



**National Resource Center for Participant-Directed
Services (NRCPS) at Boston College**

Innovations Grants

Request For Information (RFI)
May 2010

**National Resource Center for Participant-Directed Services
Boston College Graduate School of Social Work
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1. Cover Letter

May 20, 2010

Dear Interested Party:

The National Resource Center for Participant-Directed Services (NRCPDS) at Boston College with funding through the Robert Wood Johnson Foundation is seeking information to determine which innovative ideas beyond the basic individual budget participant-directed service model (known as Cash & Counseling) offers sufficient promise to be funded as eighteen month Innovation Grants. The three priority categories for the NRCPDS are: 1) Managed Care and Participant Direction, 2) Agency with Choice Participant Direction, and 3) Peer to Peer Support Models in Participant Direction. Potential applicants with another category that they consider to be an innovative advancement to a basic Cash & Counseling program model are also invited to apply.

Innovation is generally understood as the successful introduction of a new thing or method. It is the embodiment, combination, or synthesis of knowledge in original, relevant, valued new products, processes, or services.¹ For purposes of this RFI, the innovation proposed must be a substantial change that has reasonable likelihood of success in becoming an improvement over the current evaluated model of participant-directed services and supports known as Cash & Counseling or a means to significantly expand the numbers of people managing a consumer-directed budget. The NRCPDS will use responses to this Request for Information as the basis to determine who will be invited to submit a complete proposal for funding.

In order to make expeditious decisions on this procurement process, the NRCPDS requests that responses to this Request for Information (RFI) be received no later than 5:00 PM on Thursday, July 1, 2010. A teleconference to discuss this RFI will be held at 3 pm on June 9, 2010. Interested parties can view the RFI, post questions and read answers by going to www.participantdirection.org. Anyone interested in receiving future notice of opportunities can also send contact information to the below address.

Please send responses, questions, and any other correspondence to:

Dianne Kayala, M.S.
NRCPDS
Boston College GSSW
314 Hammond Street
Chestnut Hill, MA 02467
Phone: 617-552-6728
E-mail: kayala@bc.edu

Conclusions or decisions resulting from this RFI will not be distributed at the end of the RFI process.

Sincerely,

Kevin J. Mahoney, Ph.D.
Director
National Resource Center for Participant-Directed Services

¹ Luecke, Richard; Ralph Katz (2003). *Managing Creativity and Innovation*. Boston, MA: Harvard Business School Press

2. Background

2.1 Purpose

The National Resource Center for Participant-Directed Services (NRCPDS) is operated within the Boston College Graduate School of Social Work. The Center's mission is to infuse participant-directed options into all home and community-based services (HCBS) by providing national leadership, technical assistance, education, and research, leading to improvement in HCBS quality and performance and improvement in the lives of individuals of all ages with disabilities. The NRCPDS was awarded \$500,000 by the Robert Wood Johnson Foundation to fund Innovations Projects. The purpose of this RFI is to seek information that will assist the NRCPDS, in making an informed decision on which organizations it will solicit full proposals from in order to fund an innovation project. The Center expects to award five to ten 18-month awards at up to \$100,000 that will be used to develop and implement an innovative practice or model that promises significant positive impact for participant direction and that can be replicated elsewhere. There are four categories for response:

1. Participant-Directed Models in Managed Care
2. Enhancing Participant-Direction in Agency with Choice Models
3. Peer to Peer Support Models in Participant-Direction, and
4. Other Innovations in Participant-Direction – A category that can be designed by the respondent

The NRCPDS is seeking proposals that demonstrate new and creative thinking to significantly improve or expand participant-directed services and/or supports that can be completed in 18 months. This RFI will not lead to funding for development of new participant-directed programs nor will it fund direct services. However, it will lead to the development and/or tools to develop and implement practices that significantly enhance or expand participant direction. The NRCPDS will use the responses to this RFI to determine which organizations will be invited to submit full proposals. The NRCPDS reserves the right to request proposals from entities who have not responded to this RFI if the responses received do not adequately meet the definition of innovation or do not meet a key category of interest to the expansion of participant direction as listed above.

Concise responses are sought which will inform the NRCPDS of organizations who have innovative ideas that have promise to result in significant improvement or expansion to participant-directed service and supports, as well as estimates of cost and implementation timeframes. The NRCPDS is interested in gaining a full understanding of the available approaches; therefore, responses will be solicited and accepted from governmental and non-profit organizations in accordance with the objectives and parameters established in this document.

