Revision: HCFA Region VI (MB)
November 1992
**Revised: March 1, 2008**

State: Arkansas

| Citation | | Amount, Duration, and Scope of Services: Categorically Needy (Continued) |
|---|---|---|
| 1902(a)(10)(D) | (vi) | Home health services are provided to individuals entitled to nursing facility services as indicated in item 3.1(b) of this plan. |
| 1902(e)(7) of the Act | (vii) | Inpatient services that are being furnished to infants and children described in section 1902(l)(1)(B) through (D), or section 1905(n)(2) of the Act on the date the infant or child attains the maximum age for coverage under the approved state plan will continue until the end of the stay for which the inpatient services are furnished. |
| 1902(e)(9) of the Act | X (viii) | Respiratory care services are provided to ventilator dependent individuals as indicated in item 3.1(h) of this plan. |
| 1902(a)(52) and 1925 of the Act | (ix) | Services are provided to families eligible under section 1925 of the Act as indicated in item 3.5 of this plan. |
| 1905(a)(23) and 1929 | ___ (x) | Home and Community Care for Functionally Disabled Elderly Individuals, as defined, described and limited in Supplement 2 to Attachment 3.1-A and Appendices A-G to Supplement 2 to Attachment 3.1-A. |
| **1915(j)** | **X (xi)** | **Self-Directed Personal Assistance Services, as described and limited in Supplement 4 to Attachment 3.1-A.** |

ATTACHMENT 3.1-A identifies the medical and remedial services provided to the categorically needy, specifies all limitations on the amount, duration, and scope of those services, and lists the additional coverage (that is in excess of established service limits) for pregnancy-related services and services for conditions that may complicate the pregnancy. **PACE and Self-Directed Personal Assistance Services are also included in Attachment 3.1-A.**

Revision: HCFA-PM-93- 5 (MB)
May 1993
**Revised: March 1, 2008**

State: Arkansas

| Citation | 3.1(a)(2) | Amount, Duration, and Scope of Services: Medically Needy (Continued) |
|---|---|---|
| 1902(e)(9) of Act | ___ | (x) Respiratory care services are provided to ventilator dependent individuals as indicated in item 3.1(h) of this plan. |
| 1905(a)(23) and 1929 of the Act | ___ | (xi) Home and Community Care for Functionally Disabled Elderly Individuals, as defined, described and limited in Supplement 2 to Attachment 3.1-A and Appendices A-G to Supplement 2 to Attachment 3.1-A. |
| **1915(j)** | ___ | **Self-Directed Personal Assistance Services, as described and limited in Supplement 1 to Attachment 3.1-B.** |

ATTACHMENT 3.1-B identifies the services provided to each covered group of the medically needy; specifies all limitations on the amount, duration, and scope of those items; and specifies the ambulatory services provided under this plan and any limitations on them. It also lists the additional coverage (that is in excess of established service limits) for pregnancy-related services and services for conditions that may complicate the pregnancy.

27. Program of All-Inclusive Care for the Elderly (PACE)

Refer to Supplement 3 to Attachment 3.1-A.

**28. Self-Directed Personal Assistance Services**

**_X_ Self-Directed Personal Assistance Services, as described in Supplement 4 to Attachment 3.1-A.**

**_X_ Election of Self-Directed Personal Assistance Services: By virtue of this submittal, the State elects Self-Directed Personal Assistance Services as a State Plan service delivery option.**

**____ No election of Self-Directed Personal Assistance Services: By virtue of this submittal, the State elects not to add Self-Directed Personal Assistance Services as a State Plan service delivery option.**

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28. Self-Directed Personal Assistance Services

Refer to Supplement 4 to Attachment 3.1-A.

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: **ARKANSAS**

**1915(j) Self-Directed Personal Assistance Services**

**Notwithstanding anything else in this State Plan provision, the coverage will be subject to such other requirements that are promulgated by CMS through interpretive issuance or final regulation.**

**i. Eligibility**

**The State determines eligibility for Self-Directed Personal Assistance Services:**

**A. X In the same manner as eligibility is determined for traditional State Plan personal care services, described in Item 24 of the Medicaid State Plan.**

**B. X In the same manner as eligibility is determined for services provided through a 1915(c) Home and Community-Based Services Waiver.**

**ii. Service Package**

**The State elects to have the following included as Self-Directed Personal Assistance Services:**

**A. X State Plan Personal Care and Related Services, to be self-directed by individuals eligible under the State Plan.**

**B. X Services included in the following Section 1915(c) Home and Community-Based Services waiver(s) to be self directed by individuals eligible under the waiver(s). The State assures that all services in the impacted waiver(s) will continue to be provided regardless of service delivery model. Please list waiver names and services to be included.**

**ElderChoices – Adult Companion Services**

**DDS-ACS Waiver**

**iii. Payment Methodology**

**A. ____ The State will use the same payment methodology for individuals self-directing their PAS under section 1915(j) than that approved for State plan personal care services or for section 1915(c) Home and Community-Based waiver services.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**iii. Payment Methodology (Continued)**

**B. X The State will use a different reimbursement methodology for individuals self-directing their PAS under section 1915(j) than that approved for State plan personal care services or for section 1915(c) Home and Community-Based waiver services. Amended Attachment 4.19-B page(s) are attached.**

**iv. Use of Cash**

**A. X The State elects to disburse cash prospectively to participants self-directing personal assistance services. The State assures that all Internal Revenue Service (IRS) requirements regarding payroll/tax filing functions will be followed, including when participants perform the payroll/tax filing functions themselves.**

**B. ____ The State elects not to disburse cash prospectively to participants self-directing personal assistance services.**

**v. Voluntary Disenrollment**

**The State will provide the following safeguards in place to ensure continuity of services and assure participant health and welfare during the period of transition between self-directed and traditional service delivery models.**

**When the participant voluntarily elects to discontinue participation in IndependentChoices, the counselor will discuss with the individual the reason for disenrollment and assist the individual in resolving any barriers or problems that may exist in preventing continuation. If the participant wishes to continue with the option to disenroll, the counselor will assist the participant by informing of traditional agency personal care providers in the participant's area. Once the participant selects an agency provider, the counselor will make the referral to establish agency services.**

**IndependentChoices can continue until agency services are established or the participant may elect to use informal supports until agency services are established.**

**The timeframes discussed under involuntary disenrollment do not apply to voluntary disenrollment. The request of the participant will be honored whether they ask to be disenrolled immediately or at anytime in the future. A participant can usually return to agency services within days. Normally when the counselor makes the referral to the agency, the counselor will ask when services can be started. The counselor will then stop IndependentChoices the day before agency services begin. Regardless of the situation, the State will assure that there will not be an interruption in delivering necessary services.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**vi. Involuntary Disenrollment**

**A. The circumstances under which a participant may be involuntarily disenrolled from self-directing personal assistance services, and returned to traditional service delivery model are noted below.**

**Participants may be disenrolled for the following reasons:**

1. **Health and Welfare: Any time DAAS feels the health and welfare of the participant is compromised by continued participation in the IndependentChoices Program, the participant may be returned to the traditional personal care program. Prior to this point the counselor has worked with the participant offering suggestions, identifying or changing representatives or employees to better meet the needs of the consumer, making in-home visits as needed by APS or DAAS RNs, working to resolve these concerns. If no resolution is available, meeting the participant's health and well-being needs is of most importance; including referral back to the traditional model.**

2. **Change in Condition: Should the participant's ability to direct his/her own care diminish to a point where the participant can no longer self-direct and there is no responsible representative available to direct the care after all avenues have been pursued which may include identifying other family relatives, seeking community support through the participant's church home or other service organizations within the community. If no resources are available, the IndependentChoices case will be closed and a referral can, at the request of the participant, be made to a traditional agency provider.**

3. **Misuse of Allowance: A warning notice will be issued should the participant or the representative who manages their cash allowance: 1) fail to pay related state and federal payroll taxes; 2) use the allowance to purchase items unrelated to personal care needs; 3) fail to pay the salary of a personal assistant; or 4) misrepresent payment of a personal assistant's salary. The counselor will discuss the violations with the participant and allow the participant to take corrective action including restitution if applicable. The participant will be permitted to remain in the program, but will be assigned to the fiscal intermediary, who will provide maximum bookkeeping support and services. The participant or representative will be notified that further failure to follow the expenditure plan could result in disenrollment and a**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**vi. Involuntary Disenrollment (Continued)**

**report filed with the Medicaid Fraud Unit if applicable. Should an unapproved expenditure or oversight occur a second time, the participant/representative will be notified that their IndependentChoices case is being closed and the participant is being returned to traditional personal care. The Medicaid Fraud Unit is informed of situations as needed/ required. The State will assure interruption of services will not occur while the participant is transitioning from IndependentChoices to traditional services.**

**4. Underutilization of Allowance: The fiscal intermediary is responsible for monitoring on a monthly basis the use of Medicaid funds received on behalf of the participant. If the participant is underutilizing the allowance and not using the allowance according to their cash expenditure plan, the fiscal intermediary will inform the counseling entities through a monthly report. The counselor will discuss with the participant and their support network to determine what problems are occurring. Together the parties will problem solve for a resolution. The counselor will continue to monitor the participant's use of their allowance through both reviewing of reports and personal contact with the participant. If underutilization continues to occur and no corrective action is initiated, then future discussions will focus on what is in the best interest of the participant in meeting their ADLs even if the best solution is a return to agency services. If more than six weeks of participant's allowance is accrued after counseling with the participant, the participant will be involuntarily disenrolled until they can properly execute their cash expenditure plan. Monies accrued will be returned to the Arkansas Medicaid program. Exceptions to the involuntary disenrollment may be considered if the participant has been hospitalized for an extended period of time or has had a brief visit out of state with approval by the participant's physician. Person-centered planning allows the flexibility of decision making based on individual needs that best meet the needs of the participant.**

