

EXHIBIT K

DEPARTMENT OF HUMAN SERVICES, MEDICAL SERVICES

SUBJECT: INCHOICE 1-11 & State Plan Amendment #2012-009; Independent Choices

DESCRIPTION: This rule is updated to comply with changes made to the Personal Care Program and to increase efficiency of operations within the IndependentChoices Program. INCHOICE 1-11 amends the following sections of the IndependentChoices provider manual: 200.100, 200.200, 202.300, 202.600, 220.300, 220.400, 231.300, 231.500, 231.600, 250.200, and 260.430.

Section 200.100 is updated to correct verbiage and reflect the most current information regarding the rules and regulations that the IndependentChoices Program follows.

Section 200.200 is updated to change "ElderChoices" RN to "DAAS" RN.

Section 202.300 is updated to include the term "HCBS Level of Care Assessment Tool." "HCBS Level of Care Assessment Tool" will replace "MDS-HC Instrument." It is also updated to change "ElderChoices" RN to "DAAS" RN.

Section 220.400 is updated to reflect the most current information regarding adult companion services and who receives the plan of care. It is also updated to change "ElderChoices" RN to "DAAS" RN.

Section 231.300 is updated to reflect the most current information regarding hospitalization for an IndependentChoices participant. Only on the day of admission and discharge will the participant be able to receive a cash allowance.

Section 231.500 is updated to reflect the most current information regarding the counselor's assistance with the coordination of agency services.

Section 231.600 is updated to reflect the most current information regarding involuntary disenrollment from the program.

Section 250.200 is updated to reflect that appeals must be filed with the Office of Appeals and Hearings.

Section 260.430 is updated to add requirements to the services that counselors must perform.

SPA#2012-009 amends the section of the State Plan Amendment covering 1915(j) Self-Directed Personal Assistance Services. The following areas were addressed in the State Plan Amendment which updates the IndependentChoices Program: voluntary and involuntary disenrollment, monitoring and oversight, quality assurance, participant feedback, program information, financial accountability, and risk management.

PUBLIC COMMENT: No public hearing was held. The comment period expired on October 13, 2012. The following public comments were received:

Judith S. Wooten, President and CEO, Arkansas Hospice

Ms. Wooten indicated her support of the proposed update to Section 220.210 of the Arkansas Medicaid Provider Manual which clarifies that Medicaid beneficiaries enrolled in IndependentChoices are allowed to receive Medicaid personal care services in addition to hospice aide services, and how those services are to be coordinated. The agency acknowledged her support and informed her that the hospice provisions were being pulled from the current packet and would be promulgated separately with a later effective date, but should not substantively change.

Jim Petrus, CEO, Peachtree Hospice

Mr. Petrus indicated his support of the proposed changes to the Medicaid program that will allow the coordination of Independent Choices with Hospice Services. The agency acknowledged his support and informed him that the hospice provisions were being pulled from the current packet and would be promulgated separately with a later effective date, but should not substantively change.

The proposed effective date is January 1, 2013.

CONTROVERSY: This is not expected to be controversial.

FINANCIAL IMPACT: There is no financial impact.

LEGAL AUTHORIZATION: Arkansas Code § 20-76-201 authorizes the Department of Human Services to administer programs for the indigent and to "make rules and regulations" pertaining to the administration of those programs. Arkansas Code § 20-77-107 specifically authorizes the department to "establish and maintain an indigent medical care program."

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Department of Human Services
DIVISION Division of Medical Services
DIVISION DIRECTOR Andrew Allison, PhD
CONTACT PERSON Brett Hays
ADDRESS P.O Box 1437, Slot S295, Little Rock, AR 72203
PHONE NO. 682-8859 FAX NO. 682-2480 E-MAIL brett.hays@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING Marilyn Strickland
PRESENTER E-MAIL marilyn.strickland@arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

1. What is the short title of this rule?

INCHOICE-1-11 and State Plan Amendment #2012-009

2. What is the subject of the proposed rule?

To authorize services through use of the ARPath Assessment Tool for participants in the Home and Community-Based Services waiver programs and IndependentChoices.

3. Is this rule required to comply with a federal statute, rule, or regulation? Yes ____ No X.
If yes, please provide the federal rule, regulation, and/or statute citation.

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?
Yes ____ No X.

If yes, what is the effective date of the emergency rule? _____

When does the emergency rule expire? _____

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act? Yes ____ No ____

5. Is this a new rule? Yes ☐ No ☒ If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule? Yes ☐ No ☒ If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule? Yes ☒ No ☐ If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."

6. Cite the state law that grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

Arkansas Statute 20-76-201

7. What is the purpose of this proposed rule? Why is it necessary?

The purpose of this update is to comply with changes made to the Personal Care program and to increase efficiency of operations within the ElderChoices program.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b).

<https://www.medicaid.state.ar.us/InternetSolution/general/comment/comment.aspx>

9. Will a public hearing be held on this proposed rule? Yes ☐ No ☒

If yes, please complete the following:

Date: _____

Time: _____

Place: _____

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

October 13, 2012

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

January 1, 2013

12. Do you expect this rule to be controversial? Yes ☐ No ☒ If yes, please explain.

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

Medical associations, interested providers, and advocacy organizations. Their positions for or against is not known at this time.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services

DIVISION Division of Medical Services

PERSON COMPLETING THIS STATEMENT Tom Show

TELEPHONE NO. FAX NO. 682-2483 EMAIL: tom.show@arkansas.gov

To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE – INCHOICE 1-11 and State Plan Amendment #2012-009

1. Does this proposed, amended, or repealed rule have a financial impact?
Yes No X

2. Does this proposed, amended, or repealed rule affect small businesses?
Yes No X

If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

Current Fiscal Year

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

Next Fiscal Year

None

None

Summary for INCHOICE-1-11 and
State Plan Amendment #2012-009

INCHOICE-1-11 amends the following section of the IndependentChoices provider manual: 200.100, 200.200, 202.300, 202.600, 220.300, 220.400, 231.300, 231.500, 231.600, 250.200, 260.430.

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Section 202.600 is updated to reflect the most current information regarding the Cash Expenditure Plan. It is also updated to change "IndependentChoices" RN to "DAAS" RN.

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Division of Medical Services
Program Development & Quality Assurance
P.O. Box 1437, Slot S-295 • Little Rock, AR 72203-1437
501-682-8368 • Fax: 501-682-2480



TO: Arkansas Medicaid Health Care Providers – IndependentChoices
DATE: January 1, 2013
SUBJECT: Provider Manual Update Transmittal INCHOICE-1-11

REMOVE

Section	Date
200.100	7-15-12
200.200	11-1-09
202.300	11-1-09
202.600	11-1-09
202.700	4-1-08
202.800	11-1-09
220.200	11-1-09
220.210	11-1-09
220.300	11-1-09
220.400	4-1-08
231.300	4-1-08
231.500	4-1-08
231.600	11-1-09
250.200	11-1-09
260.430	11-1-09

INSERT

Section	Date
200.100	1-1-13
200.200	1-1-13
202.300	1-1-13
202.600	1-1-13
202.700	1-1-13
202.800	1-1-13
220.200	1-1-13
220.210	1-1-13
220.300	1-1-13
220.400	1-1-13
231.300	1-1-13
231.500	1-1-13
231.600	1-1-13
250.200	1-1-13
260.430	1-1-13

PROPOSED

Explanation of Updates

Sections 200.100, 200.200, 202.300, 202.600, 202.700, 202.800, 220.200, 220.210, 220.300, 220.400, 231.300, 231.500, 231.600, 250.220 and 260.430 are updated to reflect the most current rules and regulations for the IndependentChoices program.

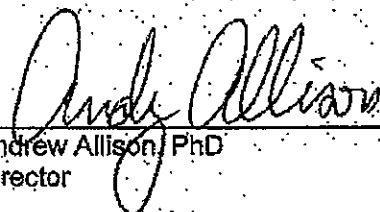
The paper version of this update transmittal includes revised pages that may be filed in your provider manual. See Section I for instructions on updating the paper version of the manual. For electronic versions, these changes have already been incorporated.

If you have questions regarding this transmittal, please contact the HP Enterprise Services Provider Assistance Center at 1-800-457-4454 (Toll-Free) within Arkansas or locally and Out-of-State at (501) 376-2211.

If you need this material in an alternative format, such as large print, please contact our Americans with Disabilities Act Coordinator at 501-682-6453 (Local); 1-800-482-5850, extension 2-6453 (Toll-Free) or to obtain access to these numbers through voice relay, 1-800-877-8973 (TTY Hearing Impaired).

Arkansas Medicaid provider manuals (including update transmittals), official notices, notices of rule making and remittance advice (RA) messages are available for downloading from the Arkansas Medicaid website: www.medicaid.state.ar.us.

Thank you for your participation in the Arkansas Medicaid Program.



Andrew Allison, PhD
Director

PROPOSED

TOC required

PROPOSED**200.100 IndependentChoices**

1-1-13

The IndependentChoices program is a state plan service under 1915(j) of the Social Security Act. IndependentChoices is operated by the Division of Aging and Adult Services (DAAS). The program offers Medicaid-eligible individuals who are elderly and individuals with disabilities an opportunity to self-direct their personal assistant services.

IndependentChoices seeks to increase the opportunity for consumer direction and control for Medicaid beneficiaries receiving or needing personal assistant services. Personal Assistant services in IndependentChoices include state plan personal care for Medicaid beneficiaries and Adult Companion and Homemaker services for ElderChoices beneficiaries. IndependentChoices offers an allowance and counseling services in place of traditional agency-provided personal assistance services and items related to personal assistance needs.

The participant or designee is the employer and accepts the responsibility in directing the work of their employee to the degree necessary to meet their individual needs for assistance with activities of daily living and instrumental activities of daily living.

If the IC participant can make decisions regarding his or her care but does not feel comfortable reading and filling out forms or talking on the phone, he or she can appoint a Communications Manager. The Communications Manager can act as the participant's voice and complete and sign forms, but will not make decisions for the participant. The Communications Manager will not hire, train, supervise or fire the personal assistant for the IC participant.

If the participant needs someone to hire and supervise the personal assistant, make decisions about care and administer the cash expenditure plan as well as complete all forms, a Decision-Making Partner will be appointed.

IndependentChoices participants or their Decision-Making Partners must be able to assume the responsibilities of becoming an employer by hiring, training, supervising and firing if necessary their directly hired workers. In doing so the program participant accepts the risks, rights and responsibilities of directing their care and having their health care needs met.

The IndependentChoices program respects the employer authority of the participant who chooses to direct his or her care by hiring an employee who will be trained by the employer or Decision-Making Partner to provide assistance how, when, and where the employer or Decision-Making Partner determines will best meet the participant's individual needs. The Medicaid beneficiary assumes the risks, rights and responsibilities of having their health care needs met in doing so.

NOTE: The IndependentChoices Program follows the rules and regulations of the State Plan approved Personal Care Program, unless stated otherwise in this manual.

200.200 Eligibility

1-1-13

To be eligible for IndependentChoices, a participant must:

- A. Be 18 years of age or older
- B. Be eligible for Medicaid, as determined by the DHS Division of County Operations, in a category that covers personal care, or be eligible for Supplemental Security Income (SSI) through the Social Security Administration, or be eligible for ElderChoices and determined in need of Adult Companion services, Homemaker services or personal care by the DAAS Registered Nurse (RN)

- C. Be receiving personal assistance services or be medically eligible to receive personal assistance services. Personal assistance services include state plan personal care, ElderChoices adult companion services and ElderChoices Homemaker services.
 - 1. **Personal Care:** In determining eligibility and level of need for personal care, IndependentChoices follows policy found in the Arkansas Medicaid Personal Care Provider Manual.
 - 2. **Adult Companion Services:** The DAAS RN must determine and authorize adult companion services based on ElderChoices policy.
 - 3. **Homemaker Services:** The DAAS RN must determine and authorize ElderChoices Homemaker services according to ElderChoices policy.
- D. Not be living in a home or property owned, operated or controlled by a provider of services unless the provider is related by blood or marriage to the participant. This includes single family homes, group homes, adult family homes, congregate settings, a living situation sponsored or staffed by an agency provider, etc.
- E. Be willing to participate in IndependentChoices and understand the rights, risks and responsibilities of managing his or her own care with an allowance; or, if unable to make decisions independently, have a willing representative decision-maker who understands the rights, risks and responsibilities of managing the care of the participant with an allowance.

