

BUILDING A BUDGET





PLAN FOR
SELF-
DIRECTED
SERVICES
WEBINARS

Beginning – GOOD Person-
Centered Planning

Building a Budget

Setting Up an Arrangement

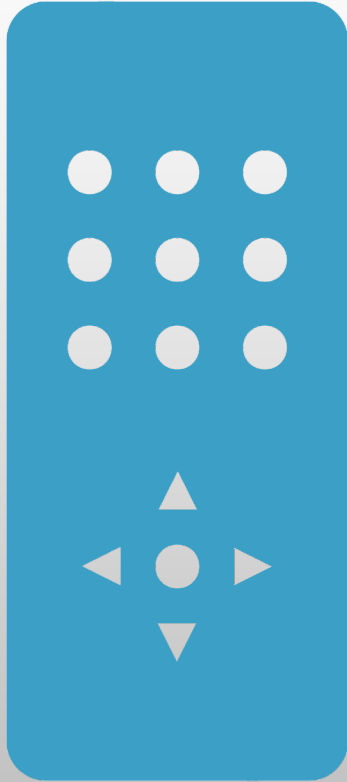
Arrangement Oversight and
Responsibility

OVERVIEW

- LEARN BASICS OF BUDGET DEVELOPMENT
- DISPELLING MYTHS
- UNDERSTANDING RATE VS WAGE
- BUDGET AUTHORITY
- BUDGET OVERSIGHT

CONSIDERATIONS

- THE EMPLOYEES ARE NOT CMH CONTRACTED
- THE BUDGET AND EMPLOYEES ARE NOT CMH MANAGED
- CONTROL OVER AMOUNT, SCOPE, DURATION, LOCATION AND PROVIDERS IS WITH THE INDIVIDUAL
- RISK MITIGATION HAPPENS BEFORE ISSUES OCCUR, NOT AFTER



INDIVIDUAL SERVICE BUDGET



Why do we have a Budget?

Transfer control of funding to the person

Provide FMS roadmap for payment of services/supports



Which Self-Directed Models Use a Budget?

Purchase of Service

- *Rate, not Wage*

Direct Employment

- *Wage*

BUDGET DEVELOPMENT

MUST BE A TRANSPARENT PROCESS

- The PIHP/CMHSP must establish a transparent process for budget development and educate each individual on the process, prior to engaging in budget development.

CAN INCLUDE MORE THAN JUST CLS! (SERVICES IN THE IPOS)

- ... the following 2 waiver services are considered provider managed services only: 1. environmental accessibility adaptations/specialized medical equipment/supplies; and 2. financial management services.

MUST INCLUDE ALL SERVICES THE PERSON IS CHOOSING TO SELF-DIRECT

DOES NOT INCLUDE SERVICES NOT BEING SELF-DIRECTED

FMS COST INCLUDED IN BUDGET, BUT DOES NOT REDUCE SERVICE COST AVAILABLE

- Costs for administrative activities (background checks, credentialing activities, etc.) must not reduce the available funding for services. The rate for directly employed workers must include Medicare and Social Security Taxes (FICA), Unemployment insurance, and workers compensation insurance.

MUST BE REALISTIC TO ACCOMPLISH GOALS IN THE IPOS

DEVELOPED DURING A MEETING/SERIES OF MEETINGS WITH THE EMPLOYER AND CHOSEN ALLIES (IN-PERSON, ZOOM/TEAMS, HYBRID, PHONE, ETC)

BUDGET TOOLS

Estimated Cost of Service (includes all services in current plan).

- Tool to inform the process
 - *The Estimated Cost of Services (ECOS) will be used as a tool to inform the budget process. The ECOS should be reflective of the cost of services in the most updated IPOS.*
 - *This ECOS must be reviewed at least annually with the individual, to inform them on the cost of services and options for flexibility in directing those dollars.*

Budget Calculator

Monthly Budget Report

BUDGET ORGANIZATION



Line items calculated by number of units times cost per unit



Line item associated with service (or in HSW & CWP similar services)



Dollars allotted in IPOS to a specific service need do not need to be used for that service exactly in the plan

CURRENT PRACTICES IN BUDGET DEVELOPMENT

Person Develops the Budget with:

- The FMS or
- The CMH

FMS ASSISTS WITH BUDGET DEVELOPEMENT

- CMH PROVIDES FMS MAX BUDGET RATE (PER SERVICE CURRENTLY)
- FMS CREATES BUDGET SPECIFICS WITH INDIVIDUAL
- TYPICALLY OCCURS ONCE PLAN HAS BEEN CREATED
- THE SIGNED AND APPROVED BUDGET IS SENT TO THE FMS, OR THE CMH MUST PROVIDE THE FMS THE CURRENT RATES RELEVANT TO THE SERVICES AND LEVEL OF NEED FOR THE INDIVIDUAL.



