

Independent Provider Program
Fiscal/Employer Agent Certification Standards



State of Rhode Island
Executive Office of Health and Human Services
Certification Standards
Fiscal Intermediary of Independent Provider Program

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Independent Provider Program
Fiscal/Employer Agent Certification Standards

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BACKGROUND

The Independent Provider (IP) Program, passed by the General Assembly and signed into law by the Governor in 2018, provides Rhode Islanders with additional community care options. Rhode Island .General .Laws Chapters 8.14 and 8.15 expand options for affordable Home & Community Based Services (HCBS). The Executive Office of Health and Human Services (EOHHS) can help those in need remain at home in the least restrictive and safest environment.

The IP Program is a consumer-directed program designed to provide in-home services and supports to adults with disabilities and elders. Consumer-directed programs allow the person to have the right to self-determination, to live independently, and to be integrated fully into the community. A person chooses self-direction because it affords choice, flexibility, and control.

The IP Program allows elders and adults with disabilities, the option and opportunity to manage a flexible schedule and determine how they will distribute their hours of services to best meet their personal care needs. The hours of services are to be utilized exclusively for personal care and homemaker services to assist an individual in living independently in their community.

The IP Program is housed in EOHHS.

I. ORGANIZATION AND ADMINISTRATION

The contractor will act as Vendor Fiscal Employer Agent (F/EA) on behalf of program consumers for the purpose of managing the payroll tasks for the consumers' personal care aides . The F/EA shall generate the personal care aides' payroll checks in a timely and accurate manner and in compliance with all federal and state regulations pertaining to domestic/household employees and independent contractors. The responsibilities of the F/EA shall include:

A. FEDERAL AND STATE APPROVAL TO BE VENDOR FISCAL/EMPLOYER AGENT (F/EA)

1. The F/EA must demonstrate it has (or can obtain) a separate federal employer identification number (FEIN) specifically to file the IRS Form 2678 and selected federal tax forms on consumers' behalf.
2. The F/EA will be responsible for developing and implementing systems, policies, and procedures for this program. All systems, policies, and procedures must be reviewed and approved by EOHHS.
3. The F/EA will develop (in consultation with EOHHS) a consumer enrollment packet that contains information about the F/EA's services and operations (e.g., roles and responsibilities of the F/EA), federal and state forms the consumer must complete, sign

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- and return to the F/EA to use F/EA services (e.g., IRS Form SS-4, 2678, 8821) and other applicable consent and agreement forms.
4. The F/EA has a system in place to produce and distribute the consumer enrollment packet to the Service Advisement Agencies and collect, review, process and maintain the information contained in the consumer enrollment packet.
 - a. As part of the consumer enrollment packet, the F/EA must obtain a signed document from the consumer, confirming that the consumer's assigned PCA(s) has been trained to the consumer's standards.
 5. The F/EA has written policies and procedures for producing, distributing, collecting, and processing the information contained in the consumer enrollment package.
 6. The F/EA has internal controls documented and in place to monitor the production, distribution, collection, and processing the information contained in the consumer enrollment packet.
 7. The F/EA is required to become a Medicaid Provider. The electronic enrollment is to be completed online and will include the Provider Agreement.
 8. The F/EA has a system in place for obtaining a FEIN for each consumer it represents and for maintaining copies of the IRS FEIN notifications letter and the filed Form SS-4, *Request for FEIN*.
 9. The F/EA has a system in place for retiring consumers' FEINs when they are no longer employers, along with written policies and procedures to document this process.
 10. The F/EA has a system for preparing and submitting a signed IRS Form 2678: *Employer/Payer Appointment of Agent* Form and request for Approval Letter to IRS for each consumer it represents. Copies maintained in each consumer's file.
 11. The F/EA is required to have written authorization from the IRS to be the F/EA for each consumer.
 12. The F/EA is required to complete and file all appropriate state forms to be recognized by Department of Labor & Training ("DLT") and Division of Taxation as a fiscal agent for program consumers.
 13. The F/EA has written policies and procedures for obtaining a FEIN, maintaining the FEIN notification letter and the filed form SS-4, retiring consumer's FEIN, for submitting IRS Form 2678, and Request to Be the F/EA letter.
 14. The F/EA has a system in place to file a signed IRS Form 8821, *Tax Information Authorization* with the IRS for each consumer it represents in order to communicate with the IRS on the consumer's behalf regarding Federal Unemployment Tax Act (FUTA) issues and to maintain copies of the Form in each consumer when the F/EA no longer represents the consumer and to maintain the relevant documentation in each consumer's file.
 15. The F/EA has written policies and procedures for submitting initial IRS Forms 8821 to the IRS and for maintaining copies in the consumer's file, renewing those forms as needed and revoking the form when the F/EA no longer represents the consumer and for maintaining the relevant documentation in the consumer's file.