PROPOSED

202.300

Enrollment

1-1-13

The Division of Aging and Adult Services is the point of entry for all enrollment activity for IndependentChoices. The program is limited based on an approved number through the Medicaid State Plan.

The individual or their designee will first call the IndependentChoices toll-free number at 888-682-0044 to speak with an IndependentChoices counselor. The counselor will provide information to the individual about the program and verify that the individual is currently enrolled in a Medicaid category that covers personal assistance services. If the individual is currently enrolled in an appropriate Medicaid category and has an assessed physical dependency need for "hands on" assistance with personal care needs, the counselor will enter the individual's information into a DAAS database. Based on the individual's county of residence, the IndependentChoices counselor will either continue working with the individual through the enrollment process, or refer the individual to the contracted counseling agency for the individual's area of the state. If the individual is not currently enrolled in an appropriate Medicaid category, the counselor will refer the individual to the DHS County Office for eligibility determination.

The counselor, nurse and fiscal agent will then work with the individual to complete the enrollment forms either by mail and telephone contact or by a face-to-face meeting. The individual will be provided with the "My IndependentChoices Handbook," which explains the individual's responsibilities regarding enrollment and continuing participation. The individual must complete the forms in the Enrollment Packet, which consists of the Participant Responsibilities and Agreement, the Backup Personal Assistant and the Authorization to Disclose Health Information. The participant must also complete the forms in the Employer Packet, which includes the Limited Power of Attorney, IRS and direct deposit forms related to being a household employer. Each personal assistant must complete the forms in the Employee Packet which include the standard tax withholding forms normally completed by an employee, the Employment Eligibility Verification Form (I-9), a Participant/Personal Assistant Agreement, Employment Application and a Provider Agreement. The packets each include step-by-step instructions on how to complete the forms. IndependentChoices staff will be available to the individual, Decision-Making Partner/Communications Manager and the personal assistant to help complete the forms and answer any questions.

As part of the enrollment process, the DAAS RN will complete an assessment using the Home and Community Based Services (HCBS) Level of Care Assessment Tool. Through completing the assessment and using professional judgment, the DAAS RN will determine how many hours of personal assistance services are needed by the participant. Eligibility for personal care services is based on the same criteria as state plan personal care services. NOTE: For ElderChoices beneficiaries, the DAAS RN will determine the number of personal care, Adult Companion Services and Homemaker hours needed. The ElderChoices plan of care will reflect that the beneficiary chooses IndependentChoices as the provider. DAAS-HCBS staff will obtain physician authorization for persons not receiving either ElderChoices or Alternatives for Adults with Physical Disabilities waiver services.

After the in-home assessment, the DAAS RN will complete the paperwork and coordinate with the IndependentChoices counselor. The counselor will process all of the completed enrollment forms. The HCBS Level of Care Assessment Tool, which includes the cap triggers and the number of hours of services needed, will be sent to the participant's physician for authorization if the participant is not authorized for services through a waiver plan of care for ElderChoices or Alternatives for Adults with Physical Disabilities. State and IRS tax forms will be retained by the fiscal agent. Disbursement of funds to a participant or their employee will not occur until all required forms are accurately completed and in the possession of the fiscal agent.

Personal care assessments for participants aged 21 years or older and authorized by the participant's physician in excess of 14.75 hours per week will be forwarded by the participant's counselor to Utilization Review in the Division of Medical Services for approval. View or print Utilization Review contact information. For individuals under age 21, all personal care hours must be authorized through Medicaid's contracted Quality Improvement Organization (QIO), QSource of Arkansas. View or print QSource of Arkansas contact information.

IndependentChoices follows the rules and regulations found in the Arkansas Medicaid Personal Care Provider Manual in determining and authorizing personal care hours. The initial authorization for personal assistance services may not begin until the participant's primary care physician or an advanced practice nurse enrolled in the Arkansas Medicaid APN program seeing patients in an Arkansas Medicaid enrolled Rural Health Clinic or Federally Qualified Health Center signs and dates the Home and Community Based Services (HCBS) Level of Care Assessment Tool. For beneficiaries receiving services through the ElderChoices or Alternatives for Adults with Physical Disabilities waiver program, the APN or physician's signature is not required. The signature of the DAAS RN is sufficient to authorize personal care services. After the service plan is authorized, the actual day services begin is dependent upon all of the following conditions:

- A. DAAS issues a seven-day notice to discontinue service to any agency personal care, adult companion services or homemaker provider currently providing services to the individual.
- B. The date the participant's worker is able to begin providing the necessary care. It can be no earlier than the date the physician authorized the service plan for the non-waiver eligible participant, if an agency provider is not providing the personal care services.
- C. The fiscal agent is in possession of all required employer and employee documents.

If the individual is not a recipient of ElderChoices or Alternatives for Adults with Physical Disabilities services, then continuation of personal assistance services requires reauthorization prior to the end of the current service plan end date.

When required for non-waiver beneficiaries, the earlier of the two following conditions will suffice for the face-to-face visit required sixty days prior to the begin date of the new service plan:

- A. The participant's primary care physician or eligible nurse practitioner (as described in this manual) signature on the HCBS Level of Care Assessment Tool attests that he or she has examined the patient within the past 60 days.

PROPOSED

- B. The participant has a face-to-face visit with their primary care physician or eligible nurse practitioner 60 days prior to the service plan begin date.

When the approval by Utilization Review is received, or the individual needs 14.75 hours or less per week, the IndependentChoices Counselor will contact the participant or Decision-Making Partner/Communications Manager to develop the cash expenditure plan. The participant and the counselor will determine when IndependentChoices services can begin, but may not commence prior to the date authorized by the physician. The participant is required to have a face-to-face visit with their physician within 60 days of the date that the physician signs the Assessment Tool or 60 days prior to the service plan begin date and each subsequent reassessment. At no time will services begin prior to the first day of the previous month unless authorized by the Division of Aging and Adult Services.

202.500 Personal Assistance Services Plan

1-1-13

An individualized personal assistance service plan, signed and dated by the participant's personal physician constitutes the physician's personal assistant services authorization. All services must be prior approved through the service plan.

NOTE: An advanced practice nurse (APN) enrolled in the Arkansas Medicaid Program seeing patients in a Rural Health Clinic or Federally Qualified Health Center enrolled in the Arkansas Medicaid Program as an RHC or FQHC may sign the personal care service plan/order if practicing within an environment for which his/her certification applies and within the scope of his/her certification. No MD signature is required in addition to the APN's signature unless required by their license and/or certification.

202.600 Cash Expenditure Plan

1-1-13

The amount of the Cash Expenditure Plan (CEP) is determined by the assessment performed by the DAAS RN. The counselor and the participant or Decision-Making Partner will work together to develop the CEP, which may be updated and revised whenever a need arises. The CEP is intended to be a blueprint of how the monthly allowance may be spent to meet the needs identified in the service plan. The CEP may include ten percent of the amount of the participant's plan as a discretionary expenditure not to exceed \$75.00. The discretionary expenditure is used to purchase personal hygiene items and does not require the participant to maintain receipts for the purchases. For reporting purposes, discretionary purchases will be self-declared by the participant and will be part of the quarterly reporting requirement performed by the fiscal agent.

202.700 Savings Accounts

1-1-13

The fiscal agent may establish and maintain a savings account for individuals who want to save part of the monthly allowance for a more expensive personal assistant service item. The item must be approved by the IndependentChoices counselor and be listed on the Cash Expenditure Plan. These funds may be saved to purchase more expensive personal assistant services items or services. All savings must be spent on appropriate items by the end of the participant's eligibility for IndependentChoices services or returned to the Arkansas Medicaid program within 45 days of disenrollment from IndependentChoices.

202.800 Work Agreement and Participant/Personal Assistant Agreements

1-1-13

The DAAS RN will assure that a written work agreement DAAS-IC-20 is executed between the participant or Decision-Making Partner and the employee to clearly identify the tasks required on a daily basis to meet the participant's personal assistance needs. In addition to the Work Agreement, the fiscal agent is responsible for obtaining the Participant/Personal Assistant Agreement form DAAS-IC-17. The purpose of the DAAS-IC-17 is to state the agreements to

which both the employer and the employee(s) are in agreement. The agreement is signed by both the participant or Decision-Making Partner and the employee.

220.200 Personal Assistance Services

1-1-13

The primary use of the monthly allowance is to purchase personal assistance services to meet the participant's personal assistance needs. Assistants will be recruited, interviewed, hired and managed by the Decision-Making Partner. Family members, other than those with legal responsibility to the participant may serve as personal assistants. A court appointed legal guardian, spouse, power of attorney or income payee may not serve as a Personal Assistant.

The participant's personal assistant performs the services identified on the DAAS-IC-20 Work Agreement under the agreed upon terms of the DAAS-IC-17 IndependentChoices Participant/Personal Assistant Agreement.

PROPOSED**220.300 Homemaker Services**

1-1-13

In-home services are designed to reduce or prevent inappropriate institutionalization by maintaining, strengthening or restoring an eligible participant's function in his or her own home. IndependentChoices allows ElderChoices participants the choice of self-directed Homemaker Services rather than receiving Homemaker services through a certified agency.

The DAAS RN will determine the number of hours of Homemaker Services needed by the participant as indicated on the ElderChoices Plan of Care. If the participant chooses to self-direct Homemaker Services, the DAAS RN will refer the participant to the IndependentChoices program by sending the plan of care to IndependentChoices, noting that IndependentChoices was selected.

220.400 Adult Companion Services

1-1-13

Adult Companion Services is nonmedical care, supervision and socialization provided to an adult with a functional impairment who is an enrolled participant in the ElderChoices home and community-based waiver operated by the Division of Aging and Adult Services. Participants enrolled in ElderChoices and in need of Adult Companion Services may either receive Adult Companion Services through an agency or self-direct the services through IndependentChoices.

The DAAS RN will determine the number of hours of Adult Companion Services needed by the participant as indicated on the ElderChoices Plan of Care. If the participant chooses to self-direct Adult Companion Services, the DAAS RN will refer the participant to the IndependentChoices program by sending the plan of care to IndependentChoices noting that IndependentChoices was selected.

231.300 Hospitalization

1-1-13

An IndependentChoices participant's allowance paid prospectively during hospitalization must be returned to the Medicaid Program. The day of admission and day of discharge are allowable days when the participant receives personal assistance services prior to admission or after discharge from the hospital. The participant is instructed to provide supporting hospital documentation to their counselor and Financial Management Services provider to support receipt of personal assistance services on the day of admission. The DAAS Financial Management Service will be responsible for calculating and collecting the refund.

231.500 Voluntary Disenrollment

1-1-13

When the participant voluntarily elects to discontinue participation in IndependentChoices, the counselor will discuss with the individual the reason for disenrollment and assist the individual in resolving any barriers or problems that may exist in preventing continuation. If the participant wishes to continue with the option to disenroll, the counselor will assist the participant by

informing him or her of traditional agency personal care providers in the participant's area. The counselor will assist with the coordination of agency services to the degree requested by the participant.

IndependentChoices can continue until agency services are established or the participant may elect to use informal supports until agency services are established.