**B. The State will provide the following safeguards to ensure continuity of services and assure participant health, safety and welfare during the period of transition between self-directed and traditional service delivery models.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**vi. Involuntary Disenrollment (Continued)**

**When a participant is involuntarily disenrolled the IndependentChoices program will mail notification of intent to close the case to the participant. The notice will allow a minimum of 10 days but no more than 30 days before IndependentChoices will be discontinued, depending on the situation. During the transition period, the counselor will work with the participant/representative to provide services to help the individual transition to the most appropriate services available.**

**vii. Participant Living Arrangement**

**Any additional restrictions on participant living arrangements, other than homes or property owned, operated or controlled by a provider of services, not related by blood or marriage to the participant are noted below.**

**There are no additional restrictions on living arrangements.**

**viii. Geographic Limitations and Comparability**

**A. X The State elects to provide self-directed personal assistance services on a statewide basis.**

**B. ____ The State elects to provide self-directed personal assistance services on a targeted geographic basis. Please describe:_____**

**C. ____ The State elects to provide self-directed personal assistance services to all eligible populations.**

**D. X The State elects to provide self-directed personal assistance services to targeted populations. Please describe: Age 18 and older.**

**E. ____ The State elects to provide self-directed personal assistance services to an unlimited number of participants.**

**F. X The State elects to provide self-directed personal assistance services to 7500 participants, at any given time.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**ix. Assurances**

**G. The State assures that there are traditional services, comparable in amount, duration and scope, to self-directed personal assistance services.**

**H. The State assures that there are necessary safeguards in place to protect the health and welfare of individuals provided services under this State Plan Option, and to assure financial accountability for funds expended for self-directed personal assistance services.**

**I. The State assures that an evaluation will be performed of participants' need for personal assistance services for individuals who meet the following requirements:**

i. **Are entitled to medical assistance for personal care services under the Medicaid State Plan; or**
ii. **Are entitled to and are receiving home and community-based services under a Section 1915(c) waiver; or**
iii. **May require self-directed personal assistance services; or**
iv. **May be eligible for self-directed personal assistance services.**

**J. The State assures that individuals are informed of all options for receiving self-directed and/or traditional State Plan personal care services or personal assistance services provided under a Section 1915(c) waiver, including information about self-direction opportunities that is sufficient to inform decision-making about the election of self-direction and provided on a timely basis to individuals or their representatives.**

**K. The State assures that individuals will be provided with a support system meeting the following criteria:**

i. **Appropriately assesses and counsels individuals prior to enrollment;**
ii. **Provides appropriate counseling, information, training and assistance to ensure that participants are able to manage their services and budgets;**
iii. **Offers additional counseling, information, training or assistance, including financial management services:**
   - **At the request of the participant for any reason; or**
   - **When the State has determined the participant is not effectively managing their services identified in their service plans or budgets.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**vii. Assurances (Continued)**

**A. The State assures that an annual report will be provided to CMS on the number of individuals served through this State Plan Option and total expenditures on their behalf, in the aggregate.**

**B. The State assures that an evaluation will be provided to CMS every three years, describing the overall impact of this State Plan Option on the health and welfare of participating individuals, compared to individuals not self-directing their personal assistance services.**

**C. The State assures that the provisions of Section 1902(a)(27) of the Social Security Act, and Federal regulations 42 CFR 431.107, governing provider agreements, are met.**

**D. The State assures that a service plan and service budget will be developed for each individual receiving self-directed Personal Assistance Services (PAS). These are developed based on the assessment of needs.**

**E. The State assures that the methodology used to establish service budgets will meet the following criteria:**

i. **Objective and evidence based, utilizing valid, reliable cost data.**
ii. **Applied consistently to participants.**
iii. **Open for public inspection.**
iv. **Includes a calculation of the expected cost of the self-directed Personal Assistance Services (PAS) and supports if those services and supports were not self-directed.**
v. **Includes a process for any limits placed on self-directed services and supports and the basis/bases for the limits.**
vi. **Includes any adjustments that will be allowed and the basis/bases for the adjustments.**
vii. **Includes procedures to safeguard participants when the amount of the limit on services is insufficient to meet a participant's needs.**
viii. **Includes a method of notifying participants of the amount of any limit that applies to a participant's self-directed Personal Assistance Services (PAS) and supports.**
ix. **Does not restrict access to other medically necessary care and services furnished under the plan and approved by the State but not included in the budget.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**viii. Service Plan**

**The State has the following safeguards in place, to permit entities providing other Medicaid State Plan services to be responsible for developing the self-directed personal assistance services service plan, to assure that the service provider's influence on the planning process is fully disclosed to the participant and that procedures are in place to mitigate that influence.**

**Not applicable. The state will not allow entities who provide other Medicaid State Plan services to be responsible for developing the self-directed service plan.**

**ix. Quality Assurance and Improvement Plan**

**The State's quality assurance and improvement plan is described below, including:**

**i. How it will conduct activities of discovery, remediation and quality improvement in order to ascertain whether the program meets assurances, corrects shortcomings, and pursues opportunities for improvement; and**

**ii. The system performance measures, outcome measures and satisfaction measures that the State will monitor and evaluate.**

**There are a multitude of activities that evaluate the overall performance of the IndependentChoices program such as:**

- **IndependentChoices tracks data on 135 primary data fields per participant supplemented by a variety of fields and tables to create a relational database that supports the IndependentChoices program.**
- **Using the MDS-HC and/or DMS-618 as the assessment instrument to not only determine the resources in time required to provide care in the home but to also address and educate the participant/family on health concerns triggered as a result of the assessment.**
- **Reports received from Financial Management Services provider and used by counselors to address underutilization of the Cash Expenditure Plan.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**x. Quality Assurance and Improvement Plan (Continued)**

**The quality of the IndependentChoices program is enhanced through open lines of communication with program participants, contractors and their staff, embracing the philosophy of person-centered planning, respecting the participant as the employer, and using technology to enhance customer service. All individual facets of the program work in a continuum to identify, remediate and improve the satisfaction of program participants while improving the overall performance of the program. Each phase of the program is described, detailing how assurances are met through the Arkansas Quality Assurance and Improvement Plan described below.**

**Monitoring and Oversight**

**The Division of Medical Services (DMS) retains responsibility for the administration and oversight of all Medicaid programs. The Division of Aging and Adult Services (DAAS) is the operating agency for the IndependentChoices program and responsible for the day-to-day operations. Both Divisions are part of the Arkansas Department of Human Services. DAAS will be responsible for executing the Quality Assurance and Improvement Plan with monitoring and oversight by DMS.**

**DAAS will provide DMS with a monthly report informing of the following:**

- **Enrollment activities**
- **Extension of Benefits results**
- **Status of pending applications**
- **Status of active case load**
- **Medicaid Cost for IndependentChoices**
- **Notable Events, Accomplishments & Lessons Learned**

**Lines of communication between the two Divisions are established and utilized to discuss additional needs and concerns that either Division may have.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xi. Quality Assurance and Improvement Plan (Continued)**

**The user friendly IndependentChoices tracking database used by counselors is designed in such a way that discovery and remediation go hand in hand; not only for the counselors, nurses and contractors, but also for management staff. By design, the efficiency of the database enhances the counselor's ability to provide good customer service and not be overly burdened with paper work.**

**The database quantifies:**

- **referrals received during the month,**
- **persons disenrolling,**
- **complaints,**
- **Cash Expenditure Plans developed,**
- **Extensions of Benefits requested.**

**The database identifies:**

- **reasons for disenrolling from the program,**
- **IndependentChoices participants who also receive HCBS waiver services,**
- **the DAAS RN responsible for the HCBS waiver services,**
- **the participant's physician,**
- **physician's fax number,**
- **date of next reassessment.**

**The database measures:**

- **time between the date of referral, the nurse's home visit, and receipt of the assessment from the DAAS RN,**
- **time between receiving the assessment, sending the assessment to the physician and receiving the authorization from the physician,**
- **time between the referral and the actual enrollment.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xii. Quality Assurance and Improvement Plan (Continued)**

**The user friendly IndependentChoices tracking database used by counselors is designed in such a way that discovery and remediation go hand in hand; not only for the counselors, nurses and contractors, but also for management staff. By design, the efficiency of the database enhances the counselor's ability to provide good customer service and not be overly burdened with paper work.**

**The database quantifies:**

- **referrals received during the month,**
- **persons disenrolling,**
- **complaints,**
- **Cash Expenditure Plans developed,**
- **Extensions of Benefits requested.**

**The database identifies:**

- **reasons for disenrolling from the program,**
- **IndependentChoices participants who also receive HCBS waiver services,**
- **the DAAS RN responsible for the HCBS waiver services,**
- **the participant's physician,**
- **physician's fax number,**
- **date of next reassessment.**

**The database measures:**

- **time between the date of referral, the nurse's home visit, and receipt of the assessment from the DAAS RN,**
- **time between receiving the assessment, sending the assessment to the physician and receiving the authorization from the physician,**
- **time between the referral and the actual enrollment.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xiii. Quality Assurance and Improvement Plan (Continued)**

**Each active and pending record contained within the database only includes data fields that are used in reporting. Each participant record may include the following:**

- **representative information, if applicable,**
- **participant's employee,**
- **participant's back-up worker,**
- **directions to the participant's home,**
- **nurse tracking,**
- **counselor tracking,**
- **contact notes identifying the type of contact,**
- **service plan if the IC participant also receives HCBS waiver services.**

**These data elements will assist the counselors and nurses in performing their duties by allowing timely management and monitoring of each participant's situation. The available HCBS service plan is an excellent reference used by nurses when determining if an extension of benefits is warranted, as all community resources are considered when requesting an extension of benefits. The database allows nurses, counselors or contractors to set health risk indicators identifying program participants who may require more frequent monitoring or if health and safety could be at risk due to fragile health. Either individual home visits or results triggered by the MDS-HC and/or DMS-618 assessment may necessitate setting a health risk indicator.**