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16. The F/EA has internal controls documented and in place to monitor the process for obtaining, renewing and revoking IRS Form 8821 and maintaining the relevant documentation in the consumer's file.
17. The F/EA has a system in place, written policies and procedures and internal controls to monitor the obtaining of State Power of Attorney (RIGL §18-16) for each consumer it represents and maintain the relevant documentation in the consumer's file.
18. The F/EA must obtain a unique National Provider Identifier (NPI) for IP Program if involved in other Medicaid programs to provide uniqueness for claims processing.

B. PCA TRAINING COORDINATION

1. In collaboration and with direction from EOHHS, the F/EA will participate in Mandatory Orientation training with the State's designated and contracted training provider.
2. The F/EA shall be the primary contact for interested prospective PCAs, shall form training cohorts for the Mandatory Orientation training, identify the special needs of the PCA, and shall relay any such special needs to the State's designated and contracted training provider.
3. The F/EA shall present the following information, at a minimum, at the Mandatory Orientation hosted by the State's designated and contracted training provider:
 - a. PCA work requirements;
 - b. PCA work responsibilities;
 - c. National BCI requirements;
 - d. Payroll requirements;
 - e. Electronic Visit Verification (EVV)
 - f. F/EA oversight of Mandatory Orientation, CPR/First Aid and ADL/IADL Trainings;
 - g. PCA Program Check Off List.
4. The Mandatory Orientation requirements may be updated and modified at the discretion of EOHHS.
5. PCA Mandatory Orientation Feedback Summaries shall be collected and provided to EOHHS at the conclusion of the Mandatory Orientation. The results of the Feedback Summary shall be filed and reviewed by the F/EA in the F/EA PCA filing system.
6. The F/EA shall collect PCA signed Letters of Intent regarding prospective PCA's plan on participating in the IP Program. The F/EA shall store such Letters of Intent in the F/EA PCA filing system.
7. The F/EA has a system in place to create all training cohort formations, scheduling and location reservations with the training provider for the American Heart Association Heart Saver First Aid course to be provided by the training provider in contract with the State. If the PCA cannot take the course on the specified date(s), other State agreed upon methods of training for this course will be attempted. Training must be completed for this course within 90 days of employment and is to be monitored for completion by the F/EA.

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8. The F/EA has a system in place for those requiring ADL and IADL training (13-hour course). The requirement is to create training cohort formations of students, scheduling and location reservations with the training provider. Training provider will report back to F/EA final status of completions for each PCA.
9. The F/EA has a system in place to refer to the training provider, those active PCAs that have been flagged as requiring a check on ADLs and IADLs. The training provider will perform an hour-long assessment of skills and notify F/EA of results. Any further actions would be coordinated with EOHHS.
10. The F/EA has a system in place to create training cohort formations, scheduling and location reservations with the training provider for biennial (every two years) recertifications of ADLs and IADLs of the active PCAs.

C. MANAGEMENT OF CONSUMERS BUDGET FUNDS

1. Program funds will be kept in a non-interest-bearing account separate from all other bank accounts managed by the F/EA.
2. The F/EA will enter into a Memorandum of Understanding (MOU) with deposit bank regarding ownership of program funds and provide EOHHS with copies of said MOU.
3. The F/EA has a system to receive, document, file and maintain each EOHHS authorized consumer budget (hereinafter Consumer Service Plan (CSP)).
4. The F/EA has a system in place to receive and disburse the consumer's state CSP funds and track CSP funds received, disbursed and any remaining balances for each consumer's service plan and in the aggregate.
5. The F/EA has policies and procedures for receiving and disbursing CSP funds and tracking CSP funds received, disbursed, and any remaining balances for each consumer and in the aggregate.
6. The F/EA has internal controls in place to monitor, receive, and disburse CSP funds for each consumer.
7. The F/EA has a system, policies, and procedures in place to monitor and verify that the services billed for are in the approved CSP for making payments. The F/EA must notify the consumer/representative and Service Advisement Agency if billed expenses are not part of the approved CSP.
8. The F/EA has a system in place to interface with RI Medicaid Management Information System (MMIS) for billing purposes.
9. The F/EA has a system in place to obtain from EOHHS consumer's monthly Cost of Care (if applicable), and to ensure that consumer's monthly Cost of Care is collected from consumer and is documented in consumer's file.

