Provider Support Call Training
October 28, 2019
Division of Healthcare Financing

Training topics

Notice of Costs to the Participant
- Responsibility of Providers
- Risk of Harm
- Who, What, How
- Cost Notice Specifics
- Examples

Participant Funds and Personal Property
- Who does this apply to?
- Policy and Procedure Specifics
- Limitations on Participant Funds Use
- Examples
Why are these topics Important?

- Chapter 45, Section 4 - Rights of Participants Receiving services:
  - (c): “Participant rights shall not be denied or limited, except for the purpose of an identified health or safety need, which shall be included in the participant’s individualized plan of care:”
  - (xi) “Freedom to keep and use their personal possessions and property”
  - (xii) “Control over how they spend their personal resources”

Why are these topics Important?

- Having and implementing specific provider policies and procedures reduces the risk of exploitation of participants and inappropriate use of participant funds.
- This allows the Case Manager, Legally Authorized Representative, and the Participant to determine if the Provider’s policies and procedures surrounding participant funds are appropriate for their situation prior to beginning services.
- Everyone is on the same page from day one.
- Case managers have specific guidelines with which to measure compliance.
Notice of Cost to the Participant

Chapter 45, Section 23, (a):

“The provider shall develop and implement a system to notify participants and legally authorized representatives (LAR) of any associated cost to the participant for a service or item and how it is to be paid. The provider must also state how reimbursements will occur.”
Notice of Costs to the Participant

Responsibility of Provider:

- Written notice shall be given to the participant before services begin and before any change.
- Providers shall allow the participant and the LAR adequate time to review the notice before the participant chooses services from the provider.
- The participant and LAR are to be given adequate time to review the notice before any changes are implemented.

Risk of Harm to Participants:

- Clear guidelines on costs may help them to make important budgeting decisions.
- Participants are often on a limited income and may not have extra money for charges that they are not aware of.
- Lack of appropriate notice to a participant may cause them to choose a provider that is not a good fit for them. They need to be aware of all policies and procedures that may affect them and their personal property and funds.

Why is this important?
Who is responsible for replacement or compensation when the participant’s personal items are damaged or missing?

How will a participant be compensated when staff, guests or other participants in service (but may not reside at that location), eat food paid for by the participant?

Notice of Costs to the Participant

The cost notice shall identify the following:

A provider’s cost notice shall specify that a participant will not be charged for services or items that are covered through other funding sources.

Providers can’t charge participants for changes to the provider’s staffing, facilities, or services, if the change is required by state or federal law.

Specific Policy and Procedure Guidelines:
A participant may not be charged for transportation during a service that has transportation included in the service.

A participant may not be charged for soiling a carpet or damaging a wall if the cause of the incident was lack of appropriate supervision.

A participant may not be charged for anything not included in the notice of cost to participant.
Participant Funds and Personal Property

Examples of providers that may take responsibility for funds or personal property of a participant:

Providers:
- Serving as a representative payee
- Involved in managing the funds of the participant
- Receiving benefits or funds on behalf of the participant
- Temporarily safeguarding funds for participant
- Temporarily safeguarding personal property for the participant

“Chapter 45, Section 24 (b): The provider shall develop and implement written policies and procedures to identify and detail the system used to protect participant funds and property.”
Participant Funds and Personal Property

The following policies and procedures shall be communicated to the participant or the legally authorized representative:

- How the participant or LAR will give informed consent for the expenditure of funds.
- How the participant or LAR may access the records of the funds.
- How the funds are segregated for accounting and reporting purposes to the participant, LAR, and regulatory agencies, such as Social Security Administration and Division of Healthcare Financing.
- Safeguards to ensure that funds are used for the designated and appropriate purposes.
- If interest is accrued, how interest is credited to the accounts of the participant.

- How service fees are charged for managing funds
- How the person’s funds or personal property will be replaced or recouped in the event of theft or an unexplainable disappearance at the provider facility or during the provider’s provision of services.
As a reward or punishment
- Any restriction to the participant’s use of funds must be documented in the participant’s IPC and approved by the participant and/or LAR.

As payment for damages unless otherwise specified in the lease or other written agreement.

As payment for damages when the damage is the result of lack of appropriate supervision.

To purchase inventory for the provider

On loan to the provider or the provider’s employees.

As payment for damages unless otherwise specified in the lease or other written agreement with evidence provided showing the charge is appropriate for the participant to make restitution, the rationale is documented, and the participant or LAR gives written informed consent to make restitution for damages.
Participant Funds and Personal Property

In addition:

- Participant funds shall not be comingled with the provider business accounts or monies.
- If there is a complaint regarding misuse of participant funds, providers may be asked to provide evidence of proper use of funds and compliance with both Chapter 45 and internal provider policies and procedures.
- As part of an investigation, Provider Support Specialist staff may request documentation from the provider such as accounting records, bank records, receipts, cancelled check stubs etc.

Participant Funds and Personal Property

Examples:

- If a participant has an activity planned, the activity or funding for an activity may not be contingent upon the condition that the participant “be good”.
- A provider may not use participant funds to purchase food for a provider staff member
- A provider may not loan money to a provider or provider staff member
- A provider may not deposit participant funds into an account that is also used for other provider business purposes