**The data will allow nurses and counselors to run reports from their case load. Automated highlights on specific data elements will draw the nurse or counselor's attention to areas that require special attention. Highlighted data fields may represent the following:**

- **assessment performed by the nurse but not received by DAAS,**
- **counselor's request for authorization by a physician not received after four or more days,**
- **date enrollment forms sent to a potential enrollee but not returned.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xiv. Quality Assurance and Improvement Plan (Continued)**

**Reports are available to management to monitor quality of services provided to program participants and performance of staff. The reports identify program strengths and weaknesses or individual areas of concern. Reports compare data elements over periods of time to measure progress of corrective actions. As issues are identified they are addressed with appropriate staff to determine a new course of action through issuing new policy, enacting new procedures, clarifying an existing policy or procedure, or developing additional training. Identified issues continue to be monitored to determine if the corrective action is resolving the concern and is achieving the expected outcomes.**

**These reports allow flexibility to generate the reports based on any specified period of time, by a nurse, counselor, contractor or by management. Reporting frequencies range from daily, monthly, or annually. Policy dictates a maximum period of time for completion of specific tasks with the focus to complete necessary tasks that allow the program participant to direct and meet their own health care needs.**

**Reporting is used to identify and remediate problems, improve program operation and is also used by management for staff performance evaluations.**

**The database stores data resulting from IndependentChoices staff and contractors communication with program participants. Policy requires each contact note to be entered into the participant's record to enhance the ability of management to address concerns expressed by the participant, a legislator, the Governor's Office, etc., with a quick review of the contact notes.**

**The nurse tracking database portion includes data elements describing some of the following characteristics:**

- **MDS-HC RUG category**
- **principal diagnosis,**
- **secondary diagnoses,**
- **participant well cared for,**
- **strong informal supports,**
- **no concerns noted,**
- **needs for frequent counselor contact.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xv. Quality Assurance and Improvement Plan (Continued)**

**Contact notes include the following:**

- **person initiating the call,**
- **person receiving the call,**
- **date and time of call,**
- **subject of contact**
- **description of communication,**
- **complaint indicator**
- **whom complaint is directed toward**
- **indication if complaint requires follow-up**

**Examples of monthly reports used in the operation of the IndependentChoices program are the following:**

**Aging of Pending Enrollments Report describes the following:**

- **number of clients currently pending categorized by different time frames,**
- **average wait in days based on current and past calendar years.**

**Counselor Case Load Report quantifies the active and pending caseload for each counselor.**

**Trends in IndependentChoices Operations Report describes individual activities related to referrals, enrollments and disenrollments during:**

- **the current quarter,**
- **the previous three quarters,**
- **current 365 day period,**
- **the previous 365 day period,**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xvi. Quality Assurance and Improvement Plan (Continued)**

**Reasons for Closed Cases Report identifies the following program characteristics:**

- **number of pending cases that were closed by refuser codes,**
- **number of active cases that were closed by disenrollment codes,**
- **percent of referrals received in a year that result in enrollment in comparison of the current years to the three previous years.**

**Description of IndependentChoices Population Report describes the following program characteristics:**

- **number of males and females by age categories,**
- **number of males and females by age categories with or without an Extension of Benefits,**
- **number of males and females by age categories, also receiving HCBS services with or without an Extension of Benefits,**
- **total number of males and females by age categories,**
- **total number of males and females receiving only IndependentChoices services with and without an Extension of Benefits,**
- **total number of males and females receiving IndependentChoices services and HCBS services with and without an Extension of Benefits.**

**Nurse Case Load Report quantifies the active and pending caseload for each nurse by describing the following:**

- **by county, the number of active and pending clients with or without home and community-based services and those with extension of benefits,**
- **above data is also displayed in the aggregate by nurse per assigned counties.**

**Nurses use the MDS-HC and/or DMS-618 assessment to define the participants medical needs relative to the amount of resources required to care for the person in the home. The MDS-HC is similar to the MDS assessment performed in nursing homes but is specifically designed for the community environment. The assessment results in a Resource Utilization Group (RUG) with an ADL Index defining the degree of functional impairment. These results help define the population served in addition to using a scientifically scaled and validated assessment instrument. The use of this assessment helps to more clearly describe the medical complexities of program participants as they strive to remain in the community and avoid institutionalization.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xvii. Quality Assurance and Improvement Plan (Continued)**

**Monitoring occurs in various other ways such as:**

- **External reports provided by the fiscal contractor after each payroll cycle which identifies persons who did not receive services from their employee per the established cash expenditure plan. Underutilization of the allowance could be the first indication that a participant may be experiencing difficulty directing their own care. It could indicate the beginning of a decline in cognitive function, impairing the participant's ability to self-direct, a need for a representative decision maker; a loss of worker; or it may be nothing more than not submitting the timesheets in a timely manner. Each counselor works with his or her participants to determine the cause of the underutilization. The counselor and participant work together to resolve the problem with the counselor providing further assistance, as needed, or by the participant meeting his or her responsibilities as an employer. The counselor will follow-up with additional calls to the participant and monitor future underutilization reports for reoccurrences.**
- **Site visits to the contractors are made at a minimum bi-annually and more often if needed. The purpose of the site visit may be to provide an in-service, address concerns, or to evaluate performance. If during an evaluation deficiencies are noted, depending on the severity of the deficiency, DAAS may provide additional in-services, require an acceptable corrective action plan, monitor the corrective action plan, withhold payment or terminate the contract.**

**Participant Feedback**

**The DAAS and its counseling and fiscal contractors support and encourage participant communication by provision of a toll-free number. Participants pose questions and voice concerns by using the toll-free number. Incoming calls from participants and outgoing calls from counselors or contractors entered into the participant's individual electronic record. If the communication is an expressed complaint the contact is so noted. The log includes all information regarding the complaint and how the complaint was handled. An indicator is used to identify if the complaint requires additional follow-up. Periodically reports are created as a representative sample of calls received through the toll-free number. The sample represents one week of calls. The call report is reviewed by management and staff**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xviii. Quality Assurance and Improvement Plan (Continued)**

**to determine if participants are having similar problems. The group will review and determine if particular problems are an isolated occurrence or a routine problem. If determined a routine problem, solutions to the problem are addressed. Corrections may include policy or procedural changes. Monitoring will continue to determine if the change has any impact or if the problem needs additional review.**

**A DHS appeal process is available for decisions made concerning Medicaid eligibility or extension of benefits. An internal appeal process is available for participants when they disagree with decisions made by the IndependentChoices program. The purpose of the internal appeal is to allow the participant a voice in the decision and a way to mediate any misunderstandings between the participant and the IndependentChoices program. Additional supporting information may be shared during this time. DAAS will issue an opinion within five days from the date of the hearing. Internal appeals are available but most disagreements are resolved prior to a participant initiating an appeal. A formal Medicaid Fair Hearing is available when services are reduced, suspended or eliminated.**

**Information and Assistance**

**Brochures are available for marketing purposes and provided in the 75 county offices to assist with awareness of the program.**

**Each participant receives a program manual to convey program guidelines and expectations. Information is provided on the following:**

- **Enrollment**
- **Use of a Representative**
- **Orientation and Training**
- **IndependentChoices Nurse**
- **Counselor and Bookkeeper**
- **Cash Expenditure Plan**
- **Approved Uses of the Allowance**
- **Maintenance of Records**

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State: **ARKANSAS**

**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xix. Quality Assurance and Improvement Plan (Continued)**

- **Monitoring**
- **Extensions of Benefits**
- **Reassessments**
- **Changes and Closures**
- **Appeals Process**
- **Home & Community Based Ombudsman**
- **Release of Information**
- **Personal Assistants**
- **Hiring Process**
- **Training your Employee**
- **Handling Conflicts and Resolution**

**Monthly and quarterly surveys inquire from the participant or their representative the informative value of the program manual. Responses are compiled with changes incorporated in the next printing of the program manual.**

**Participants can speak with their counselor or the fiscal intermediary from 8:00 a.m. until 4:30 p.m., Monday through Friday, except for legal holidays. After hours the participant may leave a message; the counselor will return the call within one working day. Complaints are entered by the receiving party whether that is the counselor or the fiscal intermediary.**

**A packet of communication forms is provided to each participant to report a change, to revoke and/or change disclosure of information and to appeal adverse decisions. Evaluation of the effectiveness of the use of these forms and modifications to this packet are derived from information obtained during the enrollment process, monthly and/or quarterly monitoring.**

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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: **ARKANSAS**

**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xx. Quality Assurance and Improvement Plan (Continued)**

**Health and Welfare**

**Each participant must have an individual back-up plan, including a back-up personal attendant, for times when the primary attendant is unable to complete the services. Inquiry of the use of the back-up plan occurs during monthly and quarterly monitoring. Reports from the IndependentChoices database can identify any program participant without a back-up personal attendant and if there is a conflict between a representative serving as a paid back-up personal attendant. The counselor initiates communications with the participant to begin remediation.**

**The Minimum Data Set – Home Care (MDS-HC) will be used by IndependentChoices RN's for all assessments and reassessments that require an extension of benefits, along with the DMS-618. The DMS-618 is required for extension of benefits. The MDS-HC is an internationally recognized comprehensive assessment tool that assesses cognitive, communication/hearing, vision, mood/behavior, social functioning, informal support services, physical functioning (including IADLs and ADLs), continence, disease diagnosis, health conditions, preventative health measures, nutrition/hydration, dental, skin condition, environmental, service utilization and medications.**