2.2 Objective

The objective of this participant direction innovations initiative is to develop and implement the infrastructure for alternate models of services and supports that significantly impact basic participant-direction programs described under Section 2.3 "Program Description" in this document. Specifically, the emphasis of this RFI is to gather information and identify innovations that may be implemented as described in Section 3. The NRCPDS encourages creativity and forward thinking in response to this RFI. The NRCPDS also encourages respondents to review additional background material on the Center's web site: <http://www.participantdirection.org/>. Additionally, more detailed information regarding specific base requirements for organizations eligible for Innovations funding is found in the Requirements Section.

2.3 Program Description

Today, more than a million Medicaid beneficiaries receive supportive services in their homes. These services include help with bathing, dressing, grooming, preparing meals and housekeeping. For years, people with disabilities have felt that if they had more choice and control over their services, they could better meet their own needs. The Cash & Counseling model was designed based on the philosophy of consumer direction, whereby the participant, not agencies and professionals, decide on the kind of care they need and how, by whom, and when the care is provided.

In 1995, through a partnership between The Robert Wood Johnson Foundation (RWJF) and the U.S. Department of Health and Human Services (DHHS), the Cash & Counseling Demonstration and Evaluation was initiated in three states: Arkansas, Florida, and New Jersey.

In the demonstration, the enrolled participants received a monthly allowance based on the value of the care that they would otherwise have received under Medicaid long-term care or home and community-based service programs. They developed an individualized spending plan showing how they planned to use the allowance to meet their needs for long term care services and support. They could hire someone of their choice to provide personal assistance and/or could choose to purchase equipment, goods or services, or modify their homes or vehicles. Many used their allowances to hire friends or family to provide their care. Those participants who were unable or unwilling to manage their spending plan and responsibilities themselves could designate a representative, such as a family member, to help them or act on their behalf.

The program offered two types of support services to assist participants to carry out their new responsibilities: *Support brokers* helped participants develop their spending plans and hire and manage their employees; they also monitored participants' health and welfare; *Financial Management Services* helped participants with the employer functions of paying employees' wages, withholding for taxes and insurances, and keeping adequate records. These main features of the model made the program adaptable to participants of various ages and with various types of disabilities.

Cash & Counseling succeeded in increasing participant choice, satisfaction, and service quality without any negative effects on health and welfare and without necessitating cost increases. The NRCPPDS, then The National Program Office at the Boston College Graduate School of Social Work served as the primary organization for coordinating and directing this demonstration and evaluation.

The success of the original Cash & Counseling Demonstration and Evaluation combined with interest from other states, a supportive political environment, and President Bush's New Freedom Initiative influenced the Robert Wood Johnson Foundation, the Office of the Assistant Secretary for Planning and Evaluation, Administration on Aging, and the Retirement Research Foundation to authorize an expansion of the Cash & Counseling program. This expansion provided grants and comprehensive technical assistance to 12 additional states that were interested in replicating, and in some states expanding, on this Cash & Counseling model. The states participating in the expansion were: Alabama, Illinois, Iowa, Kentucky, Michigan, Minnesota, New Mexico, Pennsylvania, Rhode Island, Vermont, Washington, and West Virginia. Over time, most of these states have enrolled 10 to 15 percent of their eligible Medicaid populations in their Cash & Counseling programs. The Centers for Medicare and Medicaid Services have demonstrated their acceptance of the model through adoption of a participant-direction appendix in the standard 1915(c) waiver application. Furthermore, the Deficit Reduction Act enabled the adoption of the 1915(j) option whereby states may offer participant-direction as a Medicaid state plan option. It is believed that every state currently offers some model of participant direction to at least a segment of its population.

Concurrent to the Medicaid Cash & Counseling growth has been a commitment by the Administration on Aging (AoA) to advance participant-directed programs under its Community Living Programs, and by the Veterans Health Administration to work in partnership with the AoA and local Area Agencies on Aging in the implementation of an individual budget veteran-directed program called Veteran-Directed Home and Community-Based Services (VD-HCBS).

3. Envisioned Solution

3.1 Overview

The Innovations awards are intended to be an opportunity to bring the Cash & Counseling model (where participants both are employers and have individual budgets) to a new level. Whether it is a more meaningful intersection with other established systems of care such as Managed Care, Agency with Choice, Peer Supported models, or another entirely new innovation, the projects that will be funded must have promise of being replicable in other locations and of strengthening the infusion of a participant direction philosophy in service delivery. Projects may be to create tools or the infrastructure to institute an innovative practice, or may be to test an innovative application of participant direction.

The Participant Direction Innovation must significantly impact the larger long term services and supports system of the locality, participants, representatives, support counselors, financial management services, or local or state administrators in a way that offers meaningful and positive efficiencies or changes from a traditional Cash & Counseling model. Any proposal that does not include as a baseline the ability of a participant to hire or fire his/her employee and manage an individual budget will not be considered for funding.

