729	137	1351	869	2220
Partnership agreements	20	350	38	23	431		431
<b>Board Meetings</b>							
Number of Meetings	5	7	7	4	23	25	48
<b>CAB Meetings</b>							
Number of Meetings	4	8	6	4	22	21	43

TRANSITIONS		SWMLTCC	WMCLTCC	DWCLTCC	UPLTCC	Totals	Totals	Totals
<b>Nursing Facility Transitions</b>								
1	Transferred to Waiver	122	120	77	30	349		349
2	Transferred to CIL	86	9	0	2	97		97
<b>Transitioned by LTCC</b>								
3	Opened	267	25	93	55	440	56	496
4	Completed	70	0	43	30	143	56	199
5	Continuing	197	25	50	25	297	0	297
EMERGENT		SWMLTCC	WMCLTCC	DWCLTCC	UPLTCC	Totals	Totals	Totals
Requests for Emergent Services		7	2	217	7	233	457	697