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D. PAYROLL PROCESS

1. The F/EA must develop and maintain a personal care aide (PCA) packet for consumer's PCA that contains all required forms, information, applications, agreements and consent documents needed to enroll the PCA as consumer's employees. Such forms include, but not limited to:
 - a. Employment application;
 - b. IRS Form W-4;
 - c. USCIS Form I-9;
 - d. IRS Notice 797;
 - e. National Criminal Background Check; and
 - f. Immunization records (if required by consumer).
2. The F/EA has a system in place to produce, and document the production of, PCA packets for the consumer's PCA that contains all the forms, information, applications and agreements needed to enroll PCAs as the consumer's employee.
3. The F/EA has a system in place to distribute, collect, process and maintain the required human resources documentation (i.e. employee packet) from consumers and consumers' PCAs in order to process payroll for the PCAs.
4. The F/EA has a system in place to ensure that PCAs are paid in accordance with federal and state department of labor wage and hour rules for regular and overtime pay.
5. The F/EA has a system in place to report new hires per RI DLT requirements.
6. The F/EA has a system in place to collect and process PCAs' time sheets on a bi-weekly basis.
7. The F/EA has a system in place to withhold and file IRS Form(s) 941 (Federal Insurance Contributions Act-Medicare and Social Security taxes and federal income tax withholding) quarterly in the aggregate with its separate FEIN for the consumers they represent and maintain a copy in the consumer's files.
8. The F/EA has a system in place for paying Federal Insurance Contributions Act (FICA) and federal income tax for all PCAs it represents in the aggregate using its separate FEIN and for maintaining relevant documentation in their files.
9. The F/EA has a system in place to withhold and submit IRS Form 940 (FUTA) for each PCA it represents utilizing the consumer's FEIN annually and in an accurate and timely manner and maintains documentation in PCA's files.
10. The F/EA has a system in place for paying FUTA for each PCA it represents per IRS depositing rules and maintains relevant documentation in their files.
11. The F/EA has a system in place to manage federal Advanced Earned Income Credit (EIC) for each eligible PCA in an accurate and timely manner and to maintain the relevant documentation in their files.
12. The F/EA has a system for obtaining the appropriate state employer registration numbers for income and unemployment tax filing and payment purposes for all consumers the F/EA represents and maintaining needed documentation.
13. The F/EA has a system for withholding and filing state income tax for all PCAs per state requirements and for maintaining the relevant documentation in their files.

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14. The F/EA has a system in place for paying state income tax withholding for each PCA per state payment schedule and for maintaining relevant documentation in their files.
15. The F/EA has a system in place to withhold and files state unemployment tax individually for each consumer they represent using the consumer's FEIN and/or his/her state employer registration number per state requirements and for maintaining proper documentation in the consumer's files.
16. The F/EA has a system in place for paying state unemployment taxes for each consumer per state payment schedule and for maintaining relevant documentation in the consumer's files.
17. The F/EA has a system in place to withhold and file RI Temporary Disability Insurance (TDI) taxes for each consumer they represent and the consumer's PCA and for maintaining proper documentation in the consumer's files.
18. The F/EA has a system in place to pay RI TDI taxes for each PCA per state payment schedule and maintaining proper documentation in their files.
19. The F/EA has a system in place for managing the application and payment of all garnishments, levies and liens on PCA's payroll checks and may be required by federal, state, or local laws in an accurate and timely manner and maintain proper documentation in their files.
20. The F/EA has a system in place to pay PCAs within the time period required by RI DLT.
21. The F/EA has a system in place to process direct deposit for the PCAs payroll if requested by the PCA.
22. The F/EA has written policies and procedures and internal controls in place to address all payroll systems above and any other payroll system the F/EA uses.
23. The F/EA must comply to the 21st Century Cures Act, Section 12006, to implement an EVV system for PCAs by 1/1/2020 unless an extension for later in 2020 is obtained by the state. EVV system verifies:
 - a. Type of service performed;
 - b. Consumer receiving the service;
 - c. Date of the service;
 - d. Location of service delivery;
 - e. Personal Care Aide providing the service; and
 - f. Time the service begins and ends.
24. The F/EA must have a system in place to broker workers' compensation insurance policies for each consumer that they represent, as well as written policies and procedures for making payments for such coverage.

E. END OF YEAR TAX PROCESS

1. The F/EA has a system in place to refund "over collected" FICA to applicable consumers and PCAs, in accordance with the December 18, 2000 IRS letter and written policies and procedures, to refund said overpayments and to maintain documentation in their files.

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2. The F/EA has a system for preparing and distributing IRS Forms W-2 for PCAs, per IRS instructions for agents and electronic/magnetic filing, when processing 250 or more IRS Forms W-2 and maintaining relevant documentation in their files.
3. The F/EA has a system in place to prepare and distribute IRS Forms W-3 in the aggregate for all consumers that they represent, per IRS Instructions, and maintains the relevant documentation in their files.
4. The F/EA has written policies and procedures for preparing and distributing and meeting all federal and state tax reporting responsibilities.
5. The F/EA has internal controls to monitor the federal and state end of year tax process.