**DAAS is able to identify and quantify, by age, participants who meet the Medicare coverage criteria for "skilled nursing services" but choose to have their needs met in the community. These participants fall into a Resource Utilization Group (RUG) that requires additional resources to care for the person. These RUG categories are Clinically Complex, Special Care, and Extensive Services. Other persons may not meet the "skilled nursing services" category but can be classified as Impaired Cognition, Special Rehabilitation, or Reduced Physical Functions and can be identified and quantified by age into these groups. Additionally, all participants can be identified and grouped by their primary diagnosis that limits their functional ability. Brief telephone surveys will be developed and administered to diagnosis related groups for the purpose of health awareness related to their condition. Each survey will ask the person to measure the usefulness of the survey. Results will be quantified; adjustments will be made per feed back.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxi. Quality Assurance and Improvement Plan (Continued)**

**Each assessment results in Client Assessment Protocols (CAP) triggers. These triggers describe the participant while also identifying individual health concerns. DAAS is working with a contractor to create reports that will identify persons who fall within the same CAP trigger. Counselors will incorporate these CAP trigger results into monthly or quarterly contacts with program participants. CAP trigger results will be quantified. The receptiveness of program participants to this information will be measured and evaluated.**

**Counseling and fiscal entities will work closely together to provide information necessary for each entity to perform their duties. Frequent and through communications facilitates this good working relationship.**

**The database assists in addressing health and welfare concerns by allowing monitoring and management of each individual file by:**

- **identifying participants who have a representative, who is employed, who is the physician, the back-up worker, directions to the home, results of the nurse's assessment, and updates by the counselor assisting the participant in the IndependentChoices program, and;**
- **documenting all communications with the program participants, noting any communications that are a complaint, and the ability to monitor how the complaint was resolved.**

**Financial Accountability**

**IndependentChoices assures that payments are made to Medicaid eligible participants by:**

- **accessing Medicaid eligibility data prior to enrolling a person into IndependentChoices to assure eligibility for Medicaid and the IndependentChoices program;**
- **IndependentChoices program logic implemented by Arkansas Medicaid fiscal intermediary, Electronic Data Systems Inc. (EDS), interfaces with the Medicaid Management Information System (MMIS) to edit against creation of an allowance for any participant who is no longer Medicaid eligible or is institutionalized;**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxii. Quality Assurance and Improvement Plan (Continued)**

- **DAAS maintains the MMIS eligibility file for IndependentChoices that EDS reads to create claims for the IndependentChoices program. DAAS queries on a weekly basis the Medicaid data warehouse to identify persons who are deceased, entered a nursing home, or have lost Medicaid eligibility. Once identified, the IndependentChoices eligibility segment is closed by an IndependentChoices counselor. Through contact with the participant or participants family or representative this information is obtained prior to the update of the MMIS;**
- **DAAS also queries the Medicaid data warehouse to identify IndependentChoices participants who have had an acute hospitalization lasting more than five days. Once identified, DAAS informs the program participant, FMS provider and the counseling entity by letter that the participant's allowance paid prospectively on or after the sixth day of hospitalization must be returned to the Medicaid program;**
- **prevents duplication of agency and consumer-directed services by informing agency provider by fax seven days in advance the date the participant will begin directing their own personal care services.**

**Qualified Providers**

**IndependentChoices counseling and fiscal providers are selected through a competitive bid process. Current Requests for Proposals (RFP) procured in 2006 and approved by CMS required IndependentChoices counseling providers to perform:**

- **enrollment of new participants;**
- **orientation to IndependentChoices and the concept of consumer-direction;**
- **skills training on how to recruit, interview, hire, evaluate, manage or dismiss assistants;**
- **consumer-directed counseling support services;**
- **monitoring IndependentChoices participants/representatives;**
- **provide quarterly reports to DAAS;**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxiii. Quality Assurance and Improvement Plan (Continued)**

- **using RN's to assess functional need for personal care;**
- **provide to fiscal provider all State and Federal forms necessary for the enrolled participant to act as a "Household Employer";**
- **advise DAAS of participant's begin and end dates; results of RN's assessment.**

**Separate contracts also established in 2006 require fiscal providers to perform:**

- **creation of systematic processes, internal controls, policies and procedures to comply with FMS requirements established in Exhibit C;**
- **receive and review all necessary Federal and State forms required for enrolling the participant to be a "Household Employer", as well as New Hire Packets from the enrolling participant's employee;**
- **make application for FEIN numbers;**
- **communicate and assist consumers in the completion of these forms if needed;**
- **resend and monitor receipt of forms as needed;**
- **accept the participant's allowance from Medicaid's fiscal intermediary once monthly;**
- **accurately post allowance income and expenditures and developing and submitting a monthly report on carry-over balance;**
- **disbursing the allowance as directed on the cash expenditure plan;**
- **withhold and pay State and Federal payroll taxes per regulations;**
- **inform the Counseling Agency and DAAS when a participant has 30 days of their allowance (excluding savings directed toward a specific purchase) remaining at the end of the month and the Cash Expenditure Plan;**
- **notify DAAS and provide a corrective action plan in the event any participant's allowance becomes less than zero;**
- **make refunds to Arkansas Medicaid within forty five days post disenrollment or sooner if no outstanding obligations present upon disenrollment;**
- **Provide monthly management reports to participants and DAAS;**
- **respond to requests for income verification;**
- **provide to DAAS, by the end of February, an annual report of the previous years' activity. The report will inform by participant per month the amount of the allowance received, the wages paid to participant's employee, taxes withheld, and in descriptive terms how the allowance was spent;**
- **mail the appropriate W-2's in January of each year if the employee's wages met the threshold during the previous year.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxiv. Quality Assurance and Improvement Plan (Continued)**

**DAAS is responsible for the following activities:**

- **monitor the counseling and fiscal providers to ensure compliance with the spirit of consumer-direction and that appropriate counseling, fiscal and programmatic procedures are maintained;**
- **serve as the liaison between counseling agency, fiscal provider, Medicaid Management Information System (MMIS), and the Arkansas Medicaid fiscal intermediary;**
- **monitor the process to reimburse the counseling agency and fiscal provider for services provided to program participants.**

**Quality assurance measures previously discussed such as communications, surveys, reports from counseling and fiscal providers, and using the Medicaid data warehouse, assist DAAS in discovery and remediation to assure high standards in the offering and management of the participant-directed personal care program. The IndependentChoices program establishes, as its foundation, a person-centered approach that guides not only DAAS but counseling and fiscal providers as well. Person-centered planning was an unknown management philosophy when IndependentChoices was implemented in 1998 but it is now a philosophy at the very core of the operation of IndependentChoices. A simple philosophy of working with program participants to meet their individual needs within the parameters of the program – to meet our goal of improving quality of life in the community.**

**xxv. Risk Management**

**A. The risk assessment methods used to identify potential risks to participants are described below:**

**The DAAS RN is the catalyst for identifying potential risks. The MDS-HC and/or DMS-618 will provide the DAAS RN with a complete picture of risks involved in the current home environment as well as potential risks involved with self-direction. The DAAS RN can identify risks that may be environmental in nature such as throw rugs, uneven floors, etc. or the MDS-HC and/or DMS-618 may identify potential risks such as not receiving a flu vaccine, etc. Based on the DAAS RN's observation and the MDS-HC and/or DMS-681,**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxvi. Risk Management (Continued)**

**the nurse will discuss the potential risks identified with the individual and professionally determine whether the individual would be able to self-direct or whether a representative is needed due to any health and safety concerns. It is normal during assessments for the nurse to assess whether a person is oriented to person, place and time. These assessments will identify cognitive difficulties or if cognition problems may be the result of drug interactions or the effects of chronic pain. If dementia is present, the nurse will require a representative decision maker assist the participant in directing their care.**

**When there are indicators that the individual may need a representative decision maker and the individual disagrees, the participant will be asked to complete a Participant Self-Assessment form to help determine if a representative is needed. The nurse or counselor will discuss the results to help the participant determine if a representative is needed. If the self-assessment does not impart on the participant a self-realization; the nurse will determine if health and safety risks are heightened in the absence of a representative. The nurse, prior to making the initial home visit, will ask that other family members, friends and the potential employee also be present. If the RN arrives and the participant is experiencing cognitive impairment and no informal supports are present, the participant will be discouraged from enrolling unless an informal support system can be identified including someone to act as a representative decision maker. Participation in IndependentChoices requires that participants be assertive enough to be an employer and accept the risks, rights and responsibilities of directing their care. If the potential enrollee is incapable of performing these tasks without health and safety risks the person will not be enrolled. However, if the person is adamant about enrollment, the nurse will ask for additional counseling support to assist in problem solving with the person for a solution. Blatant health and welfare concerns will not be compromised if solutions cannot be identified and enacted.**

**In addition to the IndependentChoices RN's involvement there is communication with other agency providers providing home and community based services, and ElderChoices nurses, with all parties having a vested interest in the health and welfare of the participant. It is this excellent communication that has helped the operating agency respond to any voiced concern with self-directed care.**

**The Participant Responsibilities and Agreement Form which details all the requirements of self direction, will help identify areas where the individual may not be able to meet their responsibilities.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxvii. Risk Management (Continued)**

**A. The tools or instruments used to mitigate identified risks are described below.**

**If the participant is receiving services through a 1915(c) waiver, the IndependentChoices nurse will discuss any identified risk with the appropriate 1915(c) nurse or counselor.**

**If it is identified that the participant needs assistance with self-direction and they refuse or can't identify a representative decision maker, the individual will be allowed to participate in IndependentChoices on a trial basis with frequent contact and oversight by the counselor. If the participant proves he or she can self-direct with counseling assistance, the participant will be allowed to remain on the program. If not, the participant will be required to choose a representative decision maker or be transitioned to traditional personal care services.**

**The person chosen to be a representative decision maker will complete a Representative Screening Questionnaire to assure the representative is appropriate by knowing the participant's preferences and needs, visiting regularly, willing to uphold the requirements of IndependentChoices, and have a strong personal commitment to the participant.**

**DAAS will provide criminal background checks at the State's expense on personal attendants at the participant's/representative's request.**

**If at anytime DAAS learns that the participant's personal attendant is not providing the care agreed upon, the counselor will contact the participant/representative and fully assess the situation. The counselor will work with the participant until the matter is resolved; either by resolving any issues with the personal attendant, hiring a new personal attendant, or transitioning to traditional personal care.**