231.600 Involuntary Disenrollment

PROPOSED

1-1-13

Participants may be disenrolled for the following reasons:

- A. **Health, Safety and Well-being:** At any time that DAAS determines that the health, safety and well-being of the participant is compromised by continued participation in the IndependentChoices Program, the participant may be returned to the traditional personal care program.
- B. **Change in Condition:** Should the participant's cognitive ability to direct his or her own care diminish to a point where he or she can no longer direct his or her own care and there is no Decision-Making Partner available to direct the care, the IndependentChoices case will be closed. The counselor will assist the participant with a referral to traditional services.
- C. **Misuse of Allowance:** Should a participant or the Decision-Making Partner who is performing all of their payroll functions (and not using the fiscal agent) use the allowance to purchase items unrelated to personal care needs, fail to pay the salary of an assistant, misrepresent payment of an assistant's salary, or fail to pay related state and federal payroll taxes, the participant or Decision-Making Partner will receive a warning notice that such exceptions to the conditions of participation are not allowed. The participant will be permitted to remain on the program, but will be assigned to the fiscal intermediary, who will provide maximum bookkeeping services. The participant or Decision-Making Partner will be notified that further failure to follow the expenditure plan could result in disenrollment. Should an unapproved expenditure or oversight occur a second time, the participant or Decision-Making Partner will be notified that the IndependentChoices case is being closed and they are being returned to traditional personal assistance services. Program Integrity is informed of situations as required. The counselor will assist the participant with transition to traditional services. The preceding rules are also applicable to participants using the fiscal agent.
- D. **Underutilization of Allowance:** The fiscal agent is responsible for monitoring the use of the Medicaid funds received on behalf of the participant. If the participant is underutilizing the allowance and not using it according to the cash expenditure plan, the fiscal agent will inform the counseling entities through quarterly reports and monthly reports on request. The counselor will discuss problems that are occurring with the participant and their support network. The counselor will continue to monitor the participant's use of their allowance through both review of reports and personal contact with the participant. If underutilization continues to occur, future discussions will focus on what is in the best interest of the participant in meeting their ADL's even if the best solution is a return to agency services. Unused funds are returned to the Arkansas Medicaid program within 45 days after disenrollment. Funds accrued in the absence of a savings plan will be returned to Medicaid within a twelve-month filing deadline. Involuntary disenrollment may be considered if the participant has been hospitalized for more than 30 days and a discharge date is unknown to the participant or Decision-Making Partner. Participants with approval by their physician for an out-of-state visit may be involuntarily disenrolled if their stay extends past the approval period authorized by their physician. The participant is required to provide a copy of the physician's authorizations to their counselor for monitoring purposes. **E. Failure to Assume Employer Authority:** Failure to Assume Employer Authority occurs when a participant fails to fulfill the role of employer and does not respond to counseling support. Disenrollment will not occur without guidance and counseling by the counselor or by the fiscal intermediary. When this occurs, the counselor will coordinate

agency personal care services to the degree requested by the participant. The participant may wish to self-advocate from a list provided by the counselor, ask the counselor to coordinate or may simply wish to receive personal assistance services informally. The participant's wishes will be respected.

Whenever a participant is involuntarily disenrolled, the IndependentChoices program will mail a notice to close the case. The notice will provide at least 10 days but no more than 30 days before IndependentChoices will be discontinued, depending on the situation. During the transition period, the counselor will work with the participant or Decision-Making Partner to provide services to help the individual transition to the most appropriate services available.

250.200 Reason for Appeal

1-1-13

If the participant loses eligibility for personal assistance services, he or she may ask for an Administrative Reconsideration according to Section 161.200 of the Medicaid Provider Manual or may appeal the decision according to Medicaid Provider Manual policy 161.300 through 169.000.

An appeal may be filed by a participant or Decision-Making Partner based on actions or circumstances listed below:

- A. Dissatisfaction with action taken by an IndependentChoices Counselor or Fiscal Agent
- B. Involuntary case terminations including but not limited to:
 - 1. Loss of Medicaid eligibility
 - 2. Institutionalization
 - 3. Dissatisfaction with number of personal care hours
 - 4. Health, safety or well being of participant is compromised
 - 5. Duplication of services
 - 6. IndependentChoices case closure based on noncompliance with program requirements
- C. Loss of Medicaid eligibility will result in the closure of the case. Any appeal made by the participant must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.
- D. Request for personal care hours above 14.75 denied by Utilization Review (UR) in the Division of Medical Services. Appeals must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.
- E. Requests for personal care hours for beneficiaries under age 21 denied by Medicaid's contracted QIO may be filed for reconsideration. Reconsideration requests must be made in writing to QSource of Arkansas and must include additional documentation to substantiate the medical necessity of the requested services. View or print QSource of Arkansas contact information. If the decision is reversed during the reconsideration review, an approval is forwarded to all relevant parties specifying the approved units and services. If the denial is upheld, the QIO issues a written notification of the decision to all relevant parties. Any further appeal on this action must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.

PROPOSED

260.430 Counselors

1-1-13

Counselors for IndependentChoices will be employed or contracted by DAAS. Counselors must possess a Bachelor's degree in humanities, social science or a related field plus two years experience in social or community work pertaining to adults with chronic conditions and disabilities or a related field.

Other job related education and/or experience may be substituted for all or part of these basic requirements with approval of DAAS.

The current contract requires IndependentChoices counseling providers to perform the following:

- A. Enrollment of new participants
- B. Develop and implement participant directed budget
- C. Coordinate with Financial Management Services (FMS) provider and DMS
- D. Orientation to IndependentChoices and the concept of consumer direction
- E. Skills training on how to recruit, interview, hire, evaluate, manage or dismiss assistants
- F. Consumer-directed counseling support services
- G. Monitor IndependentChoices participants/Decision-Making Partners
- H. Monitor over and under expenditures of the Cash Expenditure Plan
- I. Provide quarterly reports to DAAS
- J. Use RN's to assess functional need for personal care
- K. Provide all State and Federal forms necessary for the enrolled participant to act as a "Household Employer" to the fiscal provider
- L. Inform DAAS of participant's begin and end dates and results of RN's assessment

PROPOSED

TOC required

200.100 IndependentChoices

7-15-121-1-
13

The Arkansas Department of Human Services (DHS) was granted an 1115 Research and Demonstration waiver to implement IndependentChoices, a Cash and Counseling Demonstration and Evaluation Project in 1998. On April 1, 2008, the The IndependentChoices program isbecame a state plan service under 1915(j) of the Social Security Act. IndependentChoices is operated by the Division of Aging and Adult Services (DAAS). The program offers Medicaid-eligible individuals who are elderlyaged and individuals with disabilities an opportunity to self-direct their personal assistant services.

The IndependentChoices program has been operational since 1998. Some of the results of evaluations performed by Mathematica Policy Research, Inc. specifically identified these results that may positively impact community services in Arkansas:

- A. ~~IndependentChoices decreased unmet needs.~~
- B. ~~IndependentChoices improved lives.~~
- C. ~~IndependentChoices participants were less likely to have contractures or urinary tract infections develop or worsen.~~
- D. ~~Nursing home costs decreased by 18% over a three year period for IndependentChoices participants.~~

~~Operation of the IndependentChoices program as a state plan service will use the positive foundation established through lessons learned as an 1115 Research and Demonstration Waiver to continue to offer opportunities for improved life in the community.~~

IndependentChoices seeks to increase the opportunity for consumer direction and control for Medicaid beneficiaries receiving or needing personal assistant services. Personal Assistant services in IndependentChoices include state plan personal care for Medicaid beneficiaries and Adult Companion and Homemaker services for ElderChoices beneficiaries. IndependentChoices offers an allowance and counseling services in place of traditional agency-provided personal assistance services and items related to personal assistance needs.

The participant or designee is the employer and accepts the responsibility in directing the work of their employee to the degree necessary to meet their individual needs for assistance with activities of daily living and instrumental activities of daily living.

If the IC participant can make decisions regarding his or her care but does not feel comfortable reading and filling out forms or talking on the phone, he or she can appoint a Communications Manager. The Communications Manager can act as the participant's voice and complete and sign forms, etc., but will not make decisions for the participant. The Communications Manager will not hire, train, supervise or fire the personal assistant for the IC participant.

If the participant needs someone to hire and supervise the personal assistant, make decisions about care and administer the cash expenditure plan as well as complete all forms, a Decision-Making Partner will be appointed.

IndependentChoices participants or their Decision-Making Partners must be able to assume the responsibilities of becoming an employer by hiring, training, supervising and firing if necessary their directly hired workers. In doing so the program participant accepts the risks, rights and responsibilities of directing their care and having their health care needs met.

The IndependentChoices program respects the employer authority of the participant/Medicaid beneficiary who chooses to direct his or her care by hiring an employee who will be trained by the employer or Decision-Making Partner to provide assistance how, when, and where the employer or Decision-Making Partner determines will best meet the participant's individual needs. The Medicaid beneficiary assumes the risks, rights and responsibilities of having their health care needs met in doing so.

NOTE: The IndependentChoices Program follows the rules and regulations of the State Plan approved Personal Care Program, unless stated otherwise in this manual.

200.200

Eligibility

44-4-091-1-
13

To be eligible for IndependentChoices, a participant must:

- A. Be 18 years of age or older
- B. Be eligible for Medicaid, as determined by the DHS Division of County Operations, in a category that covers personal care, or be eligible for Supplemental Security Income (SSI) through the Social Security Administration, or be eligible for ElderChoices and determined in need of Adult Companion services, Homemaker services or personal care by the DAAS Registered Nurse (RN)
- C. Be receiving personal assistance services or be medically eligible to receive personal assistance services. Personal assistance services include state plan personal care, ElderChoices adult companion services and ElderChoices Homemaker services.
 1. **Personal Care:** In determining eligibility and level of need for personal care, IndependentChoices follows policy found in the Arkansas Medicaid Personal Care Provider Manual.
 2. **Adult Companion Services:** The ElderChoices-DAAS RN must determine and authorize adult companion services based on ElderChoices policy.
 3. **Homemaker Services:** The ElderChoices-DAAS RN must determine and authorize ElderChoices Homemaker services according to ElderChoices policy.
- D. Not be living in a home or property owned, operated or controlled by a provider of services unless the provider is related by blood or marriage to the participant. This includes single family homes, group homes, adult family homes, congregate settings, a living situation sponsored or staffed by an agency provider, etc.
- E. Be willing to participate in IndependentChoices and understand the rights, risks and responsibilities of managing his or her own care with an allowance; or, if unable to make decisions independently, have a willing representative decision-maker who understands the rights, risks and responsibilities of managing the care of the participant with an allowance.

202.300

Enrollment

44-4-091-1-
13

The Division of Aging and Adult Services is the point of entry for all enrollment activity for IndependentChoices. The program will be limited to no more than 7,500 active participants at any given time. The program is limited based on an approved number through the Medicaid State Plan.

The individual or their designee will first call the IndependentChoices toll-free number at 888-682-0044 to speak with an IndependentChoices counselor. The counselor will provide information to the individual about the program and verify that the individual is currently enrolled in a Medicaid category that covers personal assistance services. If the individual is currently

enrolled in an appropriate Medicaid category and has an assessed physical dependency need for "hands on" assistance with personal care needs, and is interested in participating in IndependentChoices, the counselor will enter the individual's information into a DAAS database. Based on the individual's county of residence, the IndependentChoices counselor will either continue working with the individual through the enrollment process, or refer the individual to the contracted counseling agency for the individual's area of the state. If the individual is not currently enrolled in an appropriate Medicaid category, the counselor will refer the individual to the DHS County Office for eligibility determination.

The counselor, nurse and fiscal agent will then work with the individual to complete the enrollment forms either by mail and telephone contact or by a face-to-face meeting. The individual will be provided with the "My IndependentChoices Handbook," which explains the individual's responsibilities regarding enrollment and continuing participation. The individual must complete the forms in the Enrollment Packet, which consists of the Participant Responsibilities and Agreement, the Backup Personal Assistant and the Authorization to Disclose Health Information. The participant must also complete the forms in the Employer Packet, which includes the Limited Power of Attorney, and IRS and direct deposit forms related to being a household employer. Each personal assistant must complete the forms in the Employee Packet which include the standard tax withholding forms normally completed by an employee, the Employment Eligibility Verification Form (I-9), a Participant/Personal Assistant Agreement, Employment Application and a Provider Agreement. The packets each include step-by-step instructions on how to complete the forms. IndependentChoices staff will be available to the individual, Decision-Making Partner/Communications Manager and the personal assistant to help complete the forms and answer any questions.

