

HEALTHWEST

PROCEDURE

No. 06-020

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Subject: Self-Directed Services

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Rich Francisco, Executive Director

I. PURPOSE:

This document sets the standards for the use of self-directed and choice vouchered services, supports, and individual budgets for behavioral health services. As overseen by HealthWest of Muskegon.

HealthWest will ensure that self-directed services are available to all individuals, no matter where they live in Muskegon County and will actively assist individuals that choose to self-direct. Any reference to Self-Directed Services also applies to Choice Voucher with appropriate substitutions for family and child throughout the document.

II. APPLICATION:

All HealthWest primary workers, qualified providers and administrative staff.

III. DEFINITIONS:

Agency Supported Self-Direction (Also Known as Agency with Choice)

This allows the individual to direct as much or as little employer and administrative responsibilities as agreed upon in the IPOS and Agency Agreement while a provider agency serves as employer of record.

Choice Voucher Arrangements

Choice Voucher is the name for Self-Directed Services for individuals under the age of 18. This is because children cannot independently direct their services until adulthood.

Direct Hire or Direct Employment Model

The Direct Hire or Direct Employment Model is an option of self-direction where the individual is considered the employer of record and has the authority to hire, fire, supervise, and manage individual, aide level workers.

Employer of Record

The Employer of Record is the term for the individual who is a legal employer. In much of this document, an individual who is self-directing will be considered the employer of record or a managing employer.

Financial Management Service Provider/Fiscal Intermediary

A Fiscal Intermediary is an organization or individual independent of the CMH system that assists employers to manage the dollars self-directed budgets.

Individual

For the purposes of this document, "individual" means an individual receiving behavioral health services and supports.

Individual Budget

An individual budget is the amount of money from CMH given to pay for behavioral health services and supports as listed in the IPOS. By using an individual budget, individuals have the power to make meaningful choices about how they control their services and live their lives.

Managing Employer

A managing employer is the individual or designee who is acting in a supervisory role but is not considered the legal employer of record. All parents/guardians in a Choice Voucher Arrangement are considered managing employers.

Person-Centered Planning

Person-centered planning is a collaborative, person-directed process designed to assist an individual to plan their life and supports.

Prepaid Inpatient Health Plan (PIHP)

A PIHP is a managed care organization that provides Medicaid services and money to the CMHSP to pay for Specialty Mental Health Services and Supports in an area of the state. There are 10 PIHPs in Michigan.

Purchase of Service Agreement or Direct Contract

A Purchase of Service Agreement is an option of self-direction where the individual can contract directly with a professional level provider including those who are not already on the provider panel. The individual has the authority to terminate the contract and set wages based on the CMHSP contracted rate for that service.

Qualified Provider

A qualified provider is an individual or agency that meets the federal and state requirements in their contract to provide mental health services and supports.

Self-Determination

Self-determination (SD) is the right of all individuals to have the power to make decisions for themselves; to have free will. The goals of SD, on an individual basis, are to promote full inclusion in community life, to feel important, and increase belonging while reducing the isolation and segregation of individuals who receive services. SD builds upon choice, autonomy, competence, and relatedness which are building blocks of psychological wellbeing.

Self-Direction or Self-Directed Services

Self-direction is an alternative method for obtaining supports and services. It is the act of selecting, directing and managing one’s services and supports. Individuals who self-direct their services are able to decide how to spend their CMH services budget with support, as desired.

The methods of self-direction are crafted with the principles of self-determination.

Principles of Self-Determination	Self-Directed Outcomes
Freedom	Deciding how to live a good life
Authority	Controlling a targeted amount of dollars
Support	Organizing resources in ways that are life enhancing and meaningful
Responsibility	Using public funds wisely
Confirmation	Having a role in redesigning the service system

**All definitions are from the MDHHS Self-Direction Technical Requirement Implementation Guide Version 2.2*

Supported Decision-Making

Supported Decision-Making is a process that enables individuals receiving services to retain and exercise their rights and make and communicate choices in regard to personal and legal matters assisted by a group of people they know, trust, and have chosen to support them.