CMH ASSISTS WITH BUDGET DEVELOPMENT


- SD COORDINATOR VS CASE MANAGEMENT
- DURING PCP PROCESS
- DETERMINE PAY RATES, BENEFITS, ETC
 - CMHSPS CAN IDENTIFY A STANDARD BUDGET COST LIMIT THAT IS NOT LESS THAN THE ESTABLISHED AGENCY RATE FOR A SPECIFIED SERVICE.
 - CMHSPS CANNOT SET STAFF PAY RATES (WAGES)
 - THE INDIVIDUAL BUDGET MUST BE ACCESSIBLE. THE CMHSP MUST ENSURE THE INDIVIDUAL HAS A FULL AND COMPLETE UNDERSTANDING OF THE CONTROL THEY HAVE OF THE BUDGET. THE INDIVIDUAL MUST BE AWARE OF HOW TO MAKE CHANGES TO THE BUDGET AND WHO THEY NEED TO CONTRACT TO MAKE THOSE CHANGES.

BUDGET DEVELOPMENT

THE BUDGET DEVELOPMENT MUST INCLUDE DISCUSSIONS WITH THE INDIVIDUAL ON EXPENSE THAT CAN BE INCLUDED IN THE BUDGET. THIS COULD INCLUDE:

- IF TRAINING IS INCLUDED IN THE BUDGET, MILEAGE, PAID TIME OFF, RATE OF PAY (RANGE?), AND ALL OTHER BENEFITS. THE EMPLOYER (INDIVIDUAL) WILL DECIDE WHAT WILL BE INCLUDED IN THE FINAL INDIVIDUAL BUDGET, WITHIN THE OVERALL COST PARAMETERS DETERMINED BY THE PIHP/CMHSP.
- CARE MUST BE TAKEN BY THE PIHP/CMHSP TO ENSURE BUDGET DEVELOPMENT AND IMPLEMENTATION ARE IN LINE WITH THE FLSA CO/JOINT-EMPLOYMENT STANDARDS.





WHAT MUST BE INCLUDED IN THE BUDGET? (DIRECT-EMPLOYMENT)

Staff Pay Rate (range)

Wage cannot be determined by the CMHSP

Required employment taxes

Worker's compensation (part-time vs full-time, cost development, etc)

Cost of FMS (cannot reduce the amount of the budget)

WHAT CAN BE INCLUDED IN THE BUDGET?

NOT AN EXHAUSTIVE LIST....

- MILEAGE
- PAID TRAINING
- MEETING ATTENDANCE (STAFF)
- HOLIDAY PAY
- PAID TIME OFF
- BUILT IN OVERTIME
- INSURANCE
- COST OF ACTIVITIES
- STAFF BONUS
- ADMIN



CONTROL

WHAT THE CMHSP CAN CONTROL IN THE BUDGET:

- Establish a training rate
- Require workman's compensation insurance
- Must establish the maximum amount of Medicaid funds used in the budget
- Must have a system for budget oversight
- Must authorize the budget for the same timeframe as the IPOS
- NOTE: Internal authorization processes must not interfere with control of the individual budget. For example, authorizations for a 3-month period can lead to unnecessary impediments to flexibility and control and must not be used.

WHAT THE INDIVIDUAL CONTROLS IN THE BUDGET:

- How much of the budget is utilized during a given amount of time
- When and how frequently pay rates are changed
- Determining employee benefits included in budget
- When overtime is approved
- Moving dollars from one line-item to another budget line



HOW TO INCLUDE NON- SERVICE SPECIFIC COSTS?

- WHAT DOES IT MEAN TO 'ROLL IT INTO' THE COST OF THE SERVICE?
 - CLASSES....
 - ACTIVITY COSTS....
- HOW TO BILL THESE?

CREATIVE BILLING

IF COST IS TOWARDS THE
GOALS OF THE PLAN, MEETS
BILLING CODE DEFINITION
FOR THE SERVICE

IT CAN BE ROLLED IN –

- THINK MILEAGE WITH CLS
 - CLASS
 - ACTIVITY
- NEED A CODE -



BEST PRACTICES TO CONSIDER

BUDGET AUTHORIZATION PERIOD MUST ALIGN WITH PLAN OF SERVICE

- AFTER APPROVAL....
 - INDIVIDUAL CAN MAKE CHANGES WITHOUT CMH APPROVAL
 - THE INDIVIDUAL BUDGET MUST BE PORTABLE. ONCE AN INDIVIDUAL BUDGET IS AGREED TO AND SIGNED BY BOTH PARTIES, THE INDIVIDUAL DOES NOT NEED CMHSP APPROVAL TO MAKE ANY CHANGES WITHIN THE FRAMEWORK OF THE APPROVED BUDGET.
 - FLEXIBLE (IDEOLOGICAL VS CURRENTLY AVAILABLE PRACTICES)
 - CAN BE CHANGED THROUGHOUT THE YEAR, AS NEEDS CHANGE
- **all policies and procedures must be followed (IPOS changes, G&A, etc)

FLEXIBILITY

- THE INDIVIDUAL BUDGET MUST BE FLEXIBLE. THIS MEANS THE INDIVIDUAL MAY ADJUST THE CMHSP-AUTHORIZED FUNDS TO ACCOMPLISH THEIR IPOS.
 - THIS COULD MEAN MOVING FUNDS BETWEEN BUDGETARY LINES TO ACCOMPLISH THE INDIVIDUAL'S IPOS.
 - IT MEANS THE INDIVIDUAL HAS CONTROL OVER HOW TO SCHEDULE SERVICES AND SUPPORTS (DAYS OF THE WEEK, TIME OF THE DAY) TO BEST MEET THEIR NEEDS.
 - IT MAY ALSO MEAN AN INDIVIDUAL USES MORE HOURS FOR ONE WEEK AND FEWER HOURS IN A FUTURE WEEK, YET THE INDIVIDUAL DOES NOT EXCEED THE AUTHORIZED BUDGET AMOUNT.