As part of the enrollment process, the IndependentChoices-DAAS RN will complete an assessment using the DMS-618, Personal Care Assessment and Service Plan Home and Community Based Services (HCBS) Level of Care Assessment Tool, and/or Minimum Data Set – Home Care (MDS-HC) instrument. Through completing the assessment and using professional judgment, the DAAS RN assessment will determine how many hours of personal assistance services are needed by the participant. Eligibility for personal care services is based on the same criteria as state plan personal care services. **NOTE:** For ElderChoices beneficiaries, the ElderChoices-DAAS RN will determine the number of personal care, Adult Companion Services and Homemaker hours needed. The ElderChoices plan of care will reflect that the beneficiary chooses IndependentChoices as the provider. If the IndependentChoices RN believes the beneficiary needs a different number of hours than what is stated on the ElderChoices plan of care, the IndependentChoices RN will discuss the need with the ElderChoices RN. The ElderChoices RN will make the final decision on the number of hours needed by the beneficiary. IndependentChoices-DAAS-HCBS staff will obtain physician authorization for the hours indicated on the ElderChoices Plan of Care for persons not receiving either ElderChoices or Alternatives for Adults with Physical Disabilities waiver services.

After the in-home assessment, the IndependentChoices-DAAS RN will complete the paperwork and send the information to coordinate with the IndependentChoices counselor. The counselor will process all of the completed enrollment forms. The DMS-618 and/or HCBS Level of Care Assessment Tool-MDS-HC Summary, which includes the cap triggers and the number of hours of services needed, will be sent to the participant's physician for authorization if the participant is not authorized for services through a waiver plan of care for ElderChoices or Alternatives for Adults with Physical Disabilities. State and IRS tax forms will be retained by the fiscal agent. Disbursement of funds to a participant or their employee will not occur until all required forms are accurately completed and in the possession of the fiscal agent.

Personal care assessments for participants aged 21 years or older and authorized by the participant's physician in excess of 14.75 hours per week will be forwarded by the participant's counselor to Utilization Review in the Division of Medical Services for approval. **View or print Utilization Review contact information.** For individuals under age 21, all personal care hours must be authorized through Medicaid's contracted Quality Improvement Organization (QIO), QSource of Arkansas. **View or print QSource of Arkansas contact information.**

IndependentChoices follows the rules and regulations found in the Arkansas Medicaid Personal Care Provider Manual in determining and authorizing personal care hours. The initial authorization for personal assistance services may not begin until the participant's primary care physician or an advanced practice nurse enrolled in the Arkansas Medicaid APN program seeing patients in an Arkansas Medicaid enrolled Rural Health Clinic or Federally Qualified Health Center signs and dates the Home and Community Based Services (HCBS) Level of Care Assessment Tool. For beneficiaries receiving services through the ElderChoices or Alternatives for Adults with Physical Disabilities waiver program, the APN or physician's signature is not required. The signature of the DAAS RN is sufficient to authorize personal care services. After the service plan is authorized, the actual day services begin is dependent upon all of the following conditions:

- A. DAAS issues a seven-day notice to discontinue service to any agency personal care, adult companion services or homemaker provider currently providing services to the individual.
- B. The date the participant's worker is able to begin providing the necessary care. It can be no earlier than the date the physician authorized the service plan for the non-waiver eligible participant, if an agency provider is not providing the personal care services.
- C. The fiscal agent is in possession of all required employer and employee documents.

If the individual is not a recipient of ElderChoices or Alternatives for Adults with Physical Disabilities services, then continuation of personal assistance services requires reauthorization prior to the end of the current service plan end date.

When required for non-waiver beneficiaries, the earlier of the two following conditions will suffice for the face-to-face visit required sixty days prior to the begin date of the new service plan:

- A. The participant's primary care physician or eligible nurse practitioner (as described in this manual) signature on the HCBS Level of Care Assessment Tool attests that he or she has examined the patient within the past 60 days.
- B. The participant has a face-to-face visit with their primary care physician or eligible nurse practitioner 60 days prior to the service plan begin date.

When the approval by Utilization Review is received, or the individual needs 14.75 hours or less per week, the IndependentChoices Counselor will contact the participant or Decision-Making Partner/Communications Manager to develop the cash expenditure plan. The participant and the counselor will also determine when IndependentChoices services can begin, but may not commence prior to the date authorized by the physician. The participant is required to have a face-to-face visit with their physician within 60 days of the date that the physician signs the Assessment Tool or 60 days prior to the service plan begin date and each subsequent reassessment. If the participant is currently receiving personal care through an agency, IndependentChoices will begin 7 days from the time DAAS sends a letter to the personal care agency informing the agency to stop services. If the client is not receiving agency personal care services, the start date will be the date the IndependentChoices RN completes the assessment if personal care is already being provided by the participant's personal assistant or the date the participant's personal assistant will begin working for the participant. At no time will services begin prior to the first day of the previous month unless authorized by the Division of Aging and Adult Services.

An individualized personal assistance service plan, signed and dated by the participant's personal physician constitutes the physician's personal assistant services authorization. All services must be prior approved through the service plan.

NOTE: An advanced practice nurse (APN) enrolled in the Arkansas Medicaid Program seeing patients in a Rural Health Clinic or Federally Qualified

Health Center enrolled in the Arkansas Medicaid Program as an RHC or FQHC may sign the personal care service plan/order if practicing within an environment for which his/her certification applies and within the scope of his/her certification. No MD signature is required in addition to the APN's signature unless required by their license and/or certification.

202.600 Cash Expenditure Plan

44-1-091-1-
13

The amount of the Cash Expenditure Plan (CEP) is determined by the assessment performed by the IndependentChoices-DAAS RN. The counselor and the participant or Decision-Making Partner will work together to develop the CEP, which may be updated and revised whenever a need arises. The CEP is intended to be a blueprint of how the monthly allowance may be spent to meet the needs identified in the service plan. The CEP may include a ten percent of the amount of the participant's plan as a discretionary expenditure per the amount of the participant's plan but may not to exceed \$75.00. The discretionary expenditure is used to purchase personal hygiene items and does not require the participant to maintain receipts for the purchases. For reporting purposes, discretionary purchases will be self-declared by the participant and will be part of the quarterly reporting requirement performed by the fiscal agent. However, if the participant has a Decision-Making Partner, the Decision-Making Partner must account for 100% of the allowance with appropriate documentation.

202.700 Savings Accounts

4-1-081-1-
13

The fiscal agent may establish and maintain a savings account for individuals who want to save part of the monthly allowance for a more expensive personal assistant service item. The item must be approved by the IndependentChoices counselor and be listed on the Cash Expenditure Plan. Funds designated for savings will be transferred to an interest bearing savings account as soon as all attendant salaries have been paid for the month or no later than the 5th day of the following month. These funds may be saved to purchase more expensive personal assistant services items or services. All savings must be spent on appropriate items by the end of the participant's eligibility for IndependentChoices services or returned to the Arkansas Medicaid program within 45 days of disenrollment from IndependentChoices.

202.800 Work Agreements and Participant/Personal Assistant Agreements

44-1-091-1-
13

The IndependentChoices counselor DAAS RN will assure that a written work agreement DAAS-IC-2017 is executed between the participant or Decision-Making Partner and the employee and each of his/her employees. The purpose of the agreement is to clearly identify the tasks required on a daily basis to meet the participant's personal assistance needs to be performed by the participant's employee. The participant as the employer will detail the tasks to be performed within each work day. Both the participant/Decision-Making Partner and the assistant will retain a copy of the agreement for their records. In addition to the Work Agreement, the fiscal agent is responsible for obtaining the Participant/Personal Assistant Agreement form DAAS-IC-17. The purpose of the DAAS-IC-17 is to state the agreements to which both the employer and the employee(s) are in agreement. The agreement is signed by both the participant or Decision-Making Partner and the employee.

220.200 Personal Assistance Services

44-1-091-1-
13

The primary use of the monthly allowance is to purchase personal assistance services to meet the participant's personal assistance needs. Assistants will be recruited, interviewed, hired and managed by the Decision-Making Partner. Family members, other than those with legal responsibility to the participant may serve as personal assistants. A court appointed legal guardian, or spouse, power of attorney or income payee may not serve as a Personal Assistant.

After an assistant is selected, the participant/ Decision Making Partner, in consultation with the IndependentChoices counselor, will identify the exact tasks to be completed by the assistant and a Work Agreement will be completed and signed by all parties involved. The participant's personal assistant performs the services identified on the DAAS-IC-20 Work Agreement under the agreed upon terms of the DAAS-IC-17 IndependentChoices Participant/Personal Assistant Agreement.

220.210 ~~Non-Hospice Care Status Reserved~~

44-4-081-1-
13

Medicaid beneficiaries who have elected hospice care under Title XVIII (Medicare) or Title XIX (Medicaid) and who have not revoked the election are not eligible to participate in IndependentChoices.

Hospice services include a personal care component. Therefore, Personal Care services and IndependentChoices participation are duplicative as the per diem for Hospice services includes the provision of personal care services. ElderChoices participants receiving only Adult Companion or Homemaker Services may be eligible for Hospice if Hospice is included in the ElderChoices plan of care and the participant otherwise meets all criteria and requirements of the Hospice program.

220.300 Homemaker Services

44-4-081-1-
13

In-home services are designed to reduce or prevent inappropriate institutionalization by maintaining, strengthening or restoring an eligible client's participant's function in his or her own home. IndependentChoices allows ElderChoices beneficiaries participants the choice of self-directed Homemaker Services rather than receiving Homemaker services through a certified agency.

Homemaker services provide basic upkeep and management of the home and household assistance, such as:

- A. ~~Menu planning~~
- B. ~~Meal preparation~~
- C. ~~Laundry~~
- D. ~~Essential shopping and errands~~
- E. ~~Simple household tasks~~

~~Simple household tasks may include, but are not limited to, washing windows, cleaning ceiling fans and light fixtures, cleaning the refrigerator and washing inside walls.~~

~~Medically-oriented personal care tasks are not included as part of this service.~~

~~Homemaker services must be provided according to the client's written plan of care.~~

The ElderChoices DAAS RN will determine the number of hours of Homemaker Services needed by the participant as indicated on the ElderChoices Plan of Care. If the participant chooses to self-direct Homemaker Services, the ElderChoices DAAS RN will refer the participant to the IndependentChoices program by sending the plan of care to the IC RN IndependentChoices, noting that IC IndependentChoices was selected.

220.400 Adult Companion Services

4-4-081-1-
13

Adult Companion Services is nonmedical care, supervision and socialization provided to an adult with a functional impairment ~~functionally impaired adult~~ who is an enrolled participant in the

ElderChoices home and community-based waiver operated by the Division of Aging and Adult Services. Participants enrolled in ElderChoices and in need of Adult Companion Services may either receive Adult Companion Services through an agency or self-direct the services through IndependentChoices. Companions may assist or supervise the individual with meal preparation, laundry and chopping, or other tasks necessary to make the home habitable and to prevent health and safety risks. The provision of Adult Companion Services does not entail hands-on nursing care. Providers may also perform light housekeeping tasks that are incidental to the care and supervision of the individual. This service is provided in accordance with a therapeutic goal in the plan of care, and is not purely diversional in nature. Services provided by a companion include:

- A. Improving and maintaining mobility and physical functioning
- B. Maintaining health and personal safety, including medication oversight to the extent provided by law
- C. Communication including assistive technology, if necessary
- D. Encouraging the participant to issue choices, identify preferences, and have an opportunity for satisfying individual interests
- E. Providing or assisting with accessing and using transportation
- F. Assisting with the development and maintenance of personal relationships
- G. Assistance in participation in community experiences and activities

The ElderChoices-DAAS RN will determine the number of hours of Adult Companion Services needed by the participant as indicated on the ElderChoices Plan of Care. If the participant chooses to self-direct Adult Companion Services, the ElderChoices-DAAS RN will refer the participant to the IndependentChoices program by sending the plan of care to IndependentChoices noting that IG-IndependentChoices was selected.

