FINANCIAL MANAGEMENT SERVICES

The Medicaid self-directed service delivery model is an alternative to traditionally delivered and managed services, such as an agency delivery model. Self-direction of services allows the beneficiary, or their authorized representative, if applicable, to have decision-making authority and to take direct responsibility for managing all aspects of service delivery in a person-centered planning process with the assistance of a system of available supports.

Self-direction promotes personal choice and control over the delivery of waiver and State Plan services, including who provides the services and how services are provided. Some self-directing program beneficiaries share authority with or delegate authority to an authorized representative (i.e., a family member, friend, or other persons close to the beneficiary). The designation of an authorized representative enables minor children and adults with cognitive impairments to participate in self-direction programs.

The self-direction option provides beneficiaries the ability to serve as the employer of record, including having their own federal employer identification number (FEIN). Beneficiaries choosing to exercise employer authority rights have the responsibility to recruit, hire, train, supervise, discipline, and fire their direct service workers (DSWs).

Beneficiaries or an authorized representative identified as able to self-direct their services through the self-direction waiver option must do so by selecting a fiscal/employer agent (F/EA) provider to provide financial management services (FMS).

The Louisiana Department of Health (LDH), Bureau of Health Services Financing (BHSF) enrolls F/EAs through the Medicaid fiscal intermediary and establishes the minimum standards for participation. These standards provide the core requirements for FMS provided under the for home and community based services (HCBS) waiver programs administered by the Office of Aging and Adult Services (OAAS), the Office for Citizens with Developmental Disabilities (OCDD), and BHSF:

1. Community Choices Waiver (CCW);
2. New Opportunities Waiver (NOW);
3. Residential Options Waiver (ROW); and
4. Children’s Choice Waiver (CC).

The F/EA will provide FMS for beneficiaries eligible for self-directed services that include the following:

1. Ensure current and initial beneficiaries are provided with information they need to effectively participate in this option;

2. Management of fiscal employment and/or budget responsibilities, including the following:

    a. Understand billing and documentation responsibilities;

    b. Purchase approved goods and services, if allowed under the current waiver;

    c. Track and monitor individual budget expenditures; and

    d. Identify expenditures that are over or under the budget.

3. Provide current utilization information to ensure self-directed services are not exceeded beyond the prior authorization cap;

4. Verification of qualifications (e.g., background checks, exclusion checks, etc.) for employees hired by the employers;

5. Process employer-related payroll and required taxes in accordance with state, federal, and Medical regulation regarding vendor F/EA:

    a. Withholding and filing federal, state, local, and unemployment taxes;

    b. Purchasing workers' compensation or other forms of insurance;

    c. Collecting and processing worker timesheets;

    d. Calculating and processing employee benefits; and

    e. Issuing payroll checks.

6. Ensure all questions from beneficiaries, the support coordinator, and Louisiana Department of Health (LDH) staff are responded to in a timely manner.

Service Limitations

FMS providers must not:

1. Limit or restrict the beneficiary's choices of service or support providers; nor

2. Assist in the development of the beneficiary's plan of care (POC).

Service Limits

Each HCBS waiver has specific, services approved by the Centers for Medicare and Medicaid Services (CMS) with established definitions, provider qualifications, benefits, and limitations. Beneficiaries must follow the specific requirements and limitations for their assigned waiver program as authorized on their approved individualized service plan (ISP)/POC when directing his/her care.

All services must be prior authorized and coordinated by LDH/OCDD/OAAS, arranged for and provided under the beneficiary, designated authorized representatives, or legally responsible party's written authority, and paid through an enrolled FMS consistent with and not exceeding the individual's ISP/POC.

Services should provide necessary assistance to beneficiaries in their home and community. Home is considered where the beneficiary makes his/her residence and must not be defined as institutional in nature.

The following individuals are prohibited from being providing supports and services to a beneficiary:

1. Parent or legal guardian for the minor waiver beneficiary and/or the participant's spouse;

2. Court-appointed guardian or durable power of attorney; and

3. Authorized representatives, legally responsible individuals, and legal guardians.

   Note: Authorized representatives, legally responsible individuals, and legal guardians may be the employers in the self-directed option but may not also be the employees.

A DSW may not perform any duties not identified as a necessary task in the ISP/POC or approved by the beneficiary's physician and delegated by the beneficiary or authorized representative with the authority to direct services.

Family members who are employed in the self-directed option must:

1. Meet the same standards as direct support staff that are not related to the beneficiary; and

2. Must not exceed a total of 40 hours per week/per beneficiary when employed in the self-directed option, if they reside in the home with the beneficiary.

If the beneficiary requires an authorized representative's assistance with the self-direction option, the authorized representative must live and be a resident of Louisiana.

Termination of the Self-Direction Service Delivery Option

Termination of participation in the self-direction service delivery option requires a revision of the comprehensive plan of care (CPOC), the elimination of the F/EA and the selection of the Medicaid-enrolled waiver service provider(s) of choice.