



Policy Title:	Self-Direction (Self-Directed Arrangements) and Choice Voucher
Policy #:	03-001-0010
Effective Date:	11/12/2024
Approved by:	SCCCMH Board
Functional Area:	Program Operations
Responsible Leader:	Kathleen Gallagher, Clinical Services Director
Policy Owner:	Kristen Thompson, LMSW
Applies to:	All SCCCMMH Staff, SCCCMMH Board Members, Directly Operated Programs, and Contracted Network Providers

Purpose: To assure that Self-directed (SD) and Choice Voucher (CV) arrangements are available to all individuals with a mental illness and/or intellectual/developmental disability who are eligible for public mental health services.

I. Policy Statement

It is the policy of St. Clair County Community Mental Health (SCCCMH) to assure that Self-directed (SD) arrangements are available to all individuals with a mental illness and/or intellectual/developmental disability who are eligible for public mental health services. Choice Voucher (CV) is what Self Direction is called for children.

II. Standards

- A.** Participation in the Self-directed payment system shall be a voluntary option made available to all adult recipients, unless the cost ratio of paying a *Financial Management Service Provider (FMS)* compared to the actual cost of services makes it too costly and inefficient.
- B.** Individuals shall responsibly control the resources allotted in an *individual budget* toward accomplishing the goals/objectives in their plan.
- C.** Self-determination is the right of all people to have the power to make decisions for themselves; to have free will. The goals of Self-determination, on an individual basis, are to promote full inclusion in community life, to have self-worth and increase

belonging while reducing the isolation and segregation of people who receive services. Self-determination builds upon choice, autonomy, competence, and relatedness, which are building blocks of psychological wellbeing.

- D.** Self-direction or Self-directed Services is a method for moving away from professionally managed models of supports and services. It is the act of selecting, directing, and managing ones services and supports. People who self-direct their services are able to decide how to spend their SCCCMH services budget with support, as desired. The methods of self-direction are crafted with the principles of self-determination:
1. **Freedom:** The ability for individuals, with assistance from significant others (e.g., chosen family and/or friends), to plan a life based on acquiring necessary services and supports in desirable ways, rather than purchasing a program. This includes the freedom to choose where and with whom one lives, who and how to connect in one's community, the opportunity to contribute in one's own way, and the development of a personal lifestyle.
 2. **Authority:** The assurance for a person with a disability to control a certain sum of dollars in order to purchase these supports, with the backing of their significant others, as needed. It is the authority to control resources that are available for supports and services.
 3. **Support:** The arranging of resources and personnel, both formal and informal, to assist the person in living their desired life in the community, rich in community associations and contributions. It is the support to develop a life dream or ambition and reach toward that dream.
 4. **Responsibility:** The acceptance of a valued role by the person in the community through employment, affiliations, spiritual development, and caring for others, as well as accountability for spending public dollars in ways that are life enhancing. This includes the responsibility to use public funds efficiently and to contribute to the community through the expression of responsible citizenship.

A hallmark of self-determination is assuring a person the opportunity to direct a fixed amount of resources, which is derived from the person-centered planning process and called an individual budget. The person controls the use of the resources in their individual budget, determining, with the assistance of chosen allies, which services and supports they will purchase, from whom, and under what circumstances. Through this process, they possess power to make meaningful choices in how they live their life.

5. **Confirmation:** Having a role in redesigning the service system.

- E. Agreement on the plan must include a description of the arrangements that will, or may, be applied by the individual to select, control, and direct the provision of those services/supports.
- F. Development of an individual budget shall be done as part of the plan and agreed to by the individual and the CMHSP.
 - 1. The directions and assistance necessary for the individual to properly apply the individual budget shall be provided to the individual, in writing when the agreement is finalized.
 - 2. Mental Health funds comprising an individual budget are the property and responsibility of the CMHSP. Authority over their direction is delegated to the individual, for the purpose of achieving the goals and outcomes contained in the individual's plan of service. Limitations associated with this delegation shall be determined in the process of developing the IPOS and/or employer of record.
 - 3. An arrangement shall be made in writing between the CMHSP and the individual describing the responsibility and the authority of both parties in the use of the individual budget.
 - 4. An individual budget, once authorized, shall accompany the individual's plan of service. It shall be in effect for a defined period of time, typically one year. Since the budget is based upon the individual's plan of service and supports, when the plan needs to be changed, the budget must be reconsidered as well. In accordance with the person-centered planning practice guidelines, the plan may be reopened and reconsidered whenever the person or the agency feels it needs to be reconsidered.
 - 5. The funds aggregated and used to finance an individual budget may be controlled by more than one funding source. Flexibility in the use of these funds is therefore constrained by the specific limitation of funding sources (e.g. Home Help, VA, Vocational Rehabilitation, etc.)
 - 6. An individual budget shall be flexible in its use. Adjustments in the application of the individual budget shall occur within the framework that has been agreed to by the person receiving services and the CMHSP and described in an attachment to the Self-direction arrangement.
 - 7. Funds allotted for specialty mental health services may only be used to purchase specialty mental health services. Contracts with providers of specialty mental health services should not be entered into if they are not fiscally prudent.
- G. A recipient shall be able to use any willing and *qualified provider* who is available to provide the needed treatment, services and supports. Approaches may include CMHSP

Direct Operated or contractual services, or through a direct purchase of service agreement with the person receiving services.