231.300 Hospitalization

4-1-081-1-
13

An IndependentChoices participant may be hospitalized for a continuous hospital stay of no more than five (5) days without interruption of his/her cash allowance. However, for stays longer than five days, the cash allowance will be refunded accordingly beginning with the 6th day. An IndependentChoices participant's allowance paid prospectively during hospitalization must be returned to the Medicaid Program. The day of admission and day of discharge are allowable days when the participant receives personal assistance services prior to admission or after discharge from the hospital. The participant is instructed to provide supporting hospital documentation to their counselor and Financial Management Services provider to support receipt of personal assistance services on the day of admission. The DAAS Financial Management Service will be responsible for calculating and collecting the refund.

231.500 Voluntary Disenrollment

4-1-081-1-
13

When the participant voluntarily elects to discontinue participation in IndependentChoices, the counselor will discuss with the individual the reason for disenrollment and assist the individual in resolving any barriers or problems that may exist in preventing continuation. If the participant wishes to continue with the option to disenroll, the counselor will assist the participant by informing him or her of traditional agency personal care providers in the participant's area. Once the participant selects an agency provider, the counselor will make the referral to establish agency services. The counselor will assist with the coordination of agency services to the degree requested by the participant.

IndependentChoices can continue until agency services are established or the participant may elect to use informal supports until agency services are established.

231.600 Involuntary Disenrollment

11-1-091-1-
13

Participants may be disenrolled for the following reasons:

- A. **Health, Safety and Well-being:** At any time that DAAS determines that the health, safety and well-being of the participant is compromised by continued participation in the IndependentChoices Program, the participant may be returned to the traditional personal care program.
- B. **Change in Condition:** Should the participant's cognitive ability to direct his or her own care diminish to a point where he or she can no longer direct his or her own care so and there is no Decision-Making Partner available to direct the care, the IndependentChoices case will be closed. The counselor will assist the participant with a referral to traditional services.
- C. **Misuse of Allowance:** Should a participant or the Decision-Making Partner who is performing all of their payroll functions (and not using the fiscal agent) use the allowance to purchase items unrelated to personal care needs, fail to pay the salary of an assistant, misrepresent payment of an assistant's salary, or fail to pay related state and federal payroll taxes, the participant or Decision-Making Partner will receive a warning notice that such exceptions to the conditions of participation are not allowed. The participant will be permitted to remain on the program, but will be assigned to the fiscal intermediary, who will provide maximum bookkeeping services. The participant or Decision-Making Partner will be notified that further failure to follow the expenditure plan could result in disenrollment. Should an unapproved expenditure or oversight occur a second time, the participant or Decision-Making Partner will be notified that the IndependentChoices case is being closed and they are being returned to traditional personal assistance services. Program Integrity is informed of situations as required. The counselor will assist the participant with transition to traditional services. The preceding rules are also applicable to participants using the fiscal agent.
- D. **Underutilization of Allowance:** The fiscal agent is responsible for monitoring on a monthly basis the use of the Medicaid funds received on behalf of the participant. If the participant is underutilizing the allowance and not using it according to the cash expenditure plan, the fiscal agent will inform the counseling entities through quarterly reports and monthly reports on request. the counselor must counsel with the participant. -If the participant accrues one month of cash allowance and that amount is not identified on their cash expenditure plan, the participant will be given a two week notice informing him or her that they must comply or make adjustment to their cash expenditure plan. -The counselor will discuss problems that are occurring with the participant and their support network. The counselor will continue to monitor the participant's use of their allowance through both review of reports and personal contact with the participant. If underutilization continues to occur, future discussions will focus on what is in the best interest of the participant in meeting their ADL's even if the best solution is a return to agency services. Unused funds are returned to the Arkansas Medicaid program within 45 days after disenrollment. Funds accrued in the absence of a savings plan will be returned to Medicaid within a twelve-month filing deadline. Involuntary disenrollment may be considered if the participant has been hospitalized for more than 30 days and a discharge date is unknown to the participant or Decision-Making Partner. Participants with approval by their physician for an out-of-state visit may be involuntarily disenrolled if their stay extends past the approval period authorized by their physician. The participant is required to provide a copy of the physician's authorizations to their counselor for monitoring purposes. If the participant does not remedy the situation during the two week period, he or she will be disenrolled from IndependentChoices for not fulfilling their responsibilities as a participant. The participant can reenroll when they can execute their cash expenditure

plan. At disenrollment, funds remaining in the participant's account will be returned to the Arkansas Medicaid program.

- E. Failure to Assume Employer Authority:** Failure to Assume Employer Authority occurs when a participant fails to fulfill the role of employer and does not respond to counseling support. Disenrollment will not occur without guidance and counseling by the counselor or by the fiscal intermediary. When this occurs, the counselor will coordinate agency personal care services to the degree requested by the participant. The participant may wish to self-advocate from a list provided by the counselor, ask the counselor to coordinate or may simply wish to receive personal assistance services informally. The participant's wishes will be respected.

Whenever a participant is involuntarily disenrolled, the IndependentChoices program will mail a notice to close the case. The notice will provide at least 10 days but no more than 30 days before IndependentChoices will be discontinued, depending on the situation. During the transition period, the counselor will work with the participant or Decision-Making Partner to provide services to help the individual transition to the most appropriate services available.

250.200 Reason for Appeal

44-1-091-1-
13

If the participant loses eligibility for personal assistance services, he or she may ask for an Informal Administrative Reconsideration according to Section 161.200 of the Medicaid Provider Manual or may appeal the decision according to Medicaid Provider Manual policy 161.300 through 169.000.

An appeal may be filed by a participant or Decision-Making Partner based on actions or circumstances listed below:

- A. Dissatisfaction with action taken by an IndependentChoices Counselor or Fiscal Agent
- B. Involuntary case terminations including but not limited to:
 - 1. Loss of Medicaid eligibility
 - 2. Institutionalization
 - 3. Dissatisfaction with number of personal care hours
 - 4. Health, safety or well being of participant is compromised
 - 5. Duplication of services
 - 6. IndependentChoices case closure based on noncompliance with program requirements
- C. Loss of Medicaid eligibility will result in the closure of the case. Any appeal made by the participant must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.
- D. Request for personal care hours above 14.75 denied by Utilization Review (UR) in the Division of Medical Services. Appeals must be filed with the Office of Appeals and Hearings will be made directly to UR. Any further appeal on this action must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.
- E. Requests for personal care hours for beneficiaries under age 21 denied by Medicaid's contracted QIO may be filed for reconsideration. Reconsideration requests must be made in writing to QSource of Arkansas and must include additional documentation to substantiate the medical necessity of the requested services. View or print QSource of Arkansas contact information. If the decision is reversed during the reconsideration review, an approval is forwarded to all relevant parties specifying the approved units and

services. If the denial is upheld, the QIO issues a written notification of the decision to all relevant parties. Any further appeal on this action must be filed with the Office of Appeals and Hearings according to Medicaid Provider Manual Policy 161.300 through 169.000.

260.430

Counselors44-4-091-1-
13

Counselors for IndependentChoices will be employed or contracted by DAAS. Counselors must possess a Bachelor's degree in humanities, social science or a related field plus two years experience in social or community work pertaining to adults with chronic conditions and disabilities or a related field.

Other job related education and/or experience may be substituted for all or part of these basic requirements with approval of DAAS.

The current contract requires IndependentChoices counseling providers to perform the following:

- A. Enrollment of new participants
- B. Develop and implement participant directed budget
- C. Coordinate with Financial Management Services (FMS) provider and DMS
- BD. Orientation to IndependentChoices and the concept of consumer direction
- GE. Skills training on how to recruit, interview, hire, evaluate, manage or dismiss assistants
- DE. Consumer-directed counseling support services
- EG. Monitor IndependentChoices participants/Decision-Making Partners
- H. Monitor over and under expenditures of the Cash Expenditure Plan
- F. Provide quarterly reports to DAAS
- GJ. Use RN's to assess functional need for personal care
- HK. Provide all State and Federal forms necessary for the enrolled participant to act as a "Household Employer" to the fiscal provider
- IL. Inform DAAS of participant's begin and end dates and results of RN's assessment

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS**PROPOSED**

1915(j) Self-Directed Personal Assistance Services

Notwithstanding anything else in this State Plan provision, the coverage will be subject to such other requirements that are promulgated by CMS through interpretive issuance or final regulation.

i. Eligibility

The State determines eligibility for Self-Directed Personal Assistance Services:

- A. X In the same manner as eligibility is determined for traditional State Plan personal care services, described in Item 24 of the Medicaid State Plan.
- B. X In the same manner as eligibility is determined for services provided through a 1915(c) Home and Community-Based Services Waiver.

ii. Service Package

The State elects to have the following included as Self-Directed Personal Assistance Services:

- A. X State Plan Personal Care and Related Services, to be self-directed by individuals eligible under the State Plan.
- B. X Services included in the following Section 1915(c) Home and Community-Based Services waiver(s) to be self-directed by individuals eligible under the waiver(s). The State assures that all services in the impacted waiver(s) will continue to be provided regardless of service delivery model. Please list waiver names and services to be included.

ElderChoices – Adult Companion Services

ElderChoices – Homemaker Services

iii. Payment Methodology

- A. The State will use the same payment methodology for individuals self-directing their PAS under section 1915(j) as that approved for State plan personal care services or for section 1915(c) Home and Community-Based waiver services.

SUPERSEDES: TN 09-13

STATE <u>Arkansas</u>	A
DATE REC'D <u>5-14-12</u>	
DATE APPV'D <u>8-2-12</u>	
DATE EFF <u>1-1-13</u>	
HCPA 170 <u>12-09</u>	

STATE	Arkansas
DATE REC'D	5-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
HQPA 179	12-09

A

Supplement 4 to Attachment 3.1-A

Page 2

Revised:

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

iii. Payment Methodology (Continued)

SUPERSEDES: TN- 07-23

- B. X The State will use a different reimbursement methodology for individuals self-directing their PAS under section 1915(j) than that approved for State plan personal care services or for section 1915(c) Home and Community-Based waiver services. Amended Attachment 4.19-B page(s) are attached.

PROPOSED

iv. Use of Cash

- A. X The State elects to disburse cash prospectively to participants self-directing personal assistance services. The State assures that all Internal Revenue Service (IRS) requirements regarding payroll/tax filing functions will be followed, including when participants perform the payroll/tax filing functions themselves.
- B. The State elects not to disburse cash prospectively to participants self-directing personal assistance services.

v. Voluntary Disenrollment

The State will provide the following safeguards to ensure continuity of services and assure participant health and welfare during the period of transition between self-directed and traditional service delivery models.

When the participant voluntarily elects to discontinue participation in IndependentChoices, the counselor will discuss with the individual the reason for disenrollment and assist the individual in resolving any barriers or problems that may exist in preventing continuation. If the participant wishes to continue with the option to disenroll, the counselor will assist by informing the participant of traditional agency personal care providers in the participant's area. The counselor will assist with the coordination of agency services to the degree requested by the participant.

IndependentChoices can continue until agency services are established or the participant may elect to use informal supports until agency services are established.

