DAUPHIN COUNTY MH/ID PROGRAM
POLICY AND PROCEDURE

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Title: Vendor/Fiscal Employer Agent Financial Management Services

Policy: The Dauphin County Intellectual Disability Program will assure that information about, and access to, the Pennsylvania statewide provider of Vendor Fiscal/Employer Agent (VF/EA) Financial Management Services is available to Dauphin County residents, consistent with ODP bulletin #00-08-14.

Background:

Individuals are authorized to receive needed supports identified in their ISP (Individual Support Plan). Individuals who live in their own residence or with their family may assume responsibility for arranging and managing their own supports by choosing the VF/EA Fiscal Management Service (FMS) option. Individuals (and/or surrogates) may choose to exercise employer authority and/or budget authority over services.

Employer authority requires the individual/surrogate to become the “common law employer,” also known as employer of record, of qualified support service workers they hire directly in the VF/EA FMS model.

Federal Medicaid law prohibits individuals/surrogates from receiving funds directly; therefore, an entity is needed to perform payment related employer responsibilities. The Office of Development Programs (ODP) has hired a statewide vendor to perform the FMS function for all Federal Medicaid Waiver recipients. The FMS service has two primary functions:

1. Reduce individual/surrogate burdens associated with self-directed supports and enhance individual choice and control over services and supports.
2. Assure ODP, Administrative Entities (AE) that support services are provided in compliance with all federal, state and local tax and labor requirements related to employment of qualified support service workers.
Budget authority allows the individual/surrogate to negotiate support service worker wages within established wage ranges and to shift funds between authorized services within the ISP. The statewide VF/EA service is responsible to provide the following:

1. Orientation and training to individuals/surrogates related to use of FMS and being a common law employer.
2. Managing the receipt and disbursement of public funds.
3. Processing and paying invoices for services approved in the ISP.
4. Establishing and maintaining a customer service system.
5. Preparing and disbursing support worker payroll in compliance with all tax, labor and worker compensation requirements.
7. Assuring that Provider requirements are met.

**Procedures:**

VF/EA FMS option is only available to individuals living in their own private residence or the private home of a family member. Individuals living in agency owned, rented, leased or operated homes may not exercise self-direction at this time.

VF/EA FMS is available to all interested Consolidated and Person/Family Directed (PFD) waiver recipients through the statewide vendor. Because the service is administrative in nature, Waiver provider choice requirements are not applicable and subject to fair hearing and appeals.

It is the responsibility of the Support Coordination Organization (SCO), locally the CMU, to be knowledgeable about FMS service and provide written information to individuals/surrogates to choose this option when it is appropriate for their unique circumstances.

The Common Law Employer/Employer of Record must meet the following requirements:

1. 18 years of age or older.
2. Complete the police criminal background check as per the older adult or child protective services requirements when the waiver recipient is under 18 years of age.
3. If individual/surrogate has not been a resident of Pennsylvania for the past two years, an FBI report criminal record history must be obtained.
4. Participate in required ODP training.
5. Sign all agreements with ODP and VF/EA FMS service as required.
6. Work with the Supports Coordinator (SC) to develop and revise the ISP as needed.
7. Individuals/surrogates may not receive payment for services they perform as an employer.
The responsibilities of the Common Law Employer/Employer of Record include:

1. Recruit, interview and hire support service workers (SSW).
2. Negotiate a wage for SSW within the established wage range.
3. Enroll with the VF/EA FMS and complete all required documents.
4. Ensure SSW complete all required documents in the employee packet and submit to VF/EA FMS.
5. Determine work schedule and tasks performed by the SSW.
6. Orient, train and develop emergency backup plan for coverage for SSW.
7. Review, approve, sign and submit timesheets for SSW.
8. Terminate SSW for just cause and notify VF/AE FMS.
9. Track utilization of budget to ensure services provided in accordance with the ISP.
10. Notify SC and VF/AE FMS of any changes needed to the ISP.
11. Notify SC and VF/FMS of any suspected fraudulent activity as it relates to the ISP.
12. Report any unusual incidents to the SC.

The statewide vendor of Financial Management Services is responsible to:

1. Disbursement of funds for goods and services as identified in the ISP.
2. Track all transactions per person and report over and underutilization of services and notify SC and AE’s.
3. Establish and maintain records for individuals/surrogates and SSW.
4. Verify that providers are qualified.
5. Develop, collect and review new employee packet.
6. Assist with verifying social security numbers for SSW.
7. Obtaining FEIN numbers for employers.
8. Track, withhold and file all applicable taxes (FICA, FUTA, and SUTA) and process all applicable tax forms (W-5, W-2, W-3, and 1099-Misc) for all SSW.
9. Process and distribute payroll for all SSW.
10. Manage receipt, renewal and payment of workers compensation.
11. Process payments for one time purchases as approved in the ISP.
12. Submit claims to PROMISe.
13. Prepare and distribute utilization reports.
14. Develop and distribute an annual satisfaction survey.

Administrative Entity (Dauphin County MH/ID) is responsible to:

1. Ensure consistent access to VF/AE FMS service and that written information regarding the service is provided to all eligible individuals.
2. In conjunction with the SCO (CMU), assist individuals/surrogates with decisions regarding self-direction.
3. Track utilization by use of Home and Community Services Information System (HCSIS) reporting and VF/AE FMS reporting and share concerns with the SCO entity, VF/AE FMS and ODP as deemed necessary.

4. Ensure that individuals/surrogates have the right to choose, direct and control support service in the approved and authorized ISP.

5. Assist the VF/AE FMS as necessary to ensure that the employer and SSW are qualified and meet the Waiver requirements.

The CMU is responsible to:

1. To provide written information from the PA Guide to individuals/surrogates to make choices regarding employer authority decisions.

2. Assist individuals/family (when requested) to make decisions regarding self-direction.

3. Utilize person-centered process to develop the individual ISP.

4. Work in cooperation with the VF/AE FMS to assure all appropriate paperwork in the employer packet is completed for the individual/surrogate and all SSW.

5. Assist the AE and VF/AE FMS to address under and overutilization issues with the individual/surrogate when they occur.