

**MICHIGAN DEPARTMENT OF HEALTH AND HUMAN SERVICES BEHAVIORAL
HEALTH AND DISABILITIES ADMINISTRATION**

SELF-DIRECTED SERVICES TECHNICAL REQUIREMENT

Purpose:

This document sets the standards for the use of self-directed and choice vouchered services, supports, and individual budgets for behavioral health services delivered through the Community Mental Health Service Programs (CMHSPs) and Prepaid Inpatient Health Plans (PIHPs) in Michigan.

The CMHSPs and PIHPs must assure self-directed services are available to all individuals, no matter where they live in Michigan and must actively assist individuals that choose to self-direct. Any reference to Self-Directed Services also applies to Choice Voucher with appropriate substitutions for family and child throughout the document.

The CMHSPs and PIHPs must meet the following requirements:

1. Self-Directed Services and supports are set up using a Person-Centered Planning Process from which an Individual Plan of Service (IPOS) for medically necessary services and an individual budget are developed.
2. Self-Directed Services (Choice Voucher for under 18 year old individuals) must be offered to all individuals receiving CMHSP or PIHP services.
3. Options must include all of the following:
 - Direct employment (the individual is the employer of record).
 - Use of any qualified provider agency that can serve as employer of record for staff selected by the individual (Agency Supported Self-Direction). The CMHSP and/or PIHP contractual language with provider agencies assures personal selection and changes of staff.
 - Direct contract (Purchase of Service Agreements) arrangement between individual and independent provider(s).
 - Financial Management/Fiscal Intermediary Services and Supports Brokers must be available.
4. Self-Directed Services are implemented through partnerships between the CMHSPs/PIHPs and the individual directing his/her services through a Self-Direction Agreement. This agreement describes the responsibilities and authority of both parties.
5. Choosing Self-Directed Services does not change an individual's access to the services he/she needs or those available from the CMHSP and/or PIHP so long as medical necessity criteria and benefit coverage eligibility remains.

6. Self-Directed Services do not reduce the PIHPs responsibilities to individuals receiving services nor negate its responsibility to assist individuals in finding providers for services.
7. All Medicaid Services and Supports terms apply (i.e. documentation, financial accountability, monitoring, quality improvement) including reporting and provider qualifications.
8. The Office of Recipient Rights has investigative authority for Specialty Mental Health Services and Supports including Self-Directed Supports and Services.
9. The CMHSP/PIHP must have procedures to make sure there are no gaps in services during transition to or from Self-Directed Service arrangements.
10. Individuals will be fully informed about the meaning of Self-Directed Services and all models and possible ways to control, manage, and account for their individual budget.
11. The CMHSPs/PIHPs must provide education and training to ensure a common understanding of Self-Directed Services is made available throughout its network, including:
 - Administrators
 - Case Managers/Supports Coordinators
 - Direct Support Professionals
 - Supports Brokers
 - Individuals and their Families
 - Agency-based Staff
 - Others
12. All person-centered planning processes, service delivery, and budget planning will support individuals to make decisions about and control their own lives. This means the CMHSP/PIHP will actively commit to promoting self-direction and support the decisions individuals who self-direct make about how to meet the goals of their IPOS within the parameters of the individual budget.
13. Accountability for the use of public funds must be a shared responsibility of the CMHSP/PIHP and the individual, consistent with the fiduciary obligations of the CMHSP/PIHP. Fiscal responsibility and the wise use of public funds shall guide the individual and the CMHSP/PIHP in reaching an agreement on the allocation and use of funds comprising an individual budget.
14. Each CMHSP/PIHP must make sure that information and outreach materials about Self-Directed Services (or choice voucher) is offered to all individuals served. Individuals must have all information in a format accessible to them.

15. The PIHP with the CMHSP will provide ongoing support and assistance to individuals managing and controlling the supports they are directing. Examples include, but are not limited to:

- Information about the options for Self-Directed Services
- Individual rights and responsibilities
- Available resources
- Supported decision making
- Training – including documentation, service delivery, role of employer, role of employee, and budgeting
- The use of a supports broker
- Informal representative
- Access to independent advocacy organizations (e.g. Disability Rights Michigan, local Arcs, United Cerebral Palsy, etc.)
- Active management of the individual budget
- Staff recruitment, selection, management and dismissal

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

Key Elements of Self-Directed Supports and Services:

1. Employer Authority

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

2. Budget Authority

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

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

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

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

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

3. Financial Management/Fiscal Intermediary Services

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

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

An individual may voluntarily end a Self-Directed Service arrangement at any time for any reason. The CMHSP and/or PIHP must work together with the individual to transition to another service arrangement through the person-centered planning process. Discontinuation of a self-direction agreement, by itself, shall neither change the IPOS, nor eliminate the obligation of the CMHSP/PIHP to assure Specialty Mental Health Services and Supports required in the IPOS are provided.