1. Fees and rates paid to providers with a direct purchase of services agreement with the person receiving services shall be negotiated by the individual. The individual must stay within the boundaries of the authorized individual budget.
 2. Where a person receiving services selected and directed provider of services has a direct contract with the CMHSP, the provider may be paid by the CMHSP, not the FMS. In that case, the portion of funds in the individual budget would not be lodged with the FMS, but instead would remain with the CMHSP as a matter of fiscal efficiency.
- H. A person receiving services shall be able to access alternative methods to choose, control and direct personnel necessary to provide direct support including:
1. Acting as the employer of record of personnel.
 2. Access to a provider entity that can serve as employer of record for personnel selected by the person receiving services.
 3. SCCCMH contractual language with provider entities that assures individual selection of personnel, and removal or reassignment of personnel who fail to meet individual preferences.
 4. Use of SCCCMH employed direct support personnel as selected and retained by the person receiving services.
- I. Financial Management Service Providers shall be under contract to the CMHSP or a designated sub-contracting entity. Contracted functions may include:
1. Payroll agent for direct support personnel employed by the person receiving services (or chosen representative), including acting as an employer agent for IRS and other public authorities requiring payroll withholding and employee insurances payments.
 2. Payment agent for recipient-held purchase of services and consultant agreements with providers of services and supports.
 3. Provision of periodic (not less than monthly) financial status reports concerning the individual budget, to both the CMHSP and the individual. Reports made to the individual shall be in a format that is useful to the individual in tracking and managing the funds making up the individual budget.
 4. Provision of an accounting to the CMHSP for the funds transferred to it and used to finance the costs of authorized individual budgets under its management.

5. Assuring timely invoicing, service activity and cost reporting to the CMHSP for *specialty mental health services* and supports provided by individuals and entities that have a direct agreement with the individual.
 6. Other supportive services, as denoted in the contract with the CMHSP that strengthen the role of the person receiving services as an employer or assist with the use of other agreements directly involving the consumer in the process of securing needed services.
- J. An entity acting as a financial management service shall be free from any relationship that would be a conflict of interest. The FMS may not be a direct service provider to any of the individuals to be served by this project. The FMS must never be in the situation of having to provide payment to itself for services rendered to any person receiving services through this program.

III. Procedures, Definitions, and Other Resources

A. Procedures

Responsibilities

Position	Responsibilities
Primary Caseholder	Provide education about self-determined services through the person-centered planning process and alerts the self-determined staff for support if an individual/family chooses this route.
Self-Determined Program Coordinator or Self Determined Case Manager	<ol style="list-style-type: none"> 1. Will reach out to schedule or attend a meeting to provide education about self-determined services, describe process and review agreement. 2. If services are pursued, will link with fiscal services and coordinate set up. Staff will also remain involved to assure smooth delivery of services.

Actions – Procedural Self-Directed Arrangements / Choice Voucher Arrangements

Action Number	Responsible Stakeholder	Details
1.0	Caseholder and/or Self determined Program Coordinator/Case Manager	<ol style="list-style-type: none"> 1. During pre-planning meeting and /or IPOS meeting, discuss self-direction as an option for delivery of applicable services. It can also be discussed as a service option as appropriate throughout the year. Ensure that family is aware of benefits and responsibilities that accompany a self-directed arrangement. Benefits include: increased flexibility, freedom to decide how one wants to live their life and support to organize

		resources in ways that are life enhancing and meaningful to the individual.
2.0	Caseholder	2. Send Self-Directed Services (SD) Coordinator an e-mail indicating an individual has expressed interest in a self-directed arrangement. Staff need to ensure that there is a worker available with the individual. Caseholder needs to include the number of hours per week of service being authorized for the self-directed service.
3.0	Self-Directed Services Coordinator and/or Self-Directed Services Case Manager	3. Reach out to individual and/or guardian to discuss self-directed services including roles and responsibilities of SCCCMH, the employer of record and FMS; training information; documentation guidelines; budget information; contact information for questions/concerns; education of current FMS providers. 4. Send application packet to potential worker and/or individual/guardian with training information.
4.0	Employer (Individual/Guardian)	5. Choose employee(s) and has them complete application packet and send to SD Coordinator.
5.0	Self-Directed Services Coordinator and/or Self-Directed Services Case Manager	6. Send complete referral packet to chosen FMS field service representative once application packet is received. 7. Complete the paperwork for SD/CV Arrangement (Exhibit A). 8. Provide education to SD/CV worker on documentation guidelines. 9. Attend start-up meeting with FMS representative, employer of record and employee if individual chooses in-person meeting. 10. Open location of FMS to individual and sends authorizations needed to caseholder for submission: a) Authorization needed for 1 time start up. b) Authorization needed for monthly FMS (1 per month). c) Authorization needed for services (CLS/Respite/daily rate).
6.0	Case Manager	11. Ensure services are identified in the plan (amend if not already in the plan) and ensure that interventions for SD/CV services are added.