Supported Decision-Making is an alternative to guardianship. Instead of having a guardian make a decision for the individual, Supported Decision-Making allows the individual to make his/her own decisions.

Supports Broker

A Supports Broker is a paid individual that helps the individual find and get the needed services and supports in their IPOS. A Supports Broker has a clear focus on helping individuals identify and meet goals to increase independence and quality of life. Supports Broker(s) may be employed by a CMHSP or other entities.

IV. PROCEDURE:

1. Self-Directed Services and supports are set up using a Person-Centered Planning Process from which an Individual Plan of Service (IPOS) for medically necessary services and an individual budget are developed.

2. Self-Directed Services (Choice Voucher for under 18-year-old individuals) must be offered to all individuals receiving services from HealthWest.
3. Options must include all of the following:
 - a. Direct employment (the individual is the employer of record).
 - b. Use of any qualified provider agency that can serve as employer of record for staff selected by the individual (Agency Supported Self-Direction). The CMHSP and/or PIHP contractual language with provider agencies assures personal selection and changes of staff.
 - c. Direct contract (Purchase of Service Agreements) arrangement between individual and independent provider(s).
 - d. Financial Management/Fiscal Intermediary Services and Supports Brokers must be available.
4. Self-Directed Services are implemented through partnerships between HealthWest and the individual directing his/her services through a Self-Direction Agreement. This agreement describes the responsibilities and authority of both parties. Please refer to the [Self-Directed Services agreement](#).
5. Choosing Self-Directed Services does not change an individual's access to the services he/she needs or those available from HealthWest so long as medical necessity criteria and benefit coverage eligibility remains.
6. Self-Directed Services do not reduce HealthWest's responsibilities to individuals receiving services nor negate its responsibility to assist individuals in finding providers for services.
7. All Medicaid Services and Supports terms apply (i.e. documentation, financial accountability, monitoring, quality improvement) including reporting and provider qualifications.
8. The Office of Recipient Rights has investigative authority for Specialty Mental Health Services and Supports including Self-Directed Supports and Services.
9. HealthWest primary workers will follow the self-directed services referral process to make sure there are no gaps in services during transition to or from Self-Directed Service arrangements.
10. Individuals will be fully informed about the meaning of Self-Directed Services, all models and possible ways to control, manage, and account for their individual budget. This education will occur during the pre-planning process in preparation for the Individual Plan of Service. Please see the pre-planning document in the clinical record.
11. HealthWest will provide education and training to ensure a common understanding of Self-Directed Services is made available throughout its network, including: This training occurs at the time of hire and ongoing annually during Customer Service Standards: Advance Directives, Limited Language Proficiency and Self Determination/Directed

- a. Administrators
 - b. Case Managers/Supports Coordinators
 - c. Direct Support Professionals
 - d. Supports Brokers
 - e. Individuals and their Families
 - f. Agency-based Staff
 - g. Others
12. All person-centered planning processes, service delivery, and budget planning will support individuals to make decisions about and control their own lives. This means employees of HealthWest will actively commit to promoting self-direction and support the decisions individuals who self-direct make about how to meet the goals of their IPOS within the parameters of the individual budget.
13. Accountability for the use of public funds must be a shared responsibility of HealthWest and the individual, consistent with the fiduciary obligations of HealthWest. Fiscal responsibility and the wise use of public funds shall guide the individual and HealthWest in reaching an agreement on the allocation and use of funds comprising an individual budget.
14. HealthWest Finance staff will have access to all Self-Determination Budgets. Once a month, the Claims team will receive a report from the FMS for services provided. These will be audited monthly to monitor fiscal accountability and performance.
15. HealthWest will make sure that information and outreach materials about Self-Directed Services (or choice voucher) is offered to all individuals served. Individuals must have all information in a format accessible to them. (Educational materials and flyer created by Joanna and Laura)
16. HealthWest will provide ongoing support and assistance to individuals managing and controlling the supports they are directing. Examples include, but are not limited to:
- a. Information about the options for Self-Directed Services
 - b. Individual rights and responsibilities
 - c. Available resources
 - d. Supported decision making
 - e. Training – including documentation, service delivery, role of employer, role of employee, and budgeting
 - f. The use of a supports broker
 - g. Informal representative
 - h. Access to independent advocacy organizations (e.g. Disability Rights Michigan, local Arcs, United Cerebral Palsy, etc.)
 - i. Active management of the individual budget
 - j. Staff recruitment, selection, management and dismissal
 - k. Access to a Self-Directed Services coordinator and administrative assistant