F. CUSTOMER SERVICE SYSTEM

1. The F/EA has a customer service mechanism to respond to calls from consumers, their representatives, and PCAs regarding issues such as withholdings and the net payments, lost or late checks, reports and other documentation received from the F/EA, or other questions regarding their services or payment of labor or non-labor related expenses. The F/EA must establish a statewide toll-free number for consumers, their representatives and PCAs to contact the F/EA or make other reasonable accommodations for consumers out of the F/EA's local calling area. A representative of the F/EA should be available between the hours of 9:00 AM to 4:30 PM Monday through Friday. When the representative is unavailable, the F/EA should maintain a voice messaging capacity. Calls should be returned within one working day from the time the message is recorded, or letter or email received. The F/EA must have a secure email communication available.
2. The F/EA must be able to communicate effectively with consumers who have a variety of disabilities. Any updates on tax and labor laws or other written reports or materials provided to consumers (including orientation materials) must be available in alternative format if requested (i.e. large print, use of telecommunications devices for the hearing or speech impaired). The F/EA must have, at minimum, the capacity to access translation services and interpreter services when necessary.
3. The F/EA must be culturally sensitive in all business practices in order to communicate effectively with a diverse population of consumers and its policies and procedures must reflect the philosophy of self-direction and consumer choice.
4. The F/EA must direct and center all communications with the consumer receiving services, at all times, regardless of the consumer's disability. When the consumer has designated a representative to assist them in managing their service plan the F/EA should only communicate with that representative in areas that the consumer is requesting assistance. The F/EA shall not disclose or otherwise inform family members, friends or other members of the consumer's support system without prior written notification and approval from the consumer and/or representative.
5. The F/EA must guarantee freedom from unlawful discrimination on the basis of race, color, creed, national origin, religion, sex, sexual orientation, age, physical or mental disability or degree of disability.

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6. The F/EA must be willing to actively participate in ongoing quality assurance/improvement activities for the program by participating in EOHHS sponsored committees and/or workgroups.
7. The F/EA, in collaboration with EOHHS, must provide periodic information and/or training to consumers/representatives, and service advisement agencies as changes occur in procedures, reporting, operations, or systems.
8. The F/A is responsible for maintaining documentation regarding complaints and incident reports. Specifically, the F/EA must:
 - a. Follow the State's procedures on filing critical incidents;
 - b. Provide a PCA complaint mechanism and resolution system;
 - c. Provide a consumer complaint mechanism and resolution system;
 - d. Provide a consumer/representative program satisfaction survey; and
 - e. Provide a consumer/representative PCA review process.
9. The F/EA, in collaboration with EOHHS, will provide documentation to the PCA that specifies disenrollment criteria if a PCA does not comply with the standards of the IP Program.
10. The F/EA must develop a consumer enrollment packet to enroll individuals with the F/EA that contains, but not limited to:
 - a. All required forms;
 - b. Information on the allotted hours of services per month;
 - c. Applications that are necessary for the program;
 - d. All agreements; and
 - e. Consent documents needed to enroll a consumer in the program.
11. The F/EA must have written policies and procedures and internal controls in place to describe and monitor all Customer Service activities.
12. The F/EA will have access to the Consumer Directed Module (CDM). The CDM will list each consumer's PCA(s). This is an additional record of IP PCAs. This will not substitute for the statewide personal care aide registry.

G. STATEWIDE PERSONAL CARE AIDE REGISTRY

The IP Program provides the opportunity for trained, qualified PCAs to include their name and information on a statewide registry. This registry is a resource that can be utilized by consumers who are searching for a PCA in their area. The registry is not endorsed by the State and the PCAs listed on the registry are not state employees. The State is not responsible for or liable for the actions or inactions of PCAs listed on the registry.

1. The F/EA will be responsible for authorizing PCAs to be listed on the statewide registry.
2. The F/EA has a system in place to collect and review consistent criteria for applicable registry PCAs (those successfully completing all hosted trainings within 90 days of beginning work). Those approved PCAs will be sent to the EOHHS IP Administrator for posting on the EOHHS website.