		12. Complete authorizations for monthly FMS fee, 1 time start-up fee and for ongoing services as identified in plan.
7.0	Self-directed/determination Employees	13. Complete required trainings and can start services only after they have been completely trained. (Recipient Rights training must be completed within 30 days of hire). CSM can make a request to SD Coordinator if there is question on whether an employee has completed all the trainings.
8.0	Case Manager	14. Complete IPOS training log with all employees that are providing service (this is part of employee training).
9.0	Financial Management Service	15. Provide monthly budget to employer of record and SD Coordinator.
10.0	Self-Directed Services Coordinator and/or Self-Directed Services Case Manager	16. Review monthly budget sheets and ensures they are scanned in EHR.

Actions – Terminating an SD/CV arrangement

Action Number	Responsible Stakeholder	Details
1.0	Caseholder	1. Notify SD Program Coordinator/SD Case Manager with end date. 2. End location code according to end date and early terminates authorizations
2.0	Self-Directed Services Coordinator	3. Notify FMS and sends termination letter.

Actions – Renewing an arrangement at time of IPOS

Action Number	Responsible Stakeholder	Details
1.0	Caseholder	1. Inform SD Program Coordinator/SD Case Manager of services being authorized
2.0	Self-Directed Services Coordinator	2. Send renewed arrangement paperwork to employer of record for signature (Exhibit A).

B. Related Policies

N/A

C. Definitions

1. *Financial Management Service Provider (FMS)*: (previously known as Fiscal Intermediary or FI) An independent legal entity (organization or individual) that acts as a fiscal agent for the purpose of assuring fiduciary accountability for the funds comprising a person's individual budget. An FMS shall perform its duties as specified in a contract with a Community Mental Health Service Provider (CMHSP) or its designated subcontractor. The purpose of the FMS is to receive funds making up a person's individual budget, and make payments as authorized by the individual to providers and other parties to whom a person using the individual budget may be obligated. An FMS may also provide a variety of supportive services that assist the individual in selecting, employing, and directing individual and agency providers.
2. *Individual Budget*: An individual budget is a fixed allocation of public mental health resources and may also include other public resources whose access involves the assistance of the CMHSP, denoted in dollar terms. These resources are agreed upon as the necessary cost of specialty mental health services and supports needed to accomplish a person's plan of services/supports. The person served uses the funding authorized to acquire, purchase, and pay for specialty mental health services and supports that support accomplishment of the individual's plan. The budget is developed through the Person-Centered Planning process.
3. *Qualified Provider*: For purposes of this document, an individual worker, a specialty practitioner, professional, agency or vendor that is:
 - a. At least 18 years of age.
 - b. Able to prevent transmission of any communicable disease from self to others in the environment in which they are providing supports.
 - c. Able to communicate expressively and receptively in order to follow individual plan requirements and beneficiary-specific emergency procedures, and report on activities performed.
 - d. In good standing with the law according to the MDHHS/PIHP contract (i.e., not a fugitive from justice, a convicted felon, or an undocumented immigrant).
 - e. Meets CMHSP provider qualifications.
4. *Specialty Mental Health Services*: Includes any service/support that can legitimately be provided using funds authorized by the CMHSP in the individual budget.

D. Forms

N/A

E. Other Resources (i.e., training, secondary contact information, exhibits, etc.)

IMPORTANT NOTES: Monthly printouts will be sent to the individual / family of service usage (from FMS). This will allow everyone to monitor the budget. The individual/family, who are also the employers, will need to follow up with the FMS if there are concerns to assure the budget remains on track.

If staff quit or are unable to work and the employer does not find a new staff within 2-3 weeks, contact designated staff immediately. The arrangement can be suspended on a short-term basis which saves the monthly cost paid to the FMS. If a staff cannot be found on the longer-term basis, the arrangement may need to be terminated.

If there are concerns related to misuse of approved services or lack of progress on goals within a SD arrangement this would be treated as any other situation. Services provided under a SD arrangement are Medicaid services and the same follow up and expectations remain.

Self-Directed arrangements are voluntary for the individual / family and SCCCMH. If the arrangement is not meeting the needs of the individual, it can be terminated on either end and at any time.

Resources are available on the Compass under Adult and Family Services and Child and Family Services.

[Exhibit A: Self-Direction/Choice Voucher Arrangement](#)

F. References

1. MDHHS Medicaid Contract attachment, Self-Directed Services Technical Requirements (as updated – requirements of the most up-to-date Technical Requirement shall supersede this policy if conflicting)

IV. History

- Initial Approval Date: 01/2002
- Last Revision Date: 10/2024 BY: Kristen Thompson
- Last Reviewed Date: 10/2023 BY: Greta Nichols and Latina Cates
- Non-Substantive Revisions: N/A
- Key Words: Self Directed Services, Choice Voucher, Self Determination