The timeframes discussed under involuntary disenrollment do not apply to voluntary disenrollment. The request of the participant will be honored whether they ask to be disenrolled immediately or at anytime in the future. The counselor will coordinate the participant's wishes to the degree requested by the participant. This may include self-advocacy by the participant and asking the counselor to coordinate agency services with the participant's preferred provider. In some instances the participant may wish to forego agency personal assistance services and choose to rely on family or friends. If the participant requests that the counselor coordinate the agency services the counselor will ascertain when services can be started. The counselor will then close the IndependentChoices case the day before agency services begin. Regardless of the situation, the State will assure that there will not be an interruption in delivering necessary services unless it is the preference of the participant to depend on informal supports.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APP'D	8-2-12
DATE EFF	1-1-13
HCBS 179	12-09

A

Revised:

Supplement 4 to Attachment 3.1-A

Page 3

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

vi. Involuntary Disenrollment

SUPERSEDES: TN- 07-23

A: The circumstances under which a participant may be involuntarily disenrolled from self-directing personal assistance services, and returned to traditional service delivery model are noted below.

Participants may be disenrolled for the following reasons:

1. **Health and Welfare:** Any time DAAS feels the health and welfare of the participant is compromised by continued participation in the IndependentChoices Program, the participant may be returned to the traditional personal care program. Prior to this point the counselor has worked with the participant offering suggestions, identifying or changing representatives or employees to better meet the needs of the consumer, making in-home visits as needed by APS or HCBS RNs, and working to resolve these concerns. If no resolution is available, meeting the participant's health and well-being needs is of most importance; including referral back to the traditional model.
2. **Change in Condition:** Should the participant's cognitive ability to direct his/her own care diminish to a point where the participant can no longer self-direct and there is no responsible representative available to direct the care the counselor will seek out sources of support. If no resources are available, the IndependentChoices case will be closed. The participant will be informed of the pending closure by letter. The letter will include a list of traditional personal care agencies serving the participant's area. If the participant is also a 1915(c) waiver recipient, an e-mail will be auto generated to the HCBS RN or targeted case manager. The e-mail to the HCBS RN or targeted case manager is auto generated and populated with the appropriate names once a closure date is entered in the database. The e-mail will inform the HCBS RN or targeted case manager of the pending closure of the IndependentChoices case necessitating a change in the HCBS service plan. Within five days of sending the letter the counselor will follow up with the participant to determine which agency the participant may wish to choose. The counselor will coordinate the referral with the agency provider. However, if the participant declines agency services, the counselor will respect the choice made by the participant. The participant may choose to have their needs met by informal caregivers.
3. **Misuse of Allowance:** A notice will be issued should the participant or the representative who manages their cash allowance: 1) fail to pay related state and federal payroll taxes; 2) use the allowance to purchase items unrelated to personal care needs; 3) fail to pay the salary of a personal assistant; or 4) misrepresent payment of a personal assistant's salary. The counselor will discuss the violations with the participant and allow the participant to take corrective action including restitution if applicable. The participant will be permitted to remain in the program, but will be assigned to the fiscal intermediary, who will provide maximum bookkeeping support and services. The participant or representative will be notified that further failure to follow the expenditure plan will result in disenrollment and a report filed with Program Integrity when applicable.

STATE	Arkansas	A
DATE REC'D	5-14-12	
DATE APP'D	8-2-12	
DATE EFF.	1-1-13	
HCFA 179	12-09	

Supplement 4 to Attachment 3.1-A

Page 4

Revised:

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

vi. Involuntary Disenrollment (Continued)

SUPERSEDES: TN- 07-23

Should an unapproved expenditure or oversight occur a second time, the participant/representative will be notified that their IndependentChoices case is being closed and the participant is being returned to traditional personal care. Program Integrity is informed of situations as required. The State will assure interruption of services will not occur while the participant is transitioning from IndependentChoices to traditional services.

4. **Underutilization of Allowance:** The fiscal intermediary is responsible for monitoring the use of Medicaid funds received on behalf of the participant. If the participant is underutilizing the allowance and not using the allowance according to their cash expenditure plan, the fiscal intermediary will inform the counseling entities through quarterly reports and monthly reports upon request. The counselor will discuss problems that are occurring with the participant and their support network. Together the parties will resolve the underutilization. The counselor will continue to monitor the participant's use of their allowance through both reviewing of reports and personal contact with the participant. If a pattern of underutilization continues to occur, future discussions will focus on what is in the best interest of the participant in meeting their ADLs even if the best solution is a return to agency services. Unused funds are returned to the Arkansas Medicaid program within 45 days upon disenrollment. Funds accrued in the absence of a savings plan will be returned to the Arkansas Medicaid program within a twelve month filing deadline. Exceptions to involuntary disenrollment may be considered if the participant has been hospitalized for an extended period of time or has had a brief visit out of state with approval by the participant's physician. Person-centered planning allows the flexibility of decision making based on individual needs that best meet the needs of the participant.
5. **Failure to Assume Employer Authority:** Failure to Assume Employer Authority occurs when a participant fails to fulfill the role of employer and does not respond to counseling support. Participants who fail in their employer responsibilities but do not have a representative will be given the opportunity to select a representative who can assume employer responsibilities on behalf of the participant. Disenrollment will not occur without guidance and counseling by the counselor or by the fiscal intermediary. When this occurs, the counselor will coordinate agency personal care services to the degree requested by the participant. The participant may wish to self-advocate from a list provided by the counselor, ask the counselor to coordinate, or may simply wish to receive personal assistance services informally. The participant's wishes will be respected.
- B. The State will provide the following safeguards to ensure continuity of services and assure participant health, safety and welfare during the period of transition between self-directed and traditional service delivery models.

STATE	ARKANSAS
DATE REG'D	6-14-12
DATE APP'D	8-2-12
DATE EFF	1-1-13
NCFA 170	12-09

Supplement 4 to Attachment 3.1-A

Page 5

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

SUPERSEDES: TN- 07-23

vi. Involuntary Disenrollment (Continued)

When a participant is involuntarily disenrolled, a **notice of intent to close the IndependentChoices case** will be mailed to the participant. The notice will allow a minimum of 10 days but no more than 30 days before IndependentChoices enrollment will be discontinued, depending on the situation. During the transition period, the counselor will work with the participant/representative to **assure services are provided** to help the individual transition to the most appropriate **personal care services** available.

vii. Participant Living Arrangement

Any additional restrictions on participant living arrangements, other than homes or property owned, operated or controlled by a provider of services, not related by blood or marriage to the participant are noted below.

There are no additional restrictions on living arrangements.

viii. Geographic Limitations and Comparability

- A. X The State elects to provide self-directed personal assistance services on a statewide basis.
- B. _____ The State elects to provide self-directed personal assistance services on a targeted geographic basis. Please describe: _____
- C. _____ The State elects to provide self-directed personal assistance services to all eligible populations.
- D. X The State elects to provide self-directed personal assistance services to targeted populations. Please describe: Age 18 and older.
- E. _____ The State elects to provide self-directed personal assistance services to an unlimited number of participants.
- F. X The State elects to provide self-directed personal assistance services to 7500 participants, at any given time.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APPVD	8-2-12
DATE EFF	1-1-13
NCEA 179	12-09

Supplement 4 to Attachment 3.1-A
Page 6
January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

SUPERSEDES: TN- 07-23

ix. Assurances

- A. The State assures that there are traditional services, comparable in amount, duration and scope, to self-directed personal assistance services.
- B. The State assures that there are necessary safeguards in place to protect the health and welfare of individuals provided services under this State Plan Option, and to assure financial accountability for funds expended for self-directed personal assistance services.
- C. The State assures that an evaluation will be performed of participants' need for personal assistance services for individuals who meet the following requirements:
 - i. Are entitled to medical assistance for personal care services under the Medicaid State Plan; or
 - ii. Are entitled to and are receiving home and community-based services under a Section 1915(c) waiver; or
 - iii. May require self-directed personal assistance services; or
 - iv. May be eligible for self-directed personal assistance services.
- D. The State assures that individuals are informed of all options for receiving self-directed and/or traditional State Plan personal care services or personal assistance services provided under a Section 1915(c) waiver, including information about self-direction opportunities that is sufficient to inform decision-making about the election of self-direction and provided on a timely basis to individuals or their representatives.
- E. The State assures that individuals will be provided with a support system meeting the following criteria:
 - i. Appropriately assesses and counsels individuals prior to enrollment;
 - ii. Provides appropriate counseling, information, training and assistance to ensure that participants are able to manage their services and budgets;
 - iii. Offers additional counseling, information, training or assistance, including financial management services:
 - o At the request of the participant for any reason; or
 - o When the State or its contracted entities observes the participant lacks the necessary skills to meet employer and budget authority.

STATE	ARKANSAS
DATE REC'D	8-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
HCFA 179	12-09

Supplement 4 to Attachment 3.1-A
Page 8
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

x. Service Plan

SUPERSEDES: TN- 07-23

The State has the following safeguards in place, to permit entities providing other Medicaid State Plan services to be responsible for developing the self-directed personal assistance services service plan, to assure that the service provider's influence on the planning process is fully disclosed to the participant and that procedures are in place to mitigate that influence.

Not applicable. The state will not allow entities who provide other Medicaid State Plan services to be responsible for developing the self-directed service plan.

xi. Quality Assurance and Improvement Plan

The State's quality assurance and improvement plan is described below, including:

- How it will conduct activities of discovery, remediation and quality improvement in order to ascertain whether the program meets assurances, corrects shortcomings, and pursues opportunities for improvement; and
- The system performance measures, outcome measures and satisfaction measures that the State will monitor and evaluate.

Many activities evaluate the overall performance of the IndependentChoices program such as:

- The IndependentChoices program uses a database to track a wide array of data, and uses all of the data it stores. Data entry drives end user functionality through form and e-mail generation, field calculation, data cross-referencing, and notices and reports. The reporting capabilities can help to monitor every element of operations such as: case particulars, work reports and management and operational tools. Use of the database supports discovery, remediation, and quality improvements.
- Using a DMS approved assessment tool to determine the resources in time required to provide care in the home.
- Reports received from Financial Management Services provider received on a quarterly basis used by counselors to determine why underutilization of the Cash Expenditure Plan occurs and how underutilization can be resolved.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APP'VD	8-2-12
DATE EFF	1-1-13
HCFA 179	12-09

Revised:

Supplement 4 to Attachment 3.1-A

Page 9

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

SUPERSEDES: TN- 07-23

xi. Quality Assurance and Improvement Plan (Continued)

All individual facets of the program work in a continuum to identify, remediate and improve the **quality of services** and the satisfaction of program participants while improving the overall performance of the program. Each phase of the program is described, detailing how assurances are met through the Arkansas Quality Assurance and Improvement Plan described below.

Monitoring and Oversight

PROPOSED

The Division of Medical Services (DMS) retains responsibility for the administration and oversight of all Medicaid programs. The Division of Aging and Adult Services (DAAS) is the operating agency for the IndependentChoices program and responsible for the day-to-day operations. Both Divisions are part of the Arkansas Department of Human Services. DAAS will be responsible for executing the Quality Assurance and Improvement Plan with monitoring and oversight by DMS.

DAAS will provide DMS with a monthly report comparing status of current data to previous year data. Examples included in the report may include but are not limited to the following:

- Enrollment activities
- Extension of Benefits results
- Status of pending applications
- Status of active case load
- Participants who also receive home and community based services (HCBS)
- Medicaid Cost for IndependentChoices including participant-directed cost for HCBS services
- Detailed information for cost data for the most current month including cost of participant's budget and support services.
- Year in Progress count of participants, contact notes, home visits, new enrollments for the current month, year to date and accumulative prior year experiences.

Lines of communication between the two Divisions are established and utilized to discuss additional needs and concerns that either Division may have.

STATE	Arkansas
DATE REC'D	6-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
HCFA 179	12-09

A

Supplement 4 to Attachment 3.1-A
Page 10
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

SUPERSEDES: TN- 07-23

xi. Quality Assurance and Improvement Plan (Continued)

The IndependentChoices database is designed in such a way that discovery and remediation go hand in hand; not only for the counselors, nurses and contractors, but also for management staff. By design, the efficiency of the database enhances the counselor's ability to provide good customer service and not be overly burdened with paper work. Examples on the following pages may include but are not limited to:

The database quantifies:

- referrals received during the month,
- persons disenrolling,
- Extensions of Benefits requested.