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3. PCAs must provide the following information to the F/EA, prior to being listed on the registry:
 - a. National Background Check;
 - b. Current CPR certification;
 - c. Passage of basic “instrumental activities of daily living” (IADL) training;
 - d. Passage of extended “activities of daily living” (ADL) training;
 - e. Additional qualifications and/or specialized training;
 - f. Hours of availability;
 - g. Available for emergency situations;
 - h. Languages spoken; and
 - i. Location and how far the PCA will be willing to travel.
4. The F/EA will maintain an electronic file of registrants that will be shared with EOHHS at the end of every work week. If there is a situation, as described in paragraph 6, the registry must be updated within 48 hours and submitted to EOHHS for posting.
5. The F/EA will be responsible for running an Office of Inspector General (OIG) report on all registry PCAs every pay period.
 - a. The F/EA will be responsible for removing a PCA from the registry if they have disqualifying information found in the OIG report.
6. The F/EA will be responsible for ensuring that a PCA, listed on the registry, has provided the most up-to-date information on training and availability.
7. The F/EA must remove a PCA from the electronic file of registrants if they have disqualifying information. The F/EA must notify the PCA, in writing, within 48 hours that their name will be removed from the registry. Disqualifying information includes, but not limited to:
 - a. Lapse CPR certification;
 - b. Lack of up-to-date training on IADLs and ADLs;
 - c. Poor performance;
 - d. Lack of compliance with the program; and/or
 - e. Reported fraud or abuse.

H. STAYING UP-TO-DATE WITH FEDERAL AND STATE RULES AND REGULATIONS REGARDING THE AGENTS AND PERSONAL CARE AIDES

1. The F/EA must have a system in place for reviewing all IRS and State Forms, instructions, notices and publications related to the F/EA and preparing and filing taxes on behalf of the consumers they represent.
2. The F/EA must have written policies and procedures for reviewing and updating all federal and state forms, instructions and notices in regard to filing taxes on behalf of the consumers they represent.

II. DATA MANAGEMENT AND REPORTING

A. INFORMATION TECHNOLOGIES/RECORD KEEPING

1. The transfer of information between the F/EA and EOHHS will be in a format determined by EOHHS. The F/EA must have at a minimum a compatible secure electronic system that will support the reports required by EOHHS.
2. The F/EA is required to have a Disaster Recovery Plan for restoring master files if management information systems are disabled and for continuation of PCA payroll and invoice payment services.
3. The F/EA is required to have a system in place to establish and maintain current consumer, PCA and F/EA files in a secure and confidential manner as required by federal and state regulation. The F/EA must have written policies and procedures and internal controls in place to ensure that all records meet this requirement.

B. REPORTING REQUIREMENTS

The F/EA is required to produce a variety of reports which include: monthly expenditure reports for the consumer's budget, individual monthly billing reports for all consumers, aggregate periodic Medicaid statistical reports, annual reconciliation reports for each consumer's budget, aggregate reconciliation report, demographic reports such as number of PCAs hired in a given period, and other reports as requested by EOHHS for programmatic monitoring purposes, weekly updates for the registry. These reports will be maintained in a format that is agreed upon by EOHHS.

1. Consumer Expenditure/Service Reports Include:
 - a. Consumer Name and Medicaid ID number.
 - b. Amount of consumer's monthly budget funds for the current month by budgeted line item.
 - c. All expenditures for the month by line item, including PCA(s) name(s).
 - d. Line item summary of budgeted amount, expenditures and balances.
 - e. Summary for all line items associated with the consumers hours of services.
 - f. Total amount of budget and hours of services remaining in the consumer's account for the current period and year to date.
2. Annual Expenditure/Service Reports include:
 - a. Line item summary of budgeted amount, expenditures and balances.
 - b. Summary for all line items associated with the consumers hours of services.
 - c. Total amount of budget and hours of services remaining in the consumer's account for the current period and year to date.

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3. Reconciliation reports include:
 - a. Report of all consumers served with budget amounts, all expenditures for the budget period, any remaining balances, hours of services used, and any remaining hours of services.
4. Medicaid Billing reports:
 - a. Monthly detailed report for each consumer served that includes Medicaid ID number, date service provided, type of service, provider ID number, and number of units.
 - b. Periodic aggregate summary reports by demographic group.
 - c. Periodic rate and fee information by vendor and service type.
5. Demographic Reports:
 - a. Number of consumers per demographic group
 - b. Number of PCAs hired by each consumer
 - c. Worker compensation costs and claims
 - d. Other reports as needed by EOHHS for programmatic/quality monitoring

III. ADMINISTRATIVE SANCTIONS

A. SEVERABILITY

If any provision of the rules, regulations and standards herein or the application thereof to any program, agency or circumstances shall be held invalid, such invalidity shall not affect the provision or application of the rules, regulations and standards which can be give effect, and to this end the provisions of the rules, regulations and standards are declared to be severable.