**If at anytime the IndependentChoices employees suspect abuse or neglect by the representative, family members, personal attendant, or other, the participant will be referred to Adult Protective Services.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**a. Risk Management (Continued)**

**B. The State's process for ensuring that each service plan reflects the risks that an individual is willing and able to assume, and the plan for how identified risks will be mitigated, is described below.**

**The service plan is a result of the MDS-HC and/or DMS-618 and will list the risks identified in the assessment. Additionally, each completed MDS-HC identifies Client Assessment Protocols (CAPs) and Triggers which identify cautionary measures in relation to personal assistance needs with ADLs and IADLs. These CAPs and Triggers will be a part of the QA process to assure health and safety. The service plan will also require the nurse to list any other risks identified through observation that was not identified through the MDS-HC and/or DMS-618 or risks identified by the participant, representative or interested parties through a participant-centered approach. The service plan will identify the plan or actions needed to mitigate the risks and who is responsible for each action. The service plan requires the signature of the participant/representative, agreeing to the service plan and what the participant/representative is willing to do to mitigate risk.**

**C. The State's process for ensuring that the risk management plan is the result of discussion and negotiation among the persons designated by the State to develop the service plan, the participant, the participant's representative, if any, and others from whom the participant may seek guidance, is described below.**

**IndependentChoices nurses and counselors are trained to apply a participant-centered approach in developing all plans with the participant. Participants are always encouraged to invite friends and family members who have a personal commitment to the participant to be present in all meetings between the participant and nurse or counselor. Identified risks will be discussed with the participant/representative and interested parties to determine a plan to mitigate the risk. The nurse and counselor are there to facilitate and guide the discussion and identify concerns with any discussed approaches to mitigation of risk.**

**xiii. Qualifications of Providers of Personal Assistance**

**A. ____ The State elects to permit participants to hire legally liable relatives, as paid providers of the personal assistance services identified in the service plan and budget.**

**B. _X_ The State elects not to permit participants to hire legally liable relatives, as paid providers of the personal assistance services identified in the service plan and budget.**

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**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxviii. Use of Representative**

**A. X The State elects to permit participants to appoint a representative to direct the provision of self-directed personal assistance services on their behalf.**

i. **X The State elects to include, as a type of representative, a State-mandated representative. Please indicate the criteria to be applied.**

**If the participant has been diagnosed with a mental or cognitively impaired condition such as mental retardation, dementia, Alzheimer, etc., the participant will be required to choose a representative in order to participate or continue to participate in IndependentChoices. If the participant has not been diagnosed with a mental condition, but the DAAS RN and counseling staff determines through the Self-Assessment instrument, discussions with the participant, and sometimes a trial period of self-direction with enhanced counseling, that the individual's cognitive abilities are not sufficient to self-direct, the participant will be required to choose a representative. The counseling staff will work with the participant to establish a representative, using all avenues to find one if necessary. If the participant refuses to select a representative or the participant cannot find anyone who can act in that capacity after all avenues have been exhausted, the counselor will coordinate with the participant to transition the participant to the traditional personal care provider of choice.**

**B. ____ The State elects not to permit participants to appoint a representative to direct the provision of self-directed personal assistance services on their behalf.**

**xxix. Permissible Purchases**

**A. X The State elects to permit participants to use their service budgets to pay for items that increase a participant's independence or substitute for a participant's dependence on human assistance.**

**B. _____ The State elects not to permit participants to use their service budgets to pay for items that increase a participant's independence or substitute for a participant's dependence on human assistance.**

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State: **ARKANSAS**

**1915(j) Self-Directed Personal Assistance Services (Continued)**

**xxx. Financial Management Services**

**A. X The State elects to employ a Financial Management Entity to provide financial management services to participants self-directing personal assistance services, with the exception of those participants utilizing the cash option and performing those functions themselves.**

i. **____ The State elects to provide financial management services through a reporting or subagent through its fiscal intermediary in accordance with Section 3504 of the IRS Code and Revenue Procedure 80-4 and Notice 2003-70; or**

ii. **X The State elects to provide financial management services through vendor organizations that have the capabilities to perform the required tasks in accordance with Section 3504 of the IRS Code and Revenue Procedure 70-6. (When private entities furnish financial management services, the procurement method must meet the requirements set forth in Federal regulations 45 CFR Section 74.40 – Section 74.48.)**

iii. **____ The State elects to provide financial management services using "agency with choice" organizations that have the capabilities to perform the required tasks in accordance with the principles of self-direction and with Federal and State Medicaid rules.**

**B. _____ The State elects to directly perform financial management services on behalf of participants self-directing personal assistance services, with the exception of those participants utilizing the cash option and performing those functions themselves.**

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27. Program of All-Inclusive Care for the Elderly (PACE)

**Not Provided**

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**28. Self-Directed Personal Assistance Services**

**___ Self-Directed Personal Assistance Services, as described in Supplement ___ to Attachment 3.1-B.**

**____ Election of Self-Directed Personal Assistance Services: By virtue of this submittal, the State elects Self-Directed Personal Assistance Services as a State Plan service delivery option.**

**__X__ No election of Self-Directed Personal Assistance Services: By virtue of this submittal, the State elects not to add Self-Directed Personal Assistance Services as a State Plan service delivery option for Medically Needy.**

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28. Self-Directed Personal Assistance Services

**Not Provided**

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES - OTHER TYPES OF CARE

Revised:
March 1, 2008

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**28.** **For self-directed personal assistance services under 1915(j) (see Supplement 4 to Attachment 3.1-A for a full description) the rate will be determined as follows:**

**Each individual participant will have an individually assigned discount rate based on a comparison analysis performed by DAAS. The discount rate will be applied by the enrollment staff to each service plan prior to any discussion about the cash allowance with the potential enrollee during the enrollment process. A universal discount rate will be calculated by DAAS based on analysis of the plan of service reviews. The universal discount rate will reflect the customary absences from the home and other standard reasons that personal assistance services was not received in the amount identified on the service plan. The universal rate will be applied to service plans developed for new Medicaid individuals when the Personal Assistance Services Assessment is performed by the enrollment staff.**

**The algebraic formula for calculating the value of a plan of care will be:**

**X x Y = Z1 x $8.00 = Z2 ÷ 7 = Z3**

**X = Participant's Weekly Plan of Care Personal Assistance Services Hours**

**Y = Percentage of Hours of Care Delivered by the Provider Agency**

**$8.00 = Amount of money to be paid to the participant for each adjusted hour of personal care the participant will receive.**

**Z1 = Adjusted Number of Hours of Personal Assistance Services for the Participant**

**Z2 = Weekly Cash Allowance**

**Z3 = Daily Cash Allowance**

**The Cash Allowance will be quoted as a Monthly Cash Allowance, using 30 as the days in a typical month. However, the amount of the allowance awarded will be based on the actual number of days in each month.**

## SECTION II - INDEPENDENTCHOICES
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## 200.000 INDEPENDENTCHOICES GENERAL INFORMATION

### 200.100 IndependentChoices 3-1-08

The Arkansas Department of Human Services (DHS) was granted an 1115 Research and Demonstration waiver to implement IndependentChoices, a Cash and Counseling Demonstration and Evaluation Project in 1998. On March 1, 2008, the IndependentChoices program became a state plan service under 1915(j) of the Social Security Act. IndependentChoices is operated by the Division of Aging and Adult Services (DAAS). The program offers Medicaid-eligible aged and disabled individuals an opportunity to self-direct their personal assistant services.

The IndependentChoices program has been operational since 1998. Some of the results of evaluations performed by Mathematica Policy Research, Inc. specifically identified these results that may positively impact community services in Arkansas:

A. IndependentChoices decreased unmet needs.

B. IndependentChoices improved lives.

C. IndependentChoices participants were less likely to have contractures or urinary tract infections develop or worsen.

D. Nursing home costs decreased by 18% over a three year period for IndependentChoices participants.

Operation of the IndependentChoices program as a state plan service will use the positive foundation established through lessons learned as an 1115 Research and Demonstration Waiver to continue to offer opportunities for improved life in the community.

IndependentChoices seeks to increase the opportunity for consumer direction and control for Medicaid beneficiaries receiving or needing personal assistant services. Personal Assistant services in IndependentChoices include state plan personal care for Medicaid beneficiaries and Adult Companion services for ElderChoices beneficiaries. IndependentChoices offers an allowance and counseling services in place of traditional agency-provided personal assistant services and items related to personal assistance needs.

The participant or representative is the employer and accepts the responsibility in directing the work of their employee to the degree necessary to meet their individual needs for assistance with activities of daily living and instrumental activities of daily living. IndependentChoices participants or their representatives must be able to assume the responsibilities of becoming an employer by hiring, training, supervising and firing if necessary their directly hired workers. In doing so the program participant accepts the risks, rights and responsibilities of directing their care and having their health care needs met.

The IndependentChoices program respects the employer authority of the Medicaid beneficiary who chooses to direct his or her care by hiring an employee who will be trained by the employer or representative to provide assistance how, when, and where the employer or representative determines will best meet the participant's individual needs. The Medicaid beneficiary assumes the risks, rights and responsibilities of having their health care needs met in doing so.

### 200.200 Eligibility 3-1-08

To be eligible for IndependentChoices, a participant must:

A. Be 18 years of age or older

B. Be eligible for Medicaid, as determined by the DHS Division of County Operations, in a category that covers personal care, or be eligible for Supplemental Security Income (SSI) through the Social Security Administration, or be eligible for ElderChoices and determined in need of Adult Companion Services or personal care by the DAAS Registered Nurse (RN)

C. Be receiving personal assistant services or be medically eligible to receive personal assistant services. Personal assistant services include state plan personal care or ElderChoices adult companion services.