PROPOSED

The database identifies:

- reasons for disenrolling from the program,
- IndependentChoices participants who also receive HCBS waiver services,
- the HCBS RN assigned to the participant,
- the participant's physician,
- physician's fax number,
- date next reassessment due.

The database tracks and creates exception reports when standards are not met and quantifies results. Some examples of the reports are:

- time between the date of referral, the nurse's home visit, and receipt of the assessment from the HCBS RN,
- time between receiving the assessment, sending the assessment to the physician and receiving the authorization from the physician,
- time between the referral and the actual enrollment
- number of home visits made by HCBS RN's within a timeframe.

Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

xi. Quality Assurance and Improvement Plan (Continued)

Each active and pending record contained within the database only includes data fields that are used in reporting. Each participant record may include the following:

- representative information, if applicable,
- participant's employee,
- participant's back-up worker,
- directions to the participant's home,
- nurse tracking,
- counselor tracking,
- contact notes,
- **HCBS ElderChoices (EC) service plan for persons receiving both ElderChoices and IndependentChoices.**

PROPOSED

These data elements will assist the counselors and nurses in performing their duties by allowing timely management and monitoring of each participant's case. The HCBS service plan is used to determine if an extension of benefits is warranted, as all community resources are considered when requesting an extension of benefits. The database allows nurses, counselors or contractors to set health risk indicators identifying program participants who may require more frequent monitoring.

The data allows nurses and counselors to run reports from their case load. Automated highlights on specific data elements draw the nurse or counselor's attention to areas that require special attention. Highlighted data fields represent the following:

- assessment performed by the nurse but not received by DAAS,
- counselor's request for authorization by a physician not received after four or more days,
- date enrollment forms sent to a potential enrollee but not returned.

SUPERSEDES: TN- 01-23

STATE	<u>Arkansas</u>	A
DATE REC'D	<u>5-14-12</u>	
DATE APP'VD	<u>8-2-12</u>	
DATE EFF	<u>1-1-13</u>	
HCFA 179	<u>12-09</u>	

Revised:

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

PROPOSED

xi. Quality Assurance and Improvement Plan (Continued)

Reports are available to management to monitor quality of services provided to program participants and performance of staff. The reports identify program strengths and weaknesses or individual areas of concern. Reports compare data elements over periods of time to measure progress of corrective actions. As issues are identified they are addressed with appropriate staff to determine a new course of action through issuing new policy, enacting new procedures, clarifying an existing policy or procedure, or developing additional training. Identified issues continue to be monitored to determine if the corrective action is resolving the concern and is achieving the expected outcomes.

These reports allow flexibility to generate data based on any specified period of time, by a nurse, counselor, contractor or by management. Reporting frequencies range from daily, monthly, or annually. Policy dictates a maximum period of time for completion of specific tasks with the focus on completing necessary tasks that allow the program participant to direct and meet their own health care needs.

Reporting is used to identify and remediate problems, improve program operation and to evaluate staff performance.

The database stores **contact notes documenting** IndependentChoices staff and contractors communication with program participants. Policy requires each contact note to be entered into the participant's record to enhance the ability of management to address concerns expressed by the participant, a legislator, the Governor's Office, etc., with a quick review of the contact notes.

Examples of data elements found in the nurse tracking database portion may include, but is not limited to these data elements describing some of the following characteristics:

- MDS-HC RUG category
- principal diagnosis,
- secondary diagnoses,
- participant well cared for,
- strong informal supports,
- no concerns noted,
- need for frequent counselor contact.

STATE	ARKANSAS	A
DATE REC'D	5-14-12	
DATE APPV'D	8-2-12	
DATE EFF	1-1-13	
HCFA 179	12-09	

SUPERSEDES: TN- 07-23

Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS**PROPOSED**

1915(j) Self-Directed Personal Assistance Services (Continued)

xi. Quality Assurance and Improvement Plan (Continued)

Contact notes may include the following:

- person initiating the call,
- person receiving the call,
- date and time of call,
- subject of contact
- description of communication,
- complaint indicator
- whom complaint is directed toward
- date of complaint resolution

STATE	Arkansas	A
DATE REC'D	5-14-12	
DATE APP'VD	8-2-12	
DATE EFF	1-1-13	
HCFA 179	12-09	

Nurses are supported by the Nurse Case Load Report that quantifies the active and pending caseload for each nurse by describing the following:

- by county, the number of active and pending clients with or without home and community-based services and those with extension of benefits,
- data is also displayed in the aggregate by nurse per assigned counties.

Nurses use a **DMS approved assessment tool** to define the participant's medical needs relative to the amount of resources required to care for the person in the home. The **DMS approved assessment tool** is similar to the MDS assessment performed in nursing homes but is specifically designed for the community environment. The assessment results in a Resource Utilization Group (RUG) with an ADL Index defining the degree of functional impairment. These results help define the population served in addition to using a scientifically scaled and validated assessment instrument. The use of this assessment helps to more clearly describe the medical complexities of program participants as they strive to remain in the community and avoid institutionalization.

Monitoring occurs in various other ways such as:

- Underutilization of the allowance could be the first indication that a participant may be experiencing difficulty directing their own care. It could indicate the beginning of a decline in cognitive function, impairing the participant's ability to direct their care, a need for a representative or decision making partner; a loss of worker; or it may be nothing more than not submitting the timesheets in a timely manner. Each counselor works with his or her participants to determine the cause of the underutilization. The counselor and participant work together to resolve the problem with the counselor providing further assistance, as needed, or by the participant meeting his or her responsibilities as an employer. The counselor follows-up with additional calls to the participant and monitors future underutilization reports for reoccurrences.

SUPERSEDES: TN- 07-23

Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

PROPOSED

xi. Quality Assurance and Improvement Plan (Continued)

- Site visits to the contractors are made at a minimum bi-annually and more often if needed. The purpose of the site visit may be to provide an in-service, address concerns, or to evaluate performance. If during an evaluation deficiencies are noted, DAAS may provide additional in-services, require an acceptable corrective action plan, monitor the corrective action plan, withhold payment or terminate the contract.

Participant Feedback

The DAAS and its counseling and fiscal contractors support and encourage participant communication by provision of a toll-free number. Participants may pose questions and voice concerns using the toll-free number. Incoming calls from participants and outgoing calls from counselors or contractors are entered into the participant's individual electronic record. If the communication is an expressed complaint the counselor follows **DAAS required reporting procedures for documenting and resolving the complaint**. Resolutions may include policy or procedural changes. Monitoring will continue to determine if the change has any impact or if the problem needs additional review.

A DHS appeal process is available for decisions made concerning Medicaid eligibility or extension of benefits. An internal appeal process is available for participants when they are **in disagreement with the number of hours recommended by the HCBS RN, involuntary disenrollment or if they have disagreements with their counselor or fiscal agent**. The purpose of the internal appeal is to allow the participant a voice in the decision and a way to mediate any misunderstandings between the participant and the Independent Choices program. Additional supporting information may be shared during this time. DAAS will issue a **letter to the participant** within five days from the date the **internal appeal is conducted**. Most disagreements are resolved prior to a participant initiating a **request for a fair hearing and appeal**. A formal Medicaid Fair Hearing is available when services are reduced, suspended, eliminated, or upon loss of Medicaid eligibility.

SUPERSEDES: TN. 07-23

STATE	<u>Arkansas</u>	A
DATE REC'D	<u>5-14-12</u>	
DATE APP'D	<u>8-2-12</u>	
DATE EFF	<u>1-1-13</u>	
HCFA 179	<u>12-09</u>	

Revised:

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

PROPOSED

xi. Quality Assurance and Improvement Plan (Continued)

Information and Assistance

Brochures are available for marketing purposes and are provided to any of the 75 county offices upon request.

Each participant receives a program handbook to convey program guidelines and expectations. Examples of information provided may include any of the following and is subject to additions and deletions as needs arise:

- Overview of the Independent Choices program
- Overview of support services
- Use of a representative (Decision-Making Partner) or Communications Manager
- Eligibility
- Participant rights
- Participant responsibilities
- Personal assistance services
- Other Medicaid services
- Medicaid waiver services
- Expectations from counselor, nurse, bookkeeper
- Participant's enrollment duties
- Confidentiality
- When participant-direction begins
- Case Expenditure Plan
- Record Keeping
- Payroll
- Timesheets
- Hiring, training, conflict resolution, and termination of personal assistant
- Adult protective services
- Support services monitoring
- Reassessments
- Appeal rights

SUPERSEDES: TN- 01-23

STATE	<u>Arkansas</u>	A
DATE REC'D	<u>6-14-12</u>	
DATE APP'VD	<u>8-2-12</u>	
DATE EFF.	<u>1-1-13</u>	
HCFA 179	<u>12-09</u>	

STATE	ARKANSA
DATE REC'D	5-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
NOFA 179	12-09

Supplement 4 to Attachment 3.1-A
Page 16
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

SUPERSEDES: TN- 07-83

xi. Quality Assurance and Improvement Plan (Continued)

Participants may also receive in-home visits, newsletters, questionnaires, and contact by phone to support participants wishing to direct their own care.

Participants can speak with their counselor or the fiscal intermediary from 8:00 a.m. until 4:30 p.m., Monday through Friday, except for legal holidays or during inclement weather. After hours the participant may leave a message; the counselor will return the call within one working day. Complaints are entered by the receiving party whether that is the counselor or the fiscal intermediary.

A packet of communication forms is provided to each participant to report a change, to revoke and/or change disclosure of information and to appeal adverse decisions. The counselor may also verbally take information related to changes in address or phone number.

Health and Welfare

Each participant must have an individual back-up plan to handle situations when the participant's primary employee is unavailable. The participant identifies a person who is willing to assume the tasks of the primary employee. The participant determines the risk involved and how the risk is mitigated based on their own individual needs. Inquiry of the use of the back-up plan occurs during phone communication with the participant. Reports from the IndependentChoices database can identify any program participant without a back-up personal attendant and if there is a conflict regarding a representative serving as a paid back-up personal attendant. The counselor initiates communications with the participant to begin remediation.

Counseling and fiscal entities will work closely together to provide information necessary for each entity to perform their duties. Frequent and thorough communication facilitates this good working relationship.

The database assists in addressing health and welfare concerns by allowing monitoring and management of each individual file by:

- identifying a participant's representative, employee, physician, back-up worker, directions to the home, results of the nurse's assessment, and updates by the counselor assisting the participant in the IndependentChoices program, and;
- documenting all communications with the program participants.

Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS**PROPOSED**

1915(j) Self-Directed Personal Assistance Services (Continued)

xi. Quality Assurance and Improvement Plan (Continued)

Financial Accountability

DAAS assures that payments are made to Medicaid eligible participants by:

- accessing Medicaid eligibility data prior to enrolling a person into IndependentChoices to assure eligibility for Medicaid and the IndependentChoices program;
- IndependentChoices program logic implemented by the Arkansas Medicaid fiscal intermediary interfaces with the Medicaid Management Information System (MMIS) to edit against creation of an allowance for any participant who is no longer Medicaid eligible or is institutionalized;
- DAAS maintains the MMIS eligibility file for IndependentChoices. The Arkansas fiscal intermediary reads the MMIS eligibility file to create claims for the IndependentChoices program. DAAS queries on a weekly basis the Medicaid data warehouse to identify persons who are deceased, entered a nursing home, or have lost Medicaid eligibility. Once identified, the IndependentChoices eligibility segment is closed by an IndependentChoices counselor on a weekly basis. Through contact with the participant or participant's family or representative this information is obtained prior to the update of the MMIS;
- DAAS also queries the Medicaid data warehouse to identify IndependentChoices participants who have had an acute hospitalization. Once identified, DAAS informs the program participant, FMS provider and the counseling entity by letter that the participant's allowance paid prospectively during the hospitalization must be returned to the Medicaid program. The day of admission and day of discharge are allowable days;
- preventing duplication of agency and consumer-directed services by informing agency provider by fax seven days in advance the date the participant will begin directing their own personal care services.