B. DEFICIENCIES AND PLANS OF CORRECTION

EOHHS is authorized to deny, suspend or revoke the F/EA's participation in the program if they have failed to comply with the EOHHS Medicaid IP Program's Promulgated Rules and Certification Standards set herein.

In addition, EOHHS may take any action pursuant to RIGL § 40-8.2 and 210-RICR-10-05-2.

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IV. PAYMENT

1. The F/EA must be a current RI Medicaid Provider enrolled as a Provider Type 116.
2. Billing for the initial month of consumer enrollment will be reimbursed at \$170.00 for two occurrences for a maximum payment of \$340 in the first month.
3. The F/EA's services will be reimbursed at \$170.00 per consumer/per month, after the first month, on those cases where services were performed as noted herein.
4. The F/EA's services for Registry maintenance and coordination of cohorts: Mandatory Orientations, CPR/First Aid Training, ADL/IADL Training, are F/EA inclusive requirements under the certification standards.
5. The F/EA will bill, as stated above, to DXC using Procedure Code T2025.

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The F/EA agrees to administer the Independent Provider Program as outlined herein and as stated in the promulgated EOHHS Medicaid Independent Provider Program Rules.

Signed: _____

Title: _____

F/EA: _____

Date: _____

Signature: _____

Patrick M. Tighe
Medicaid Program Director
State of Rhode Island
Executive Office of Health and Human Services

Date: _____

APPENDIX 1: PROVIDER APPROVAL PROCESS

Submission of Application for Independent Provider (IP) Program Fiscal Intermediary (F/EA)

The IP Program will select F/EA(s) that meet the standards.

All applicants will be evaluated on the basis of written materials submitted to EOHHS. Applicants should anticipate a maximum of 5 days for the review process which may include on-site inspections as well as additional written clarification before issuing its findings. A favorable determination will result in the issuance of a Letter of Approval.

During the period of review, staff from EOHHS may inform a provider-agency that an unfavorable decision is anticipated. The provider-agency may withdraw its application without prejudice.

Provider-agencies are encouraged to establish and maintain credentials with all third-party health insurance plans doing business in RI.

Instructions for Interested Parties

Applicants should contact EOHHS with a letter of intent. Inquiries and letters of intent should be directed to:

Elaine Choiniere
Administrator, Independent Provider Program
elaine.choiniere@ohhs.ri.gov
Executive Office of Health and Human Services
Virks Building
3 West Road
Cranston, RI 02920

Possible Outcomes of the Application Review Process

Applications for approval will be reviewed and scored based on the degree to which an applicant demonstrates a program that complies with the requirements set forth in these IP Program Certification Standards of the (F/EA). Two basic outcomes are possible as a result of the application review process, namely:

1. *Approval with No Conditions* – The applicant is deemed in compliance with all requirements and may begin providing services.
2. *Not Approved* - The application does not meet the requirements for approval and therefore will not be offered to that agency. Should this occur, the applicant will be provided with specific written feedback. IP Program services shall not be provided.

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Period of Approval

The initial period of approval shall last one year from receipt of signed letters of agreement stipulating conditions and requirements necessary for approval. Thereafter, EOHHS has the sole responsibility and discretion to extend approval and/or require re-approval based upon its ongoing oversight and monitoring of provider-agencies. In each instance, EOHHS will inform the provider-agency in writing with new letters of agreement.

Compliance

1. The approved provider-agency must comply with these Certification Standards throughout the awarded period of approval. Failure of EOHHS to insist on strict compliance with all practice and performance standards shall not constitute a waiver of any of these provisions and shall not limit the right of EOHHS to demand full compliance. EOHHS reserves the right to amend program requirements with reasonable notice to participating provider-agencies.
2. EOHHS in its capacity to monitor and evaluate the agency may take any of the following actions and/or issue other sanctions that it deems necessary pursuant to Medicaid or other Federal and Rhode Island laws, namely:
 - a. EOHHS can inspect written records of the F/EA including documentation of services and billing for Medicaid services within three days of written notification.
 - b. EOHHS can inspect sites and/or interview staff pursuant to complaints and/or compliance deficiencies with these practice standards.
 - c. EOHHS can require a plan of corrective action with clearly defined measures stipulating objectives, personnel responsible for managing and remedying identified deficiencies, and listing of dates for achieving success for all deficiencies. EOHHS reserves the right to specify the time for achieving part and full remediation of all identified deficiencies.
 - d. EOHHS can require further modification of any plan of corrective action.
 - e. EOHHS can require recoupment of funds for violations of these Certification Standards and/or violations of Medicaid and/or State laws.
3. EOHHS shall institute Provisional Approval status following formal notice to the provider-agency on the one hundred twenty first day (121) for continued non-compliance to have cured identified deficiencies. The provider-agency may seek to suspend such an action by filing notice of appeal to EOHHS no later than thirty days (30) following notification of non-compliance and issuance of Provisional Approval. In the event that the provider-agency's appeal is not successful, the provider-agency may seek resolution through the Administrative Procedures Act (APA Appeal) to Superior Court. In the event a provider-agency takes this action, imposition of Provisional Approval will be stayed pending the outcome of the appeal.