3.2 Key Considerations

- 1) The applicant must already be directly involved in operating or administering a participant-directed program that includes both employer and budget authority. In the case of an Agency with Choice model, the participant must have managing authority of his/her employee(s) even if not the common law employer.
- 2) The applicant may be 501(c)3 non-profit organization or governmental organization, but if not the state agency, must demonstrate support and endorsement by the appropriate state agency (usually Medicaid or State Unit on Aging).
- 3) The response to this RFI should be between five and ten pages long with an additional one page budget.
- 4) All programs must comply with mandates set forth by the Health Insurance Portability and Accountability Act of 1996 (HIPAA)
- 5) All programs must comply with mandates set forth in the Americans with Disabilities (ADA) act and Section 508 of the Rehabilitation Act.

4. RFI Questionnaire

As part of your response to this RFI please include an overview of the proposed innovation that describes the approach and the method of implementation. In addition, please be sure your responses address the questions specified for your project's category as well as the general questions outlined in Sections 4.1 through Section 4.3.

4.1 Proposal and Approach

General

- 1) What is the name, title, address, phone number, and email address of your point of contact on this RFI?
- 2) Who is the State Agency point of contact (name, title, telephone number and email address)?
- 3) What is the category of Innovations Project you wish to have funded: 1) Managed Care and Participant Direction, 2) Participant-Directed Agency with Choice, 3) Peer to Peer Support Models in Participant Direction, or 4) Other Innovations in Participant Direction?

- 4) What experience does your organization have with employer and budget model participant direction programs? Describe your current program.

Managed Care and Participant Direction

- 5) Describe how the managed care and participant-directed programs you are targeting in this response are currently administered in your region/state? Do managed care organizations (MCOs) also provide supports for participant direction? Do the MCOs provide any other long term services and supports?
- 6) What specifically do you plan to accomplish in regard to managed care and participant direction under this response?
- 7) What barriers in regard to full integration of a participant-directed model of care within managed care do you anticipate? How will you address these barriers?

Agency with Choice and Participant Direction

- 5) Please describe the structure for the current Agency with Choice model in your region/state. Include as an attachment any state law requiring this model for participant direction.
- 6) What specifically do you plan to accomplish in regard to this participant-directed Agency with Choice project? How will you ensure that it meets the individual budget participant-directed philosophy as found in the evidence-based Cash & Counseling model? See Appendix Two for the Cash & Counseling Vision Statement expected in these projects to the extent allowed in your region.
- 7) What barriers do you anticipate in the implementation of this project? How will you address these barriers?

Peer-Supported Models of Participant Direction

- 5) Please describe any current peer to peer supported models of participant direction or separate peer support systems that exist and how they will intersect with participant-directed services.
- 6) What specifically do you plan to accomplish in this peer to peer supported participant direction program? How will you involve current peer networks of support?
- 7) What barriers do you anticipate in the implementation of this project? How will you address these barriers?

Other Innovations in Participant-Direction

- 5) Please describe your current model of participant direction and any systems as applicable that will be involved in your innovative program idea.
- 6) What specifically do you plan to accomplish in this innovative project? What makes it innovative?
- 7) What barriers do you anticipate in the implementation of this project? How will you address these barriers?

4.2 General Questions

- 8) Each project will be required to submit a final report that itemizes the project, goals, outcomes, participants served, other populations impacted and lessons learned. What are your goals and objectives for this project?
- 9) Please outline the methods you will use to accomplish your objectives.
- 10) Why is your project something that should be funded? How does it promote the greater infusion of participant-direction across service delivery systems and/or constitute an innovation?

4.3 Corporate Experience

11) Describe your experience relative to the project contained in the response as well as those of any proposed partners.

4.4 Additional Comments

Please feel free to include any additional comments or suggestions that your organization believes would be helpful to the NRCPPDS.

5. Instructions to Respondents

Responses to the RFI must be submitted to the NRCPPDS no later than 5:00 PM EDT Thursday, July 1, 2010. E-mail soft-copy of all response files to:

Attn: Dianne Kayala, MS
National Resource Center for Participant-Directed Services
Boston College Graduate School of Social Work
314 Hammond Ave.
Chestnut Hill, MA 02467
Fax: (617) 552-1975
E-mail: kayala@bc.edu

Questions regarding any aspect of this RFI should be emailed to kayala@bc.edu. Questions and answers will be posted on the NRCPPDS web site at <http://www.participantdirection.org>.

RFI responses must conform to the format described below, which is intended to minimize the effort of the respondent and structure the response for ease of analysis by the NRCPPDS.