SUPERSEDES: TN- 07-23

STATE	<u>Arkansas</u>	A
DATE REC'D	<u>5-14-12</u>	
DATE APPV'D	<u>8-2-12</u>	
DATE EFF	<u>1-1-13</u>	
HCFA 179	<u>12-09</u>	

Revised:

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

1915(j) Self-Directed Personal Assistance Services (Continued)

xi. Quality Assurance and Improvement Plan (Continued)

PROPOSED

Qualified Providers

IndependentChoices counseling and fiscal providers assist program participants in all phases of program participation. Some of the examples of the work by these providers may include but is not limited to any of the work activities below:

- enrollment of new participants;
- develop and implement participant-directed budget;
- coordinate with FMS provider and DAAS;
- orientation to IndependentChoices and the philosophy of participant direction;
- offer skills training to the degree desired by the participant on how to recruit, interview, hire, evaluate, manage or dismiss assistants;
- participant-directed counseling support services;
- monitoring IndependentChoices participants/representatives;
- monitor over and under expenditures of Cash Expenditure Plan;
- provide quarterly reports to DAAS;
- manage the individual budget on behalf of the participant;
- process payroll and support payment for other qualified services and supports;
- report and pay state and federal income taxes, FICA, Medicare, and state and federal unemployment taxes;
- verify citizenship status of workers;
- serve as the fiscal agent of the participant per IRS rules;
- issues reports to DAAS;
- communicate with counselors on budget changes;
- inform participants of their individual budget balance.

SUPERSEDES: TN- 07-23

STATE	<u>Arkansas</u>	A
DATE REC'D	<u>5-14-12</u>	
DATE APP'D	<u>8-2-12</u>	
DATE EFF	<u>1-1-13</u>	
NOFA 179	<u>12-09</u>	

STATE	ARKANSAS
DATE REC'D	5-14-12
DATE APP'D	8-2-12
DATE EFF	1-1-13
HCFA 179	12-09

Supplement 4 to Attachment 3.1-A
Page 19
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xi. Quality Assurance and Improvement Plan (Continued)

SUPERSEDES: TN- 07-23

Qualified Providers (continued)

DAAS is responsible for the following activities:

- monitor the counseling and fiscal providers to ensure compliance with the spirit of participant-direction and that appropriate counseling, fiscal and programmatic procedures are maintained;
- serve as the liaison between counseling agency, fiscal provider, Medicaid Management Information System (MMIS), and the Arkansas Medicaid fiscal intermediary;
- monitor the process to reimburse the counseling agency and fiscal provider for services provided to program participants.

Quality assurance measures previously discussed, assist DAAS in discovery and remediation to assure high standards in the offering and management of the participant-directed personal care program. The IndependentChoices program establishes, as its foundation, a person-centered approach that guides not only DAAS, but counseling and fiscal providers as well.

xii. Risk Management

A. The risk assessment methods used to identify potential risks to participants are described below:

The HCBS RN or the counselor is the catalyst for identifying potential risks. In-home visits by either party help to identify risks involved in the current home environment as well as potential risks involved with self-direction. The counselor or the HCBS RN can identify risks that may be environmental in nature such as throw rugs, uneven floors, etc. or the DMS approved assessment tool may identify potential risks such as not receiving a flu vaccine, etc. Based on the HCBS RN's observation and the DMS approved assessment tool, the HCBS RN after receiving notification from the counselor will discuss the potential risks identified with the individual. If the HCBS RN determines that a representative is needed, the RN will inform the counselor.

When the HCBS RN determines that a person is in need of a representative, the nurse will inform the counselor, and the counselor will work with the participant to determine if there is someone who knows the participant's likes, dislikes and preferences and is willing to accept the responsibilities to represent the participant in the IndependentChoices program.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APP'VD	8-2-12
DATE EFF	1-1-13
HCFA 170	12-09

A

Revised:

Supplement 4 to Attachment 3.1-A

Page 20

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xii. Risk Management

SUPERSEDES: TN- 07-23

The counselor is responsible for working with the participant to determine who can serve as the representative. The counselor will then work with the representative to teach, educate and work with the proposed representative so that the representative is fully aware of the responsibilities they are accepting in representing a person in a participant-directed program.

If the HCBS RN arrives and the participant is experiencing cognitive impairment and no informal supports are present, the participant will be discouraged from enrolling unless an informal support system can be identified, including someone to act as a representative decision maker. Participation in IndependentChoices requires the participant or their representative to be assertive in their role as employer and accept the risks, rights and responsibilities of directing their own care. If a representative is unavailable and the potential enrollee is incapable of performing these tasks without health and safety risks the person will not be enrolled. Blatant health and welfare concerns will not be compromised if solutions cannot be identified and enacted.

In addition to the HCBS RN's involvement there is communication with other agency providers providing home and community based services, with all parties having a vested interest in the health and welfare of the participant. This communication assists the operating agency to respond to any voiced concern with self-directed care.

The Participant Responsibilities and Agreement Form, which details all the requirements of self-direction, identifies areas where the individual may not be able to meet their responsibilities.

B. The tools or instruments used to mitigate identified risks are described below.

Every opportunity is afforded a participant to direct their own care, but the participant must accept and assume employer responsibility. Counseling support is available to help the participant, but ultimately it is the determination of the participant to succeed that determines whether participant direction will be a successful program for them. The IndependentChoices program requires a participant to make good decisions in order to assure that their personal assistance needs are met. The program allows the use of a Communications Manager for persons who have difficulty with written or oral communication. The Communications Manager acts as the voice of the participant but does not make decisions for the participant. Nor does the Communications Manager hire, train, supervise, or fire the participant's employee.

STATE	Arkansas	A
DATE REC'D	5-14-12	
DATE APPV'D	8-2-12	
DATE EFF	1-1-13	
NOFA 179	12-09	

Supplement 4 to Attachment 3.1-A
Page 21
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xii. Risk Management (Continued)

SUPERSEDES: TN- 07-23

When a participant needs a representative, the program allows for appointment of a Decision-Making Partner (DMP) who is willing to act and assume the employer role for the participant. The counselor is the person responsible for working with the participant or the participant's family in the appointment of either a Communications Manager or a Decision-Making Partner. Each time a DMP is appointed the enrollment of the DMP is similar to a new participant enrollment. The DMP must be at least 18 years of age and able and willing to meet the following requirements:

- Possess knowledge of the participant's preferences
- Be willing to meet and uphold all program requirements
- Be willing to sign tax form and verify timesheets,
- Show a strong personal commitment to the participant
- Visit the participant at least weekly
- Uphold all duties without influence by the personal assistant or paid back-up worker
- Obtain approval from the participant and a consensus from other family members of the participant to serve as the DMP
- Be willing to submit to a criminal background check
- Be available to discuss the program hours

Whether a participant appoints a Communications Manager or Decision-Making Partner, there are specific forms that must be completed.

If at any time DAAS learns that the participant's personal attendant is not providing the care agreed upon, the counselor will contact the participant/representative to ascertain the ability of the participant/representative to fulfill the role of employer. This discussion is to seek what types of assistance or support the participant or representative may need. A review of recurring instances of noncompliance could be reason for involuntary disenrollment.

When persons affiliated with the Independent Choices program suspect abuse or neglect causing potential for health and safety risk to the participant by the representative, family members, personal attendant, or others, the participant will be referred to Adult Protective Services.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
HCBS 179	12-09

Supplement 4 to Attachment 3.1-A
Page 22
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xii. Risk Management (Continued)

SUPERSEDES: TN- 07-23

- C. The State's process for ensuring that each service plan reflects the risks that an individual is willing and able to assume, and the plan for how identified risks will be mitigated, is described below.

The service plan is a result of the assessment and will list any risks identified in the assessment and identify cautionary measures in relation to personal assistance needs with ADLs and IADLs. The service plan will identify any other risks identified through observation that were not identified through the assessment or risks identified by the participant, representative or interested parties through a participant-centered approach. The HCBS RN makes the counselor aware of these concerns requiring a plan or actions needed to mitigate the risks and who is responsible for each action. The service plan requires the signature of the participant/representative.

- D. The State's process for ensuring that the risk management plan is the result of discussion and negotiation among the persons designated by the State to develop the service plan, the participant, the participant's representative, if any, and others from whom the participant may seek guidance, is described below.

HCBS RN's and counselors are trained to apply a participant-centered approach in developing all plans with the participant. Participants are always encouraged to invite friends and family members who have a personal commitment to the participant but are not acting as an employee to be present in all meetings or communications between the participant and nurse or counselor. Identified risks will be discussed with the participant/representative and interested parties to determine a plan to mitigate the risk. The counselor facilitates and guides the discussion and identifies concerns with any discussed approaches to mitigation of risk.

STATE	Arkansas
DATE REC'D	5-14-12
DATE APPV'D	8-2-12
DATE EFF	1-1-13
HCFA 179	12-09

Supplement 4 to Attachment 3.1-A
Page 23
Revised: January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xiii. Qualifications of Providers of Personal Assistance

SUPERSEDES: TN- 07-23

- A. ☐ The State elects to permit participants to hire legally liable relatives, as paid providers of the personal assistance services identified in the service plan and budget.
- B. ☒ The State elects not to permit participants to hire legally liable relatives, as paid providers of the personal assistance services identified in the service plan and budget.

xiv. Use of Representative

- A. ☒ The State elects to permit participants to appoint a representative to direct the provision of self-directed personal assistance services on their behalf.
- v. ☒ The State elects to include, as a type of representative, a State-mandated representative. Please indicate the criteria to be applied.

If the participant has been diagnosed with a mental or cognitive impairment such as mental retardation, dementia, Alzheimer's Disease, etc., the participant or family members close to the participant will be required to choose a representative in order to participate or continue to participate in Independent Choices. If the participant is cognitively impaired and cannot fulfill the role of employer and has no family members who are knowledgeable of the participant's likes, dislikes and preferences they will no longer be able to direct their own care.

- B. ☐ The State elects not to permit participants to appoint a representative to direct the provision of self-directed personal assistance services on their behalf.

xv. Permissible Purchases

- a. ☒ The State elects to permit participants to use their service budgets to pay for items that increase a participant's independence or substitute for a participant's dependence on human assistance.
- b. ☐ The State elects not to permit participants to use their service budgets to pay for items that increase a participant's independence or substitute for a participant's dependence on human assistance.

January 1, 2013

OMB Approved 0938-1024

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: ARKANSAS

PROPOSED

1915(j) Self-Directed Personal Assistance Services (Continued)

xvi. Financial Management Services

- A. X The State elects to employ a Financial Management Entity to provide financial management services to participants self-directing personal assistance services, with the exception of those participants utilizing the cash option and performing those functions themselves.
- i. The State elects to provide financial management services through a reporting or subagent through its fiscal intermediary in accordance with Section 3504 of the IRS Code and Revenue Procedure 80-4 and Notice 2003-70; or
 - ii. X The State elects to provide financial management services through vendor organizations that have the capabilities to perform the required tasks in accordance with Section 3504 of the IRS Code and Revenue Procedure 70-6. (When private entities furnish financial management services, the procurement method must meet the requirements set forth in Federal regulations 45 CFR Section 74.40 – Section 74.48.)
 - iii. The State elects to provide financial management services using “agency with choice” organizations that have the capabilities to perform the required tasks in accordance with the principles of self-direction and with Federal and State Medicaid rules.
- B. The State elects to directly perform financial management services on behalf of participants self-directing personal assistance services, with the exception of those participants utilizing the cash option and performing those functions themselves.

SUPERSEDES: TN- 07-23

STATE	ARKANSAS	A
DATE REC'D	6-14-12	
DATE APP'D	8-2-12	
DATE EFF	1-1-13	
RCFA 179	12-09	