MONITORING AND OVERSIGHT

Collaboration between employer,
employee, FMS and CMHSP

Budget Report

Monitor agreements in MA provider
Agreement, SD Agreement, Budget
Reports, to prevent issues



MONITORING AND OVERSIGHT

SELF-DIRECTION TECHNICAL REQUIREMENT IMPLEMENTATION GUIDE

THE INDIVIDUAL HAS RESPONSIBILITY FOR:

- USING BUDGET FUNDS TO MEET NEEDS IDENTIFIED IN THE IPOS
- STAYING WITHIN AUTHORIZED AMOUNTS
- ENSURING THE USE OF SERVICES AND SUPPORTS DO NOT EXCEED THE AUTHORIZED AMOUNT
- REVIEWING MONTHLY BUDGET REPORT (PROVIDED BY FMS)
- INFORMING PIHP/CMHSP OF ANY NEEDED CHANGES TO THE INDIVIDUAL BUDGET
- ENSURING DOCUMENTATION IS PRESENT FOR ALL MEDICAID COVERED SERVICES

SETTING WAGES

CMH will provide the FMS provider with the rate person would have been supported with in a traditional service arrangement for each service:

CLS provider rate: 5.75/unit @ 8320 u (40 hrs/wk) = \$47,840/Yr **MAX**

Respite rate: 2.50/unit @ 240 u (\$50/mo) = \$600/yr **MAX**

SE Rate: 3.75/unit @ 2080 u (10 hrs/wk) = \$7800/yr **MAX**

Total = \$56240/yr

Then, based on the total amount of the budget the FMS can work with the CMH to back out taxes, workman's comp, mileage and any other benefits the EOR wants to include for their employees.

BUDGET SAMPLE

Individual Service Budget					
Individual:	Jane Doe				
Case #:	123589				
Support Coordinator/Case Mgr:	Sam Jones				
Authorization Period	1/1/24 - 12/31/24				
Costs:	\$15,911.56				
Budget Description					
Budget includes: - 10 hrs/week CLS - 10 hrs/week AHH - Average of 20 miles/week mileage reimbursement - 10 hrs/year paid training - 50 hours per year PTO and Vacation - Cost to cover attendance at Health and Wellness Class of \$300 - Budget Supports Pay rate of between minimum wage and \$16.00/hour					
Provider	Service Description	Units	Rate	Yearly Projected Cost	
Stuart Wilson	Fiscal Intemediary	12	\$ 141.63	\$1,699.56	
Stuart Wilson	CLS, ___ hrs/week	2080	\$ 6.40	\$13,312.00	
Stuart Wilson	AHH, ___ hrs/week	2080	\$ 3.62	\$7,529.60	
	Goods and Service	12	\$ 75.00	\$900.00	
Total Annual Cost				\$23,441.16	
Minus AHH				\$7,529.60	
CMH COST				\$15,911.56	
Signature			Date		
CMH Approval			Date		

\$20,841.60 Top Staffing Cost
Use this \$ to work ba

WAGE EXAMPLE



Microsoft Excel
Worksheet





Microsoft Excel
Worksheet





The center of a self-determined life is you!

10/09/2018

Consumer Budget Report

Joe Sample

For the authorization period of
September 1, 2018 - September 30, 2018
Waiver Agency Name

Green- You are currently utilizing your services as planned; no action is required.

Blue - You are currently utilizing fewer services than planned; you may need to contact your case manager to ensure that your planned care is being provided.

Orange - Usage was within weekly limits, but over for the current month due to the first and/or last week landing between two calendar months.

If you have any questions regarding this report, please contact Jessie at 989-832-5400 x128

BUDGET REPORT SAMPLE

Usage Budget Report

	H2015
Total Authorized Hours	120.00
* Through 9/30/2018	112.00
Hours Remaining	<u>8.00</u>
Actual Hrs Used	112.00
Expected Hrs	120.00
Over / (Under) Hours	<u>(8.00)</u>
% of Over / -Under Hrs	<u>-6.67%</u>

Overview

Blue - You are currently utilizing fewer services than planned; you may need to contact your case manager to ensure that your planned care is being provided.

If you have any questions regarding this report, please contact Jessie at 989-832-5400 x128

* Estimated based on available information through the full month (1st- end of month).

** Hours are calculated weekly (Sunday - Saturday) encompassed within the month. This may reflect an overage or under usage, but will balance out with your next/previous report(s).



**WHAT
QUESTIONS
DO YOU
HAVE?**



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