Response Format **Questions/Answers**

Respond in the provided Question/Answer format for each question in the RFI Questionnaire Section 4, including the overview specified in the opening paragraph. No more than 10 total single-sided pages with print no smaller than 10 point is allowed; however, text included in graphics, tables, and figures can be smaller than 10 point. The submissions must be in sufficient detail and clarity to provide the information needed to assess your solution approach. Marketing material and reference material may be placed in appendices. Appendices will not be counted against the 10-page limit. Responses must be submitted in Microsoft Word 2000 or later.

State Office Letter of Commitment/Endorsement

All submissions by entities other than a state agency must include a letter of commitment and endorsement of the proposed project from the state agency (Medicaid Director, Director of Aging Services or other applicable state unit director) in order to be considered.

Budget

A one-page budget is required. See Appendix One for the format.

Note: This RFI is issued solely for information and planning purposes and does not constitute a solicitation. All information received in response to this RFI that is marked Proprietary will be handled accordingly. Responses to the RFI will not be returned. Responses to this notice are not offers and cannot be accepted by the National Resource Center for Participant-Directed Services to form a binding contract. Respondents are solely responsible for all expenses associated with responding to this RFI.

The NRCPDS will use the responses to this RFI as the basis to request full proposals for contract award, but reserves the right to solicit requests for priority projects even if an RFI was not completed.

The NRCPDS will hold a respondent's teleconference on June 9, 2010 at 3 pm to provide an overview of this RFI and answer questions.

6. Projects or Activities that cannot be funded

The funds for these projects are provided by the Robert Wood Johnson Foundation, and as such, cannot provide funds for:

- ongoing general operating expenses or existing deficits
- endowment or capital costs
- basic biomedical research
- research on drug therapies or devices
- direct support of individuals
- lobbying of any kind

APPENDIX ONE: Budget Format

(Example in italics)

Category	FTEs/Basis	Cost	Description/Justification
<i>Personnel</i>	<i>. 5</i>	<i>\$30,000</i>	<i>Project Director – MS level, 20 hrs per week</i>
<i>Fringe</i>	<i>20%</i>	<i>\$ 6,000</i>	<i>Project Director at 20% of base salary</i>
<i>Supplies</i>		<i>\$ 500</i>	<i>Copies and mailings to an estimated xx persons</i>
<i>Equipment</i>		<i>\$ 0</i>	<i>N/A</i>
<i>Contractual</i>		<i>\$13,500</i>	<i>Training curriculum development and dissemination to xx persons</i>
<i>Indirect</i>	<i>10%</i>	<i>\$ 5,000</i>	<i>Federal Indirect rate agreement enclosed (or rate basis)</i>
Total Cost		<i>\$55,000</i>	
In-Kind		<i>\$ 5,000</i>	<i>State agency support, project space</i>
Requested Amount		<i>\$50,000</i>	

APPENDIX TWO: The “Cash & Counseling Model” Vision Statement²

The Cash & Counseling service model is a form of participant-direction or self-direction intended to empower individuals to make choices and take control of the community support services that they receive. The goal of the model is to enhance their ability to live the life they wish to in the community. This vision evolved from a tested model which yielded very positive results. Cash & Counseling seeks to create a new model through the inclusion of principles that go beyond what is already possible. The following principles are essential to the Cash & Counseling model.

- Cash & Counseling reflects a belief that individuals, when given the opportunity to choose the services they will receive and to direct some (or all) of them, will exercise their choice in ways that maximize their quality of life.
- Cash & Counseling is one option among several service delivery models but it should be available for all participants that choose it.
- Because participation in Cash & Counseling is voluntary, there should be a seamless process for moving between this option and the traditional system.
- Consumer-direction is not used as a vehicle for reducing benefits to recipients.
- Cash & Counseling includes participant-centered-planning to ensure that the participant is making personal choices for the spending of the budget based on his or her own goals.
- Cash & Counseling requires a flexible individualized budget that the participant may spend on services that assist the individual to meet his/her community support needs and enhance his/her ability to live in the community.
 - The participant may use the individualized budget to choose and hire workers to provide the services.
 - The participant may use the individualized budget to purchase goods, supplies or items to meet community support needs.
 - A flexible budget means the participant has significant choice in the allocation of their funds between hiring workers and making other purchases.
- Cash & Counseling allows participants to select a representative to help them with making decisions and managing their services.
- Cash & Counseling provides a system of supports to assist the participant in developing and managing his/her spending plan; fulfill the responsibilities of an employer, including managing payroll for workers he/she hires directly; and obtain and pay for other services and goods.
- Cash & Counseling obtains feedback from participants, representatives, and family members (when appropriate) as well as data from support service providers to continuously improve the program.

² These are the basic components desired for Innovations projects. Exceptions may be made if a respondent provides documentation of local law or regulation precluding an element, or offers evidence that the benefit of the project to the participant will outweigh the deficiency of the basic program model.