1. **Personal Care:** In determining eligibility and level of need for personal care, IndependentChoices follows policy found in the Arkansas Medicaid Personal Care Provider Manual.
2. **Adult Companion Services:** The ElderChoices RN must determine and authorize adult companion services based on ElderChoices policy.

D. Not be living in a home or property owned, operated or controlled by a provider of services unless the provider is related by blood or marriage to the participant. This includes group homes, adult family homes, congregate settings, a living situation sponsored or staffed by an agency provider, etc. The participant may live in a single family home of the personal assistant regardless of whether or not the personal assistant is a relative.

E. Be willing to participate in IndependentChoices and understand the rights, risks and responsibilities of managing his or her own care with an allowance; or, if unable to make decisions independently, have a willing representative decision-maker who understands the rights, risks and responsibilities of managing the care of the participant with an allowance.

## 202.000 Participation Requirements

### 202.100 Participants 3-1-08

Individuals meeting participant eligibility requirements may enroll in the program. Personal contact will be made by telephone and in person to determine the individual's ability to understand the requirements for directing his or her own personal assistant services. Individuals who are not comfortable with this responsibility or who are determined to be unable to understand this responsibility will be asked to identify a willing representative decision-maker. Individuals who are unable to understand the risks, rights and responsibilities of managing personal assistant services with an allowance and who do not have anyone to serve as a representative decision maker will be discouraged from participating in IndependentChoices.

If the individual has a mental or cognitive limitation that restricts him or her from voicing his or her preferences and self-directing his or her care, the individual will not be able to participate in IndependentChoices without a representative. Individuals able to voice their preferences and self-direct their care, but having limitations that hinder their ability to keep up with the paperwork involved, such as signing timesheets, etc., will be followed with intensified counseling to give them the opportunity to self-direct. If at any time the individual's health and safety is jeopardized because of the inability to self-direct his or her care and there is no representative available, the individual will be disenrolled from IndependentChoices.

### 202.200 Representatives 3-1-08

A representative will be required if the individual interested in participating has a court-appointed legal guardian, other appointed representative, i.e., power of attorney, or an established payee of income. A representative will also be required for any potential enrollee or participant who is:

A. Unable to understand his or her own care needs

B. Unable to make decisions about his or her care

C. Unable to organize his or her life style and environment by making these choices

D. Unable to understand how to recruit, hire, train and supervise personal assistants

E. Unable to understand the impact of his or her decisions and assume responsibility for the results

F. Noncompliant with project objectives when circumstances indicate a change of competency or ability to self direct

The enrollee, counseling staff, or a representative of the fiscal agency may request a representative. The representative may be a legal guardian, other legally appointed representative, an income payee, family member, or friend. The representative may not be paid for this service and may not be an employee of the participant. A representative must be at least 18 years of age and demonstrate a strong personal commitment to the participant and be knowledgeable of the participant's preferences. The individual chosen as representative must be willing and capable of complying with all program criteria and responsibilities. Each representative will be required to complete and sign a Representative Screening Questionnaire and Designation for Authorized Representative Form.

### 202.300 Enrollment 3-1-08

The Division of Aging and Adult Services is the point of entry for all enrollment activity for IndependentChoices. The program will be limited to no more than 7,500 active participants at any given time.

The individual or their representative will first call the IndependentChoices toll-free number at 888-682-0044 to speak with an IndependentChoices counselor. The counselor will provide information to the individual about the program and verify that the individual is currently enrolled in a Medicaid category that covers personal assistant services. If the individual is currently enrolled in an appropriate Medicaid category and is interested in participating in IndependentChoices, the counselor will enter the individual's information into the DAAS Homecare Website. Based on the individual's county of residence, the IndependentChoices counselor will either continue working with the individual through the enrollment process, or refer the individual to the contracted counseling agency for the individual's area of the state. If the individual is not currently enrolled in an appropriate Medicaid category, the counselor will refer the individual to the DHS County Office for eligibility determination.

The counselor will then work with the individual to complete the enrollment forms either by mail and telephone contact or by a face-to-face meeting. The individual will be provided with an IndependentChoices Application Kit which includes a Program Manual, Enrollment Packet, Employer Packet and Employee Packet. The packets each include forms to complete with step-by-step instructions on how to complete the forms. The counselor will be available to the individual, representative and personal assistant to help complete the forms and answer any questions.

Once the counselor has the completed forms, the counselor will provide a referral to the IndependentChoices RN for the area in which the individual lives. The IndependentChoices RN will schedule an in-home assessment with the individual and the individual's personal assistant. If the individual has a representative, the representative must also be present.

The IndependentChoices RN will complete an assessment using the DMS-618, Personal Care Assessment and Service Plan, and/or Minimum Data Set – Home Care (MDS-HC) instrument. The assessment will determine how many hours of personal assistant services are needed by the participant. **NOTE:** For ElderChoices beneficiaries, the ElderChoices RN will determine the number of personal care and Adult Companion Services hours needed. The ElderChoices plan of care will reflect that the beneficiary chooses IndependentChoices as the provider. If the IndependentChoices RN believes the beneficiary needs a different number of hours than what is stated on the ElderChoices plan of care, the IndependentChoices RN will discuss the need with the ElderChoices RN. The ElderChoices RN will make the final decision on the number of hours needed by the beneficiary.

After the in-home assessment, the IndependentChoices RN will complete the paperwork and send the information to the IndependentChoices counselor. The counselor will process the completed forms. The DMS-618 and/or MDS-HC Summary, which includes the cap triggers and the number of hours of services needed, will be sent to the participant's physician for authorization. State and IRS tax forms will be sent to the fiscal agent.

Personal care assessments authorized by the participant's physician in excess of 14.75 hours per week will be forwarded by the participant's counselor to Utilization Review in the Division of Medical Services for approval.

IndependentChoices follows the rules and regulations found in the Arkansas Medicaid Personal Care Provider Manual in determining and authorizing personal care hours. When the approval by Utilization Review is received, or the individual needs 14.75 hours or less per week, the IndependentChoices Counselor will contact the participant or representative to develop the cash expenditure plan. The participant and the counselor will also determine when IndependentChoices services can begin. If the participant is currently receiving personal care through an agency, IndependentChoices will begin 7 days from the time DAAS sends a letter to the personal care agency informing the agency to stop services. If the client is not receiving agency personal care services, the start date will be the date the IndependentChoices RN completes the assessment if personal care is already being provided by the participant's employee or the date the participant's employee will begin working for the participant. At no time will services begin prior to the first day of the previous month unless authorized by the Division of Aging and Adult Services.

### 202.400 Current Medicaid Clients Not Receiving Personal Care 3-1-08

Referrals will be accepted from advocacy organizations, provider agencies or other interested parties for clients who are receiving Medicaid and have a need for personal care, but have not accessed the traditional personal care system. When referrals are received, the DAAS enrollment staff will complete the enrollment procedures as outlined in 202.300.

### 202.500 Personal Assistant Services Plan 3-1-08

An individualized personal assistant service plan, signed and dated by the participant's personal physician constitutes the physician's personal assistant services authorization. All services must be prior approved through the service plan.

### 202.600 Cash Expenditure Plan 3-1-08

The amount of the Cash Expenditure Plan (CEP) is determined by the assessment performed by the IndependentChoices RN. The counselor and the participant or representative will work together to develop the CEP, which may be updated and revised whenever a need arises. The CEP is intended to be a blueprint of how the monthly allowance may be spent to meet the needs identified in the service plan. The CEP may include a ten percent discretionary expenditure per the amount of the participant's plan but may not exceed $75.00. The discretionary expenditure is used to purchase personal hygiene items and does not require the participant to maintain receipts for the purchase. For reporting purposes, discretionary purchases will be self-declared by the participant and will be part of the quarterly reporting requirement performed by the fiscal agent. However, if the participant has a representative, the representative must account for 100% of the allowance with appropriate documentation.

### 202.700 Savings Accounts 3-1-08

The fiscal agent may establish and maintain a savings account for individuals who want to save part of the monthly allowance for a more expensive personal assistant service item. The item must be approved by the IndependentChoices counselor and be listed on the Cash Expenditure Plan. Funds designated for savings will be transferred to an interest bearing savings account as soon as all attendant salaries have been paid for the month or no later than the 5$^{th}$ day of the following month. These funds may be saved to purchase more expensive personal assistant services items or services. All savings must be spent on appropriate items by the end of the participant's eligibility for IndependentChoices services.

### 202.800 Work Agreements 3-1-08

The IndependentChoices counselor will assure that a written work agreement DAAS-IC-17 is executed between the participant or representative and each of his/her employees. The purpose of the agreement is to clearly identify the tasks to be performed by the participant's employee. The

participant as the employer will detail the tasks to be performed within each work day. Both the participant/representative and the assistant will retain a copy of the agreement for their records.

### 202.900 Back-up Plans 3-1-08

Naming a back-up worker is required for participation in IndependentChoices. The counselor will assist the participant or representative in developing a back-up plan to outline how the participant's needs will be met should the assistant be absent from the home for any reason. The back-up plan must identify caregivers, either formal or informal, who will provide back-up personal attendant services.

## 220.000 COVERED SERVICES

### 220.100 Cash Allowance 3-1-08

The cash allowance allows the program participant to purchase those services that help the program participant receive assistance at times of the day that best meet his or her individual preferences. The allowance also supports the purchase of goods and services that lessen the need for human assistance while increasing the participant's ability to maintain independence in the community.

Primarily the allowance is used to pay the participant's employee's salary. The list of services listed below was developed by the IndependentChoices Advisory Committee comprised of representatives from Area Agencies on Aging, Department of Health, Spinal Cord Commission and advocates. Not all of these services are widely used, but the availability of these services on an individual basis has impacted the quality of life of individual program participants.

