



Self-Direction of Home- and Community-Based Services: A Training Curriculum for Case Managers

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Module 2: Implementing Self-Direction

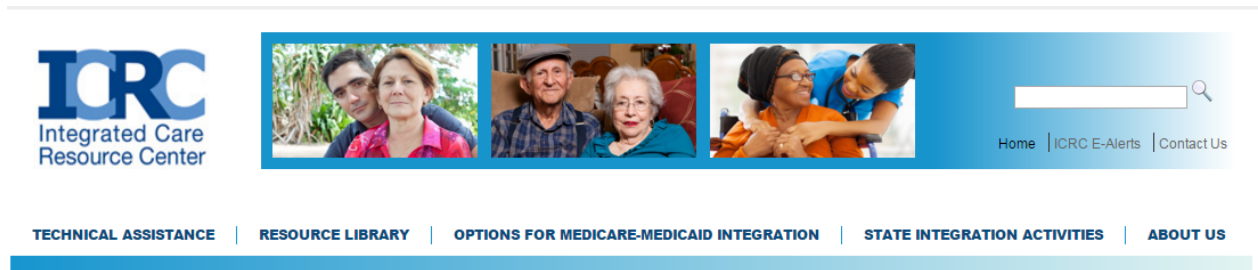
Curriculum Overview

- **Module 1: Introduction to Self-Direction**
 - Philosophy and practice of self-direction and person-centered planning
- **Module 2: Implementing Self-Direction**
 - Basic design elements and essential mechanics
- **Module 3: Implementing Self-Direction in a Managed Care Context: Special Considerations**
 - Observations about self-direction in managed care
 - Discussing self-direction with individuals
 - Making the enrollment process simple
- **Module 4: Operating and Managing Self-Direction in a Managed Care Context**
 - Managing risks and ensuring quality

The Complete Training Curriculum

Available at:

www.integratedcareresourcecenter.com



Self-Direction of Home- and Community-Based Services: A Training Curriculum for Case Managers

The ability to direct and manage their own services and supports is important to many individuals who need the home- and community-based services (HCBS) provided through state Medicaid programs. These self-directed models may also be known as “consumer direction” and “participant direction” when referring to specific states’ programs. In these models, individuals direct many or all of their own HCBS, including selecting and managing direct service workers and/or managing a budget for needed services. Self-direction allows

Faculty



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Curriculum Learning Objectives

- Provide the foundation for a train-the-trainer model
- Increase understanding and appreciation for:
 - Benefits of self-directed practice
 - Role of individuals in choosing a self-directed model
 - Supports available to people who elect the option
 - Effectively providing those supports
- Incorporate principles of self-direction into current practice
- Identify measures to streamline the enrollment process through consistency and resources and ensure quality

This Module Will Cover:

- Person-centeredness video and key takeaways.
- Supporting an individual's ability to make decisions.
- Introduction to the essential mechanics:
 - Employer and budget authority
 - Individual budgets (also may be referred to as service cost maximums)
 - Information and Assistance and Financial Management Services

Training Video

- View the Training Video “Person-Centered & Participant-Directed Services: Implications for Practice”

<https://www.youtube.com/watch?v=WlQJRwiH7s8>

- See the Accompanying Facilitator Guide

<https://nrcpds.adobeconnect.com/a1014402895/p2bdkcpi4yu/>

Key Takeaways from the Video

- Remember to address the individual directly
- Give individuals time to absorb what you are saying
- Ask open-ended questions and give the individual time to respond
- Do not make assumptions about what the individual needs or wants

Employer Authority

- Employer authority means that an individual can directly hire attendants of his/her choice and will train, manage, schedule, and dismiss attendants
- The most common form of employer authority is to hire an attendant to assist with activities of daily living (e.g., bathing, dressing, grooming, etc.) or instrumental activities of daily living (e.g., meal preparation, running errands, shopping, etc.)

Budget Authority

- Provides an individual with choice and control over what goods and services to purchase within his or her budgeted amount for services, or service plan
- Allows individuals to purchase goods or services that promote their independence or reduce reliance on human assistance
- Purchases must relate back to an assessed need documented in the person-centered care plan

Individual Budget

- Referred to in some states as a service cost maximum
- The amount of Medicaid funds under the control of the individual to be used to hire an attendant and/or purchase items to reduce human reliance or promote independence
- Method of calculation must be consistent for each individual who self-directs. Methodology must be available to public
- Typically, includes the cost of services that are self-directed

Calculating an Individual Budget

- Historical Costs
 - Retrieve & analyze service dollars expended for the past year to project service expenditures for the current year. May be on the individual or the aggregate level, OR within tiers.
- Individual Functional Assessment
 - Medical, social, and behavioral needs are identified using a standardized assessment instrument. The cost of the assessed needs are calculated in dollars or units.
- Combination of Historical Costs and a Functional Assessment
- Prospective Budgeting
 - A specific budget amount uniquely assigned to each individual representing the amount of funds that may be authorized.

Individual Budget Example

- Mary's needs have been assessed as requiring substantial assistance with bathing, dressing, grooming, laundry, and meal preparation.
- Asking Mary how she would like to meet her needs, she says she would like to have someone there every day including the weekends. She would like a bath three times a week, lunch prepared every day, and laundry done every week. She would also like to purchase a microwave and pest control services because her apartment has mice.
- Using the assessment results, the case manager, with Mary and her invited friends and family, determines Mary needs 40 hours per week to meet her assessed needs (hiring staff and purchasing pest control and a microwave).
- Using the payment rate for a traditional agency as a basis, the rate is calculated as follows: $\$20.00$ (traditional rate) \times 40 hours \times 4.33 (weekly rate) = the cost of the traditional service plan is $\$3,464.00$ per month.

