



Monitoring Participant-Directed Programs: Participant's Role in Detecting and Prevention Program Misuse

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Definition of Financial Management Services

- The Centers for Medicare and Medicaid Services define Financial Management Services (FMS) as:

A service/function that assists the family or participant to: (a) manage and direct the distribution of funds contained in the participant-directed budget; (b) facilitate the employment of staff by the family or participant by performing as the participant's agent such employer responsibilities as processing payroll, withholding and filing federal, state, and local taxes, and making tax payments to appropriate tax authorities; and (c) performing fiscal accounting and making expenditure reports to the participant and/ or family and state authorities.



Participant Responsibility

- Participants write their plan/budget to purchase goods and services.
- Each participant's responsibility to follow what was agreed upon and approved by other entities.
- That way participants and other entities know what is expected of them.



Participant Responsibility, continued

- Participants/Participant representatives are not responsible for detecting all program misuse.
- There need to be checks and balances for all involved.
- In Minnesota, where there is choice of FMS, I encourage participants to interview Financial Management Services from an approved list of providers that are contracted by the State.
- However, even if your state has just one FMS provider, it is important to ensure that the participant and FMS both understand their roles and talking about them through an interview can help.



Questions participants/participant representatives can ask during the FMS interview process:

- How do I get started with your agency?
- How am I reimbursed for expenses?
- How long does it take to get reimbursed?
- How often will employees be paid?
- What is the process to submit payroll?
- How long will it take for employees to get started?
- How many people will I have to work with through your agency?
- What are your fees?



FMS Provider Should Communicate with Participant About Expectations

- For participant reimbursements, the FMS should have a process on how this is done.
 - ❑ As a participant we usually need to submit receipts of approved items that are listed on the plan.
- Support brokers should not use their personal/business credit cards to purchase participants approved items.
 - ❑ The FMS can purchase the approved items and ship them to the participant.
- If mileage reimbursement is part of your plan/budget, you need to keep accurate records.
 - ❑ Don't guess, use Map Quest or actual mileage logs from point A to point B.
- Ask the FMS what process they have when you need to return an item and the money is already taken out of the budget.



If Hiring Staff, the Participant Has Some Important Responsibilities

- Participants/Representatives need to monitor that all staff work their allotted hours according to the plan.
 - In my Mom's situation, the FMS sends out a detailed quarterly report on the budget.
- Ask the FMS for a staff packet.



Timecards are Critical

- Ask the FMS for timecards.
 - Timecards should include
 - time in/ time out
 - AM and PM
 - employee signature line
 - participant signature line

In my Mom's case, Lifeworks has a timesheet that each staff person uses. It has an employee ID number when staff work with my Mom.

Should prevent made-up employees.



Participant Should Review Timecards

- It is important for the Participant/Representative to watch out that staff hours don't overlap.
- Also check that hours aren't listed when participant is not present to receive those services.
- An example: If the participant is in the hospital, there would be no timecards that reflect any employees working.



Participants Should Review Timecards

continued

- It is important to have each employee sign their own timecards. No pre-signing of timecards.
- Participants should always review timesheets and invoices prior to signing them.
- Make sure you find out if timecards need to be faxed, dropped off at the office or mailed.
- It is the participant's responsibility that they get in on time.
- (It will look fishy if you send timecards in weeks later.)



Pressure from Workers

- If the participant ever feels pressure by a worker they hire or other person to authorize something without the participant performing a full review, the participant should seek assistance as needed from their FMS or Support Broker so no misuse of funds occurs.



Spouse & Parents as Staff

- If a spouse or parent is a paid staff person of a participant they need to report all earnings on their taxes and any Medical Assistance Recertification.



The Bottom Line

- The bottom line is, the participant does not want to be kicked off this option.
- It is important that FMS have policies, procedures and processes in place to educate the participant/representative of their roles and responsibilities.
- The FMS needs to share with the participant/representative what they will do for them.
- This can help prevent or catch early any misuse of funds.

