

**North Carolina Division of Medical Assistance
Community Alternatives Program**

**Instructional and Technical Guide for
Consumer-Direction
July 2017**

**This guide should be used as a supplement to the CAP/C and CAP/DA
approved waivers and clinical coverage policies.**

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Introduction

What is consumer-direction?

Consumer-direction, also known as consumer-directed care, self-direction, or self-determination, is a program option under the Community Alternatives Program (CAP) for medically fragile children and disabled adults that allows a beneficiary the option to direct his or her care needs in a home and community based setting. Consumer-direction offers the beneficiary choice and control over the types of services received, when and where services are provided, and by whom services are delivered. Consumer-direction is based on the philosophy that beneficiaries should be empowered to make his or her own decisions about the services he or she receives.

Consumer-direction has 5 basic principles that include: freedom to lead a meaningful life in the community; authority over the use of public funds; support to organize resources in ways that are life-enhancing and meaningful; responsibility; and confirmation of the important leadership role of the individual and his or her family¹.

Description of the Five Principles of Self Determination

Freedom to Lead a Meaningful Life in the Community

Consumer-direction offers the ability for individuals, along with freely chosen family members and friends, to plan his or her own life, with necessary support. Individuals are given the option of using public funds to build a life rather than purchase a predetermined program. The individual will be able to control resources through individual budgets, make decisions about the kinds of support he or she receives, the people who will provide that support, and alter the configuration of supports as life situations change or as the individual gains more experience in making choices. Individuals will be encouraged to dream and be creative in designing the best possible arrangement of his or her care.

Authority over the Use of Public Funds

Under consumer-direction, individuals assume the responsibility for the appropriate use of public funds to manage their care. Consumer-direction offers the option to control a budget to manage the individual's supports and services. When individuals need assistance in managing the budget and planning for supports and services, he or she will decide who will provide that assistance. Anyone helping the individual plan his or her life will be mindful of the need to determine the desires and aspirations of the person who chose them to assist.

¹ These five principles were adapted from Nerney and Shumway, 1996.

Support to Organize Resources in Ways that are Life-Enhancing and Meaningful

Consumer-direction provides the option to arrange formal and informal resources and personnel that will assist individuals to live a life in the community that is rich in social associations and contributions. Individuals will have the assistance her or she needs to plan and live his or her lives. Much of that assistance should come from an informal network of family and friends. Individuals should receive the help needed to develop informal relationships and thereby increase his or her participation in the social, economic, cultural, and spiritual dimensions of his or her community. People who provide support must have an attitude of “whatever it takes” and “nothing is impossible.” “No” as an answer is replaced with “How can this be accomplished?”

Responsibility

Individuals in consumer-directed programs should assume responsibility for the risks associated with the choices he or she makes. He or she should not be seen and treated as dependent and incapable of being contributing members of his or her community. Programs should be structured so that goals, objectives, and regulations meet the needs and aspirations of the individual rather than the human service system. People in support roles have a responsibility to ensure that risks taken by the individual are reasonable, safe, and will lead to further growth.

Confirmation of The Important Leadership Role of The Individual and His or Her Family

Consumer-direction honors the importance of empowering individuals in his or her newly acquired leadership role. Consumer-direction offers individuals and their families an opportunity to change systems by providing a key role in the everyday operation of a system.

The purpose of consumer-direction is to allow beneficiaries the option to direct his or her own care that results in more efficient, person-centered services, increased personal ratification, and a better quality of life. By selecting to participate in consumer-direction, the beneficiary will be empowered to be self-reliant by utilizing resources to meet their needs and making decisions about their Medicaid budgetary limits. Consumer-direction may not be suitable to all beneficiaries.

History of Consumer-Direction in CAP

In 2002, North Carolina convened workgroups to design a program that allowed access to consumer-directed care for disabled adults and the elderly enrolled in the Community Alternatives Program. The workgroups provided input and recommendations for the structure of the program.

In 2005, CAP/DA offered a consumer-direction pilot that allowed individuals in certain demographic areas to direct his or her care. The following counties participated in the pilot program: Cabarrus, Duplin, Forsyth, and Surry.

With the success of the pilot program in CAP/DA, a decision was made to offer consumer-direction to all eligible CAP/DA beneficiaries. In 2008, CAP/DA Choice was approved as a separate waiver and eligible participants were provided with this program option.

In 2015, CAP/C began a pilot program that offered consumer-direction to individuals in select areas in the state. The following case management entities participated in the pilot program for consumer-direction: Amazing Kids of NC, Cape Fear Valley Health Systems, and Wake Forest Community Care.

As a result of the benefits realized in the pilot program, a recommendation was made to add consumer-direction as a standing option in the CAP/C waiver program. In 2017, the CAP/C waiver was approved and included consumer-direction as a service delivery option for all eligible beneficiaries.