Following is a list of possible uses of the cash allowance:

A. Personal Assistant Services including personal care and adult companion services for ElderChoices beneficiaries
B. Medical related transportation not provided through the Non-Emergency Transportation (NET) Waiver
C. Prescription Medication Not Covered by Insurance, Medicaid or Medicare Part D
D. Over-the-counter Drugs
E. Adaptive Equipment (Purchase or Rental)
F. Communication Devices
G. Discretionary Cash used to purchase personal hygiene items
H. Home Modifications
I. Emergency Food and Clothing
J. Safety Devices
K. Technology (Computers)
L. Environmental Equipment
M. Emergency Pest Control
N. Emergency Housing
O. Emergency Utilities
P. Education
Q. Service Animal Purchase and Maintenance
R. Other, with approval by the Division of Aging and Adult Services

### 220.200 Personal Assistant Services 3-1-08

The primary use of the monthly allowance is to purchase personal assistant services to meet the participant's personal assistance needs. Assistants will be recruited, interviewed, hired and managed by the participant/representative. Family members, other than those with legal responsibility to the participant may serve as personal assistants. A court appointed legal guardian or spouse may not serve as a Personal Assistant.

After an assistant is selected, the participant/representative, in consultation with the IndependentChoices counselor, will identify the exact tasks to be completed by the assistant and a Work Agreement will be completed and signed by all parties involved.

### 220.205 Personal Care 3-1-08

The Arkansas Medicaid program covers up to 14.75 hours per week (64 hours per calendar month) of State Plan Personal Care Services for participants aged 21 and older assessed as needing personal care. For individuals under age 21 all personal care hours must be authorized through Arkansas Foundation for Medical Care Inc. (AFMC). Any additional hours of Personal Care Services needed by the individual age 21 or older must go to Utilization Review for approval of an extension of benefits. Personal care is allowed in the home and outside the home, such as in the workplace. IndependentChoices follows the policy in the Arkansas Medicaid Personal Care Provider Manual in determining eligibility and the level of assistance of personal care needed by the IndependentChoices participant. Participants needing personal care in the workplace must meet the requirements found at 213.540 of the Arkansas Medicaid Personal Care Provider Manual.

### 220.210 Non-Hospice Care Status 3-1-08

Medicaid beneficiaries who have elected hospice care under Title XVIII (Medicare) or Title XIX (Medicaid) and who have not revoked the election are not eligible to participate in IndependentChoices.

Hospice services include a personal care component. Therefore, Personal Care services and IndependentChoices participation are duplicative as the per diem for Hospice services includes the provision of personal care services. ElderChoices participants receiving only Adult Companion services may be eligible for Hospice if Hospice is included in the ElderChoices plan of care and the participant otherwise meets all criteria and requirements of the Hospice program.

### 220.400 Adult Companion Services 3-1-08

Adult Companion Services is nonmedical care, supervision and socialization provided to a functionally impaired adult who is an enrolled participant in the ElderChoices home and community-based waiver operated by the Division of Aging and Adult Services. Participants enrolled in ElderChoices and in need of Adult Companion Services may either receive Adult Companion Services through an agency or self-direct the services through IndependentChoices. Companions may assist or supervise the individual with meal preparation, laundry and shopping, or other tasks necessary to make the home habitable and to prevent health and safety risks. The provision of Adult Companion Services does not entail hands-on nursing care. Providers may also perform light housekeeping tasks that are incidental to the care and supervision of the individual. This service is provided in accordance with a therapeutic goal in the plan of care, and is not purely diversional in nature. Services provided by a companion include:

A. Improving and maintaining mobility and physical functioning

B. Maintaining health and personal safety, including medication oversight to the extent provided by law

C. Communication including assistive technology, if necessary

D. Encouraging the participant to issue choices, identify preferences, and have an opportunity for satisfying individual interests

E. Providing or assisting with accessing and using transportation

F. Assisting with the development and maintenance of personal relationships

G. Assistance in participation in community experiences and activities

The ElderChoices RN will determine the number of hours of Adult Companion Services needed by the participant as indicated on the ElderChoices Plan of Care. If the participant chooses to self-direct Adult Companion Services, the ElderChoices RN will refer the participant to the IndependentChoices program by sending the plan of care notating that IC was selected.

## 230.000 BENEFIT LIMITS AND DURATION OF SERVICES

### 230.100 Benefit Limits 3-1-08

Benefits are limited by the amount of the participant's allowance. Each individual participant has a maximum allowance based on his or her individual service plan. The Division of Aging and Adult Services will authorize the allowance through an eligibility screen on the MMIS. Payment is made prospectively by the Medicaid fiscal intermediary. The participant's allowance will be issued monthly directly from the Medicaid fiscal intermediary to the IndependentChoices fiscal agent as long as the individual remains Medicaid eligible and the individual is not receiving hospice or nursing facility services. The IndependentChoices fiscal agent will disburse the cash allowance in accordance with the approved cash expenditure plan and timesheets completed by the participant or representative and signed by the personal attendant twice monthly in equal intervals.

### 231.000 Loss of Medicaid Eligibility 3-1-08

Participants must remain Medicaid eligible to continue participation in IndependentChoices. Participants will be advised to report any changes in the amount of household income or resources to the DHS county office. The DAAS will provide weekly reports to contractors, counselors and nurses informing them of participants who have lost Medicaid eligibility. IndependentChoices staff will then take action to close the IndependentChoices case within the MMIS. Internal edits within the MMIS system prevent the Medicaid fiscal agent from adjudicating a claim for any person not Medicaid eligible on the date(s) of service.

### 231.100 Loss of Medical Eligibility for Personal Assistant Services 3-1-08

If at any time the IndependentChoices nurse determines that personal assistant services are not necessary for an IndependentChoices participant, the participant's IndependentChoices case will be closed after a 10-day notice and DAAS staff terminate the eligibility.

### 231.200 Temporary Absences from the Home or Workplace 3-1-08

IndependentChoices services are designed to be provided in the home or workplace of the participant. Services may be provided outside the participant's home or workplace if the participant's physician authorizes the services during a trip or vacation.

### 231.300 Hospitalization 3-1-08

An IndependentChoices participant may be hospitalized for a continuous hospital stay of no more than five (5) days without interruption of his/her cash allowance. However, for stays longer than five days, the cash allowance will be refunded accordingly beginning with the 6th day. The DAAS Financial Management Service will be responsible for calculating and collecting the refund.

### 231.400 Long-Term Care Placement 3-1-08

If at any time a participant requires placement in a long-term care facility, DAAS must be notified immediately by the counselor or fiscal provider. The IndependentChoices case will be closed on the date of entry to a facility. No monthly allowance is allowed during the time of institutionalization. The

Medicaid fiscal intermediary will not disburse the cash allowance if Medicaid is currently making payment for long-term care facility services.

### 231.500 Voluntary Disenrollment 3-1-08

When the participant voluntarily elects to discontinue participation in IndependentChoices, the counselor will discuss with the individual the reason for disenrollment and assist the individual in resolving any barriers or problems that may exist in preventing continuation. If the participant wishes to continue with the option to disenroll, the counselor will assist the participant by informing him or her of traditional agency personal care providers in the participant's area. Once the participant selects an agency provider, the counselor will make the referral to establish agency services.

IndependentChoices can continue until agency services are established or the participant may elect to use informal supports until agency services are established.

### 231.600 Involuntary Disenrollment 3-1-08

Participants may be disenrolled for the following reasons:

A. **Health, Safety and Well-being**: At any time that DAAS determines that the health, safety and well-being of the participant is compromised by continued participation in the IndependentChoices Program, the participant may be returned to the traditional personal care program.

B. **Change in Condition**: Should the participant's ability to direct his or her own care diminish to a point where he or she can no longer do so and there is no responsible representative available to direct the care, the IndependentChoices case will be closed.

C. **Misuse of Allowance**: Should a participant or the representative who is performing all of their payroll functions (and not using the fiscal agent) use the allowance to purchase items unrelated to personal care needs, fail to pay the salary of an assistant, misrepresent payment of an assistant's salary, or fail to pay related state and federal payroll taxes, the participant or representative will receive a warning notice that such exceptions to the conditions of participation are not allowed. The participant will be permitted to remain on the program, but will be assigned to the fiscal intermediary, who will provide maximum bookkeeping services. The participant or representative will be notified that further failure to follow the expenditure plan could result in disenrollment. Should an unapproved expenditure or oversight occur a second time, the participant or representative will be notified that their IndependentChoices case is being closed and they are being returned to traditional personal assistant services.

D. **Underutilization of Allowance**: The fiscal agent is responsible for monitoring on a monthly basis the use of the Medicaid funds received on behalf of the participant. If the participant is underutilizing the allowance and not using it according to the cash expenditure plan, the counselor must counsel with the participant. If the participant accrues one month of cash allowance and that amount is not identified on their cash expenditure plan, the participant will be given a two week notice informing him or her that they must comply or make adjustment to their cash expenditure plan. If the participant does not remedy the situation during the two week period, he or she will be disenrolled from IndependentChoices for not fulfilling their responsibilities as a participant. The participant can reenroll when they can execute their cash expenditure plan. At disenrollment, funds remaining in the participant's account will be returned to the Arkansas Medicaid program.

Whenever a participant is involuntarily disenrolled, the IndependentChoices program will mail a notice to close the case. The notice will provide at least 10 days but no more than 30 days before IndependentChoices will be discontinued, depending on the situation. During the transition period, the counselor will work with the participant or representative to provide services to help the individual transition to the most appropriate services available.

### 232.000 Reporting Changes in Participant's Status 3-1-08

It is the responsibility of the participant or representative and personal attendant to report changes to the IndependentChoices counselor immediately so that proper action can be taken. Participants or representatives may complete the IndependentChoices change form DAAS-IC-09 and send it to the IndependentChoices counselor. The copy is retained in the participant's case record. Whether or not the change results in any action, participants/representatives must report all changes in the participant's status to the IndependentChoices counselor.