In addition to the above, HealthWest will provide support for other issues related to Self-Directed Services such as coaching, mentoring, training, or other paid services needed for success.

17. Within the Direct-Employment model, instances will occur when the employer and HealthWest must work in partnership to ensure concerns are addressed. Some examples of these are: • The worker does not/no longer meets provider qualifications. • Concerns related to acceptable Medicaid documentation. • The employer of record is not following Medicaid requirements. • Documentation is inconsistent with timesheets. • Incomplete trainings. • Fraud, waste, abuse. HealthWest will assist with monitoring and addressing these concerns when they arise.

V. KEY ELEMENTS OF SELF-DIRECTED SUPPORTS AND SERVICES:

1. **Employer Authority**

Employer authority means the individual recruits, hires, supervises, directs, and fires the support staff. The individual acts as the common law employer.

2. **Budget Authority**

Controlling an individual budget is a core part of Self-Directed Services. The individual budget is a projected amount of public mental health funds named in dollar terms within the context of medical necessity. With the budget spending plan, the spending authority is with the individual.

In order for an individual to have budget authority, the budget must be:

Accessible – meaning the individual has complete understanding of how they can control and make changes to the budget when needed.

Portable – meaning the individual must be able to change and transfer budget resources from one provider to another (includes one CHMSP/PIHP to another).

Flexible – meaning flexible spending – individual controlled use of dollars and amount of services identified in the IPOS within a fixed budget. Changes to the budget should not require a change to the IPOS unless services are terminated or increased.

3. **Financial Management/Fiscal Intermediary Services**

A CMHSP is required to contract with a Financial Management Service provider. The Financial Management Service provider maintains compliance with its CMHSP contract requirements. Financial Management Service Providers are here to support the independent lifestyle that self-direction offers. The Financial Management Service providers assist individuals with payroll processing, taxes, budget management, and other fiscal aspects of employing staff and assists individuals with managing funds consistent with the Financial Management Services Technical Requirements.

4. **Ending Self-Directed Services, Grievance and Appeal Rights**

An individual may voluntarily end a Self-Directed Service arrangement at any time for any reason. The CMHSP and/or PIHP must work together with the individual to transition to another service arrangement through the person-centered planning

process. Discontinuation of a self-direction agreement, by itself, shall neither change the IPOS, nor eliminate the obligation of the CMHSP/PIHP to assure Specialty Mental Health Services and Supports required in the IPOS are provided.

Ending self-directed service arrangements may be initiated by either the individual or the CMHSP and/or PIHP. Before they can end Self-Directed Services, the CMHSP and/or PIHP must inform the individual of the issues that have led to the possibility of ending self-direction arrangements, in writing. They also must provide opportunities for problem solving. The individual must be involved in all problem-solving attempts. Ending self-direction arrangements are only done if other mutually agreeable solutions have been exhausted.

Termination of a self-direction services agreement by a CMHSP/PIHP is not a Medicaid Fair Hearings Issue. Only a suspension, reduction, or termination of Medicaid services can be appealed through the Medicaid Fair Hearings Process, not the use of self-direction arrangement to obtain those services. As it pertains to termination of Self-Directed Service arrangements, ending the Financial Management Services (formerly Fiscal Intermediary) can be appealed through the Medicaid Fair Hearings Process.

VI. REFERENCES:

Michigan Department of Health and Human Services Behavioral Health and Disabilities [Administration Self-Directed Services Technical Requirements January 31, 2022](#)

LR/hb