Budget Example

- Most programs deduct the cost of Financial Management Services and self-directed counseling (Information and Assistance) plus the program may wish to ensure self-direction costs less than traditional services, so Mary receives a discounted self-directed budget of \$3,000.00 per month.
- Mary decides to use \$2,500.00 per month to purchase the services of an attendant. She establishes a rate of pay that includes a hourly payment to the attendant, employer taxes and insurance, and Workers Compensation Insurance.
- Mary decides to spend \$100.00 with the authorization from the case manager, to hire a pest control organization to rid her of mice and \$400.00 for that month to purchase a microwave oven to help her prepare her own meals.
- After the microwave and pest control purchases, she decides to spend \$3,000.00 per month (her total budget) to hire an attendant for the next few months. She and her case manager will reassess her budget if she decides to make other purchases.

The Self-Directed Support System

- Required for all Medicaid authorities:
 - Information and Assistance (I&A)
 - Financial Management Services (FMS)
- Studies have found these supportive services are essential to a successful self-directed program
- Information and Assistance supplies the beneficiary with information about self-direction and assistance with selecting and managing an attendant
- Financial Management Services provides assistance with distributing payroll, paying invoices, and deducting required state and federal taxes and insurance

Information and Assistance (I & A) Is Different from Case Management

- Case management, through the person-centered planning process:
 - Assesses functional, social, and behavioral health needs
 - Develops service plan
 - Determines individual budget allocation
 - Monitors the provision of services
 - Links individual with community resources
 - Safeguards health and welfare

Information & Assistance (I & A)

- Distinct support system to self-direction
- Provides information, assistance, and support through the person-centered planning process
- Tasks include:
 - Providing orientation to self-direction
 - Explaining permissible goods and services
 - Making informed hiring and managing decisions
 - Identifying additional supports or resources
 - Assisting with training staff
 - Developing a back-up plan for emergency situations
 - Assisting with Financial Management Services negotiations
 - Offers practical skills training

Who Performs I & A Functions in Managed Care?

- There are three ways I & A functions may be performed:
 - Case managers continue support after the individual is enrolled into self-direction (most popular).
 - A distinct service is created to perform this function. Sometimes this is a new waiver service and sometimes selected using a Request for Proposal (RFP) process to select a vendor to perform all services.
 - Sometimes the FMS provider opens a new unit to supply I & A.
- What we have found is this required support function is often lost within the system. Ideally, it is a distinct service within the design of the program.

Financial Management Services (FMS)

Why does FMS Exist?

- IRS has made clear that nearly always:
 - The attendant is an **employee**
 - The individual or representative can be the **employer of record (the fiscal agent model)** or the individual can serve as **co-employer (the agency with choice model)**
- If the individual is the employer, IRS has special tax procedures for publicly funded, individual-directed home care
- Most payroll companies are unwilling and unable to operate in accordance with rules
- If an agency serves as the co-employer, the individual still has authority over who to hire and when the attendant arrives

Financial Management Services (FMS)

FMS Supports the Individual & Program

FMS providers perform administrative responsibilities so that:

- Individuals can focus on managing their services and supports
- Tax, employment and insurance regulation compliance is maintained
- Payments to individuals' providers are made in accordance with the budget
- Additional controls are in place to detect and prevent fraud and abuse

How Is the FMS Selected in a Managed Care Context?

- In some states, the health plan may select its own FMS provider through a competitive bid process and then contract directly with the entity.
- In some cases, the state has influence over the FMS and tells the health plan with whom to contract; in some instances, a state agency may handle these functions.
- It is best when all health plans use the same FMS provider or providers. Less confusion for the individual.
- Tip for state or health plan: Make sure the FMS understands its contractual obligations.

What Is the Role of the Case Manager with the FMS?

- Exchange information about the individual
- Report changes: (1) address; (2) phone number; (3) hospitalizations; (4) service/budget changes; and (5) any other information that is relevant
- Encourage the individual to report worker terminations to the FMS
- If billing issues cannot be resolved, the case manager might have to intervene

Module 2 Takeaways

- Person-centered practices focus on the individual and his or her short-term and long-term goals
- Employer authority allows individuals to hire attendants to meet their basic needs
- Budget authority allows individuals to make purchases to promote their independence
- I & A provides counseling support to individuals
- FMS assists individuals with employer-related responsibilities

Tools and Resources to Accompany This Curriculum

- Permissible Goods and Services in a Self-Direction Program
- Video and Facilitator's Guide: Person-Centered and Participant-Directed Services – Implications for Practice
- Individuals' Rights and Responsibilities in a Self-Direction Program
- A Questionnaire to Assess Individuals' Ability to Self-Direct Services
- Representatives' Responsibilities in a Self-Direction Program
- A Questionnaire to Assess Potential Representatives in Self-Direction Programs
- Policies and Procedures Manual Topics for a Self-Direction Program
- Frequently Asked Questions on Self-Direction in Managed Care
- Roles and Responsibilities in a Self-Direction Program
- Available at www.integratedcareresourcecenter.com

About ICRC

- Established by CMS to advance integrated care models for Medicare-Medicaid enrollees
- ICRC provides technical assistance (TA) to states pursuing integrated care, coordinated by Mathematica Policy Research and the Center for Health Care Strategies
- Visit <http://www.integratedcareresourcecenter.com> to download resources, including briefs and practical tools to help address implementation, design, and policy challenges
- Send additional questions to: ICRC@chcs.org