## 250.000 APPEALS

### 250.100 Appeal Rights 3-1-08

IndependentChoices participants have the right to appeal certain decisions or actions with which they disagree. The method used to make the appeal and the time frames within which an appeal is made depends on the basis of the appeal. The Division within the Department of Human Services that will hear the appeal is also based on the reason for the appeal.

Appeals for hearings will also be handled in several ways based on the reason the appeal was made.

### 250.200 Reason for Appeal 3-1-08

If the participant loses eligibility for Personal assistance services, he or she may ask for an Informal Reconsideration according to Section 161.200 of the Medicaid Provider Manual or may appeal the decision according to Medicaid Provider Manual policy 161.300 through 169.000.

An appeal may be filed by a participant or representative based on actions or circumstances listed below:

A. Dissatisfaction with action taken by an IndependentChoices Counselor or Fiscal Agent

B. Involuntary case terminations including but not limited to:

1. Loss of Medicaid eligibility
2. Institutionalization
3. Dissatisfaction with number of personal care hours
4. Health, safety or well being of participant is compromised
5. Duplication of services
6. IndependentChoices case closure based on noncompliance with program requirements

C. Loss of Medicaid eligibility will result in the closure of the case. Any appeal made by the participant will be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.

D. Request for personal care hours above 14.75 denied by Utilization Review (UR) in the Division of Medical Services. Appeal will be made directly to UR. Any further appeal on this action will be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.

### 250.210 Counselor or Fiscal Agent 3-1-08

Appeals based on dissatisfaction with any service or level of service provided by the counselor, nurse or fiscal agent may be made in writing to the Division of Aging and Adult Services (DAAS), IndependentChoices Program, P.O. Box 1437, Slot S530, Little Rock, AR 72203-1437 or by telephone to DAAS IndependentChoices toll free number (1-800-682-0044).

### 250.400 Appeal of Involuntary Disenrollment 3-1-08

The involuntary closure of a case may be appealed in writing to the Division of Aging and Adult Services (DAAS), IndependentChoices Program, P.O. Box 1437, Slot S530, Little Rock, AR 72203-1437 or may be sent by fax (1-501-683-4180).

When a participant is involuntarily disenrolled from the IndependentChoices program, the participant may be returned to the traditional personal care program. If the participant appeals this decision, the participant will continue to receive Medicaid personal care services through a personal care agency during the time of the appeal.

The participant has thirty (30) days from the date of notification of disenrollment to file an administrative review of this decision. Administrative Review requests may be mailed or faxed to DAAS and must be post marked or received within 30 days of the disenrollment decision. All notifications of Involuntary Disenrollment must be made in writing and sent by Certified Mail with a receipt to assure that the date the notification was received is documented. Requests received after the 30-day limit will not be reviewed. Reviews will be completed and decisions will be available within 45 days of the request.

The Administrative Review decision, if unfavorable, may be appealed through the established DHS Hearings and Appeals policy according to Medicaid Provider Manual Policy 161.300 through 169.000.

## 260.000 REIMBURSEMENT

### 260.100 Fiscal Support Services 3-1-08

Participants in IndependentChoices will be offered an allowance in lieu of traditional agency-provided personal assistant services. The intended use of the cash is to purchase personal assistant care services or companion services if applicable. Purchase of items or services related to personal assistance services, or any other medically related item or service will be allowed. Use of the cash allowance will be outlined on the Cash Expenditure Plan. However, ten percent (10%) of the participant's cash allowance not to exceed $75.00 will be considered discretionary funds. The discretionary expenditure is used to purchase personal hygiene items and does not require the participant to maintain receipts for the purchases. Requests to purchase nontraditional or unusual items over $50.00 will require the approval of the Counselor and DAAS. The fiscal agent, or bookkeeper, will receive the participant's cash payment from Arkansas Medicaid fiscal intermediary. The Medicaid fiscal intermediary will make monthly prospective payments to the fiscal agent based on active IndependentChoices participants as indicated on the MMIS. DAAS is responsible for accurately maintaining the IndependentChoices eligibility segments.

Personal attendants will complete their timesheets and obtain the authorizing signature of the participant. The timesheet will be submitted to the fiscal agent twice monthly for time worked from the first of the month to the 15th of the month, and for the 16th to the end of the month. The fiscal agent will disburse the payroll checks on the 23rd of the month for the first half of the month and on the 8th of the month for time worked from the 16th to the end of the previous month.

The fiscal agent will perform all payroll functions. This will include preparation of payroll checks for assistants and compliance with applicable state and federal employer/employee laws.

### 260.200 Method of Reimbursement 3-1-08

Each participant will have an assigned discount rate. The discount rate will be applied by the enrollment staff to each service plan. A universal discount rate will be calculated by DAAS based on analysis of the plan of service reviews. The universal discount rate will reflect the customary absences from the home and other standard reasons that personal assistance services were not received in the amount identified on the service plan. The universal rate will be applied to service plans developed when the Personal Assistance Services Assessment is performed by the enrollment staff.

The Cash Allowance will be quoted as a Monthly Cash Allowance, using 30 as the days in a typical month. However, the amount of the allowance awarded will be based on the actual number of days in each month.

## 260.400 CONTRACTED SERVICES

### 260.410 DAAS Responsibilities 3-1-08

IndependentChoices seeks to ensure that providers contracted by DAAS are competent and experienced and possess the technical ability to perform all required functions. To assure this goal is met DAAS will:

- Competitively procure providers and hire counselors that understand the concepts of independent living and consumer direction and have experience providing counseling or fiscal services to participants
- Clearly identify performance standards, corrective action plans and consequences for deviations from the standards
- Provide a training curriculum that effectively conveys the philosophy of consumer direction and completely defines the performance standards and procedures that must be followed by IndependentChoices providers
- Monitor performance standards to assure that counselors and fiscal agents are providing the service and quality required
- Conduct on-site survey reviews of fiscal agents as needed, but no less than annually

### 260.420 Employer Authority 3-1-08

The IndependentChoices participant is the employer of record, and as such, hires a Personal Assistant who meets these requirements:

A. Is a US citizen or legal alien with approval to work in the US

B. Has a valid Social Security number

C. Signs a Work Agreement with the participant/representative

D. Must be able to provide references if requested

E. Submit to a criminal background check if requested. If requested, DAAS will process the request for the criminal background check.

F. Obtains a Health Services card from the Division of Health. if requested

G. May not be an individual who is considered legally responsible for the client, e.g., spouse or guardian

H. Must be 18 years of age or older

I. Must be able to perform the essential job functions required

### 260.430 Counselors 3-1-08

Counselors for IndependentChoices will be employed or contracted by DAAS. Counselors must possess a Bachelors degree in humanities, social science or a related field plus two years experience in social or community work pertaining to adults with chronic conditions and disabilities or a related field.

Other job related education and/or experience may be substituted for all or part of these basic requirements with approval of DAAS.

The current contract requires IndependentChoices counseling providers to perform the following:

A. Enrollment of new participants

B. Orientation to IndependentChoices and the concept of consumer direction

C. Skills training on how to recruit, interview, hire, evaluate, manage or dismiss assistants

D. Consumer-directed counseling support services

E. Monitor IndependentChoices participants/representatives

F. Provide quarterly reports to DAAS

G. Use RN's to assess functional need for personal care

H. Provide all State and Federal forms necessary for the enrolled participant to act as a "Household Employer" to the fiscal provider

I. Inform DAAS of participant's begin and end dates and results of RN's assessment

### 260.440 Financial Management Services (FMS) 3-1-08

Financial management services (FMS) will be participant directed and provided by the IndependentChoices fiscal agent. If FMS is provided by a Certified Public Accountant (CPA), the CPA must be licensed in the State of Arkansas. Subcontracts with FMS direct-service providers must be approved by DAAS. The entity providing the direct FMS service must have an IRS FEIN (Federal Employer Identification Number) dedicated to fiscal agency services. The entity providing this service must have at least 3 years experience providing fiscal employer agency work to individuals with physical disabilities in Arkansas.

The FMS will provide the following supports and services:

A. Collect and process timesheets of support workers

B. Process payroll, withholding, filing and payment of applicable federal, state and local employment-related taxes and insurance

C. Prepare and disburse IRS Forms W-2 and W-3 annually

D. Receive and disburse funds for payment of participant-directed services under an agreement with Medicaid and the Medicaid fiscal intermediary

E. Assure that all expenditures match the written budget

F. The current contract with the FMS requires the following:

1. Creation of systematic processes, internal controls, policies and procedures to comply with FMS requirements
2. Receiving and reviewing all necessary Federal and State forms required for enrolling the participant to be a "Household Employer", as well as New Hire Packets from the enrolling participant's employee
3. Obtaining individual FEIN number enabling FMS provider to act as a Household Employer Agent
4. Communicating and assisting consumers in the completion of these forms if needed
5. Resending and monitoring receipt of forms as needed
6. Accepting the participant's allowance from Medicaid's fiscal intermediary once monthly
7. Accurately posting allowance income and expenditures and developing and submitting a monthly report on carry-over balance
8. Disbursing the allowance as directed on the Cash Expenditure Plan
9. Withhold and pay State and Federal payroll taxes per regulations
10. Informing the Counseling Agency and DAAS when a participant has 30 days of their allowance (excluding savings directed toward a specific purchase) remaining at the end of the month on the Cash Expenditure Plan
11. Notifying DAAS and providing a corrective action plan in the event any participant's allowance ever becomes less than zero
12. Making refunds to Arkansas Medicaid within forty five days post disenrollment or sooner if no outstanding obligations are present upon disenrollment
13. Providing monthly management reports to participants and DAAS

14. Respond to requests for income verification
15. Providing to DAAS, by the end of February, an annual report of the previous years' activity. The report will inform by participant by month the amount of the allowance received, the wages paid to participant's employee, taxes withheld, and, in descriptive terms, how the allowance was spent.
16. Mailing out the appropriate W-2s in January of each year if the employee's wages met the threshold during the previous year