The consequences of Provisional Approval status involve rate reductions and specified requirements regarding the administration and management of the IP Program with EOHHS ongoing oversight for the next ninety (90) days. Such action may involve on site visits including record documentation reviews, interview of staff, submission of required reports, financial/billing information, and/or other requirements that it deems necessary. EOHHS will set forth a period of time whereby the provider-agency must come into full compliance or risk the revocation of approval.

4. EOHHS has the responsibility to inform agencies when aware of instances of fraud, suspected fraud, misuse of Medicaid funds, or professional misconduct. This may include referral to legal or licensing authorities and/or to the Surveillance Utilization Review (SURS) department of EOHHS.

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5. Revocation of approval is the most serious penalty and one that EOHHS reserves for the provider-agency inability to rectify deficiencies and/or violations of these practice standards.

EOHHS Oversight and Authorization

EOHHS in accordance with Medicaid regulations may place limits on services (i.e., establish amount, duration and scope of services) and exclude any item or service that it determines is not medically necessary, is unsafe, experimental, or is not generally recognized as an accepted method of medical practice or treatment. EOHHS has the authority to conduct site visits.

Monitoring and Quality Assurance

Site visits will be conducted by EOHHS staff to monitor appropriate use of Medicaid services and compliance with the procedures outlined in this manual. The provider will be notified of EOHHS site visits in advance. During these visits, staff will review the following:

- Client records
- Staff orientation programs and attendance logs
- Agency policy and procedures related to the IP Program
- Claims information/documentation
- PCA time sheets
- Complaint log

Unannounced site visits may also be conducted at the discretion of the Department. EOHHS staff may contact or visit families as part of the oversight and monitoring activities.

In the event of adverse findings of a minor nature, repayment to EOHHS will be required. In situations where, in the opinion of the Department, significant irregularities in billing or utilization are revealed, the provider may be required to do a complete self-audit in addition to making repayments. In either case, technical assistance in developing and implementing a plan of corrective action, where appropriate and applicable, will be offered to the provider.

In addition to monitoring conducted by EOHHS, the provider is subject to periodic fiscal and program audits by the Health Care Financing Administration.

APPENDIX 2: APPLICATION GUIDE FOR CERTIFICATION AS FISCAL INTERMEDIARY (F/EA) FOR THE INDEPENDENT PROVIDER (IP) PROGRAM

GENERAL INFORMATION

1. Overview

This application guide is provided as a part of the Certification Standards for the self-directed IP Program. It provides information and instructions for F/EA applicants regarding the submission process and the review of applications. It is intended to direct applicants in the organization and presentation of application materials.

In submitting an application to serve as the F/EA, the applicant agrees to comply with the program requirements as outlined in the Certification Standards. EOHHS reserves the right to amend these requirements periodically, with reasonable notice to the participating agency. The provider-agency must also agree to comply with all state and federal Medicaid rules and regulations.

2. Application Submission and Review

The State will convene a certification application review committee to evaluate applications and submit recommendations on certification to the Medicaid Program Director, EOHHS. There is a limit of one F/EA for the IP Program.

To enable EOHHS to prepare for its review of applications and to advise potential applicants of any clarifications or corrections, it is strongly recommended that potential applicants submit a Letter of Intent prior to submitting a full application.

Applications for Certification are to be submitted to:

Elaine Choiniere
Administrator, Independent Provider Program
Executive Office of Health and Human Services
Virks Building
3 West Avenue
Cranston, Rhode Island 02920
Phone: (401) 462-6643

3. Compliance Review

Prior to technical review, submitted applications will be reviewed for completeness and for compliance with core element expectations. When completing the application, please include relevant section numbers to organize your application and attachments. Applicants for certification must submit an original and four (4) copies of all materials. Incomplete applications will be returned without further review; completed applications must be submitted within the posting time period.

4. Application Components

A. Cover Sheet

B. Background on Applicant – Executive Summary

To orient the reviewer(s) to the materials included in the application, please provide a brief introduction (2 pages maximum) and background to the provider-agency and the application.

C. Letter of Transmittal

Each application must include a letter of transmittal signed by an officer or authorized agent of the provider-agency. The letter shall identify that in submitting the application, the applicant agrees to comply with the program requirements and Certification Standards as issued and will comply with periodic amendments.