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

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

Definition of Terms

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

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

Choice Voucher Arrangements

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

Direct Hire or Direct Employment Model

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

Employer of Record

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

Financial Management Service Provider/Fiscal Intermediary

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

Individual

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

Individual Budget

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

Managing Employer

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

Person-Centered Planning

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

Prepaid Inpatient Health Plan(PIHP)

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

Purchase of Service Agreement or Direct Contract

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

Qualified Provider

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

Self-Determination

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

Self-Direction or Self Directed Services

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

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

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

Supported Decision-Making

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

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

Supports Broker

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

APPENDIX A: Core Elements Reference to 2013 Policy and Practice Guideline

| Self-Directed Services Requirement | Self Determination Policy and Practice Guideline Core Element |
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| 1 | See below |
| 2 | See below |
| 3 | See below |
| 4 | V. Realization of the principles of SD requires arrangements that are partnerships between the CMHSP/PIHP and the individual. They require the active commitment of the CMHSP/PIHP to provide a range of options for individual choice and control of personalized provider relationships within an overall environment of person-centered supports. |
| 5 | IX. Arrangements that support SD are administrative mechanisms, allowing an individual to choose, control, and direct providers of Specialty Mental Health Services and Supports. With the exception of fiscal intermediary services, these mechanisms are not themselves covered services within the array of state plan and Mental Health Specialty Services and Supports. SD arrangements must be developed and operated within the requirements of the respective contracts between the CMHSPs and PIHPs and the Michigan Department of Health and Human Services (MDHHS) and in accordance with federal and state law. Using arrangements that support SD does not change an individual’s eligibility for particular Specialty Mental Health Services and Supports. |
| 6 | VI. In the context of this partnership, the CMHSPs/PIHPs must actively assist individuals with prudently selecting qualified providers and otherwise support them with successfully using resources allocated in an individual budget. |
| 7 | X. All the requirements for documentation of Medicaid-funded supports and services, financial accountability for Medicaid funds, and CMHSP/PIHP monitoring requirements apply to services and supports acquired using arrangements that support SD. |
| 8 | XI. Arrangements that support SD involve Mental Health Specialty Services and Supports; and therefore, the investigative authority of the Recipient Rights office applies. |
| 9 | See below |
| 10 | I. Individuals are provided with information about the principles of SD and the possibilities, models, and arrangements involved. Individuals have access to the tools and mechanisms supportive of SD, upon request. SD arrangements commence when the CMHSP/PIHP and the individual reach an agreement on an IPOS, the amount of mental health and other public resources to be authorized to accomplish the IPOS, and the arrangements through which authorized public mental health resources will be controlled, managed, and accounted for. |

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| 11 | I. Individuals are provided with information about the principles of SD and the possibilities, models, and arrangements involved. Individuals have access to the tools and mechanisms supportive of SD, upon request. SD arrangements commence when the CMHSP/PIHP and the individual reach an agreement on an IPOS, the amount of mental health and other public resources to be authorized to accomplish the IPOS, and the arrangements through which authorized public mental health resources will be controlled, managed, and accounted for. |
| 12 | II. Within the obligations that accompany the use of funds provided to them, the CMHSPs/PIHPs shall ensure that their services planning and delivery processes are designed to encourage and support individuals to decide and control their own lives. The CMHSP/PIHP shall offer and support easily-accessed methods for individuals to control and direct an individual budget. This includes providing them with methods to authorize and direct the delivery of Specialty Mental Health Services and Supports from qualified providers selected by the individual. |
| 13 | IV. Fiscal responsibility and the wise use of public funds shall guide the individual and the CMHSP/PIHP in reaching an agreement on the allocation and use of funds comprising an individual budget. Accountability for the use of public funds must be a shared responsibility of the CMHSP/PIHP and the individual, consistent with the fiduciary obligations of the CMHSP/PIHP. |
| 14 | I. Individuals are provided with information about the principles of SD and the possibilities, models, and arrangements involved. Individuals have access to the tools and mechanisms supportive of SD, upon request. SD arrangements commence when the CMHSP/PIHP and the individual reach an agreement on an IPOS, the amount of mental health and other public resources to be authorized to accomplish the IPOS, and the arrangements through which authorized public mental health resources will be controlled, managed, and accounted for. |
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| | Other Core Elements |
| Covered in Managed Care Rule | III. Individuals receiving services and supports through the public mental health system shall direct the use of resources in order to choose meaningful Specialty Mental Health Services and Supports in accordance with their IPOS as developed through the person-centered planning process. |
| This element is included in the PCP Policy | VII. Issues of wellness and well-being are central to assuring successful accomplishment of a individual's IPOS. These issues must be addressed and resolved using the person-centered planning process, balancing individual preferences and opportunities for SD with CMHSP/PIHP obligations under federal and state law and applicable Medicaid Waiver regulations. Resolutions should be guided by the individual's preferences and needs, and implemented in ways that maintain the greatest opportunity for personal control and direction. |

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| Stricken | VIII. SD requires recognition that there may be strong inherent conflicts of interest between an individual's choices and current methods of planning, managing, and delivering Specialty Mental Health Services and Supports. The CMHSP/PIHP must watch for and seek to minimize or eliminate either potential or actual conflicts of interest between itself and its provider systems, and the processes and outcomes sought by the individual |
| Covered in the Technical Requirements under Key Elements and at the end of the document | IX. Arrangements that support SD are administrative mechanisms, allowing an individual to choose, control, and direct providers of Specialty Mental Health Services and Supports. With the exception of fiscal intermediary services, these mechanisms are not themselves covered services within the array of state plan and Mental Health Specialty Services and Supports. SD arrangements must be developed and operated within the requirements of the respective contracts between the CMHSPs and PIHPs and the MDHHS and in accordance with federal and state law. Using arrangements that support SD does not change an individual's eligibility for particular Specialty Mental Health Services and Supports. |
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| Requirement | Explanation or citation to other parts of the SD Policy and Practice Guidelines |
| 1 | SD Policy sec II (A-C) |
| 2 | SD Services were expanded to all waivers in the 2019 1915(c) waiver applications |
| 3 | SD Policy sec III (B) 4 |
| 9 | SD Policy sec II (E) 7 |