D. Body of Application

An applicant for certification must demonstrate that it will provide a sound fiscal, skills and experience in the self-directed, independent provider model environment.

The body of the application should be organized as shown in Table 1 below. Table 1 specifically identifies the sections to be addressed, the maximum pages of narrative per section and the number of points to be assigned to that section in the scoring. Note that application materials may be presented in two forms, as appropriate:

- Narrative
- Attachments

The page maximums pertain to the narrative. Applicants may feel that their program descriptions would be enhanced by attachments. Table 1 lists some examples of potential attachments. This is not a list of all possible attachments; nor is it a list of required attachments. It is only suggestive of the type of materials that may be helpful to accurately describe the program and to demonstrate compliance. The application will be scored on the basis of submitted materials, whether within the narrative or provided as attachments.

If attachments are provided, indicate where in the attachment the standard is addressed. Lengthy documents that only peripherally relate to the standard will not facilitate scoring. Attachments should be labeled as to the section to which they pertain.

5. Readiness

It is expected that applications for certification submitted to the State will describe a structure and approach to service delivery, which is substantially complete at the time of submission. Applicants will be expected to be able to provide services in accordance with the Independent Provider Program certification requirements not later than the start of the program. Part of the certification review involves assessment of readiness. Information must be provided that will enable the State to make informed assessments regarding readiness. The State recognizes that, in some cases, certain aspects of the application may describe intentions of the IP Program certification applicant rather than capacity actually in place on the date of submission of the application. The applicant should clearly identify the points at which the application describes currently existing versus planned

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activities and capacity. This section of the application should provide specific appropriate detail as to any outstanding tasks and associated time lines for completion.

6. Application Scoring

The Certification Standards for the IP Program outline the terms and conditions that will govern operation and oversight of the F/EA. Applications will be scored based on the degree to which an applicant describes a program which complies with the requirements set forth in the Certification Standards. In setting a defined standard for performance by the F/EA for the IP Program, the Review Committee will identify threshold scores, which must be achieved in order for a recommendation for certification to be made.

The review team may choose to conduct a site visit and readiness review in order to complete its work. The final score for each standard will be the average of the scores assigned by the review team members. A threshold total score will be established as the basis for positive recommendation for certification. Certification will not be recommended for an applicant scoring below the threshold on any individual standard.

The level of compliance with each standard will be scored individually. Based on review of applications, each standard will be scored as follows:

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Table 1, below, provides an overview of this schema.

Table 1: Overview of Required Elements of Application			
Application Component	Page Maximum	# of Points	Examples of Potential Attachments
Federal and State Approval to be F/EA	4 pages	20	<ul style="list-style-type: none"> • Consumer enrollment packet • Written policy for obtaining FEIN • Written policy for submitting the IRS Form 8821 • Written policy for obtaining State Power of Attorney
PCA Training Coordination	2 pages	15	<ul style="list-style-type: none"> • Mandatory Orientation FI presentation abilities • Approach to scheduling trainings with provider • Clear coordination and record keeping
Management of Consumers Budget Funds	2 pages	10	<ul style="list-style-type: none"> • System for CSP, receiving and disbursing • System for consumer's Cost of Care
Payroll Process	3 pages	15	<ul style="list-style-type: none"> • PCA packet • Employment applications • Payroll system information • System for proposed 21st Century Cures Act, EVV • System to broker workers' compensation
End of Year Tax Process	2pages	10	<ul style="list-style-type: none"> • Written policies and procedures for IRS • Written policies and procedures for federal and state end of year tax processes
Customer Service System	3 pages	30	<ul style="list-style-type: none"> • Description of availability for customer service • Organizational chart • Description of staff training and orientation programs • Description of ability to communicate with consumers effectively • Cultural sensitivity training examples • Complaint and incident reporting mechanisms • Proof of secure Internet Access to utilize Consumer Directed Module (CDM)
Statewide Personal Care Aide Registry	1 page	10	N/A
Information Technology/Recording Keeping	1 page	5	N/A
Reporting Requirements	1 page	5	N/A
Total		120	

Each individual standard is weighted for its contribution to overall scoring within the respective application component.

7. Possible Outcomes of the Application Review Process

Applications for EOHHS approval will be reviewed and scored based on the degree to which an applicant demonstrates a program that complies with the requirements set forth in these EOHHS Certification Standards. Two basic outcomes are possible as a result of the application review process, namely:

1. ***Approval with No Conditions*** – The applicant is deemed in compliance with all requirements.
2. ***Not Approved*** - The application does not meet the requirements for approval and therefore will not be offered to that agency.