Benefits of Consumer-Direction in CAP

The consumer-direction pilot programs identified many benefits in administering a consumer-direction program. The benefits identified in the pilot consumer-direction programs were similar to the benefits of consumer-direction identified through a demonstration project, “Cash and Counseling”, piloted by the states of Florida, Arkansas, and New Jersey beginning in 1998. Specific details of the Cash and Counseling Demonstration program can be found at the link listed below.

<http://www.rwjf.org/en/library/research/2013/06/cash---counseling.html>

The benefits of the CAP consumer-direction programs include:

- Greater access to services in rural areas;
- Individuals were allowed to be served by workers he or she is comfortable and familiar with;
- Increased satisfaction with care and services;
- Reduction of unmet needs;
- Increased control and flexibility of services; individuals were more satisfied with services; and
- Improvements in health, relationships, activities and quality of life, at no greater cost.

Description of CAP Consumer-Direction

CAP consumer-direction is a program option offered under the Home and Community-Based Services (HCBS) waivers, Community Alternatives Program for Children (CAP/C) and Community Alternatives Program for Disabled Adults (CAP/DA). CAP consumer-direction allows beneficiaries to more fully direct their care, by selecting and managing individual workers and by having more flexibility in tailoring plans of care to meet their care requirements. Consumer-direction is coordinated through CAP case management entities. Consumer-direction is a statewide program option available to any eligible beneficiary. An individual must be able to direct their care or have an eligible designated representative who is able to direct their care in order to participate in the consumer-direction option.

CAP consumer-direction allows a beneficiary to:

- Determine the necessary services and supports to meet their health care needs within budgetary limits.
- Have more freedom, flexibility, and control over their services and supports.
- Have the autonomy to select services that will enhance their ability to become more active in life, strengthen mental and emotional health, instill dignity, and increase confidence and self-respect.
- Recruit, hire, supervise, and evaluate a personal assistant.
- Negotiate the rate of pay for the personal assistant.
- Choose personalized tasks and train the personal assistant to complete them.
- Have the authority to set and vary the schedule of the personal assistant within the authorized time limits.
- Have the authority to terminate the personal assistant should it become necessary.
- Engage in a cooperative working relationship with a financial manager who will reimburse the personal assistant, handle federal and state taxes, handle payroll and benefits related to the employment of the worker, and reimburse other service providers under the direction of the beneficiary.
- Engage in a cooperative working relationship with a care advisor who will offer support and empower the beneficiary in their responsibilities under consumer-direction.

Responsibility of Consumer-Direction

Upon acceptance in the consumer-direction option of the program, the beneficiary accepts all risks and responsibilities of how his and her decisions might impact his or her health and safety. The beneficiary also accepts the responsibility to report if care needs are not being met and if his or her safety and well-being are compromised. Resources and training materials are provided to the beneficiary to educate them on consumer-direction. The care advisor will intervene, when necessary, if concerns of health, safety, and well-being are not being met. The beneficiary will seek the instruction and support from the care advisor when faced with a difficult decision or in a situation that impedes health, safety, and well-being.

How is CAP Consumer-Direction Different from Traditional CAP?

Consumer-direction offers the same services available in the traditional option of CAP. Consumer-direction differs from traditional CAP by providing the opportunity to have more authority over services received and autonomy to make decisions regarding staffing. The following outlines the key differences between consumer-direction and traditional CAP.

- The consumer-directed beneficiary will choose services, supports, and resources of available consumer-directable services.

- The consumer-directed beneficiary will determine what services and supports are needed to meet health care needs within budgetary limits.
- The consumer-directed beneficiary will have more freedom, flexibility, and control over his or her services and supports.
- The consumer-directed beneficiary will select his or her personal assistant, decide what tasks will be performed, and how much to reimburse the personal assistant for services rendered (within the cost limits as specified by State and Federal guidelines).

Who is Involved in CAP Consumer-Direction?

The key players of CAP consumer-direction include: the beneficiary, beneficiary's representative (if appointed), case management entity (CME), care advisor, financial manager, personal assistant, and the Division of Medical Assistance (DMA). Listed below is a description of the roles and responsibilities of each key player.

Role and Responsibilities of the Consumer-Directed Beneficiary

The consumer-directed beneficiary assumes the role of the employer of record. The employer of record is established through the Internal Revenue Service (IRS). The beneficiary will receive assistance from the financial manager to become the employer of record. As the employer of record, the beneficiary will provide oversight to the employee hired to provide personal care services. The beneficiary is also responsible for determining the best way to meet care needs. By electing to consumer-direct, the beneficiary assumes full responsibility for his or her health, safety, and well-being. The beneficiary is responsible for assuming risks for the decisions made in the consumer-direction option.

Key responsibilities of the beneficiary include the following:

1. Participate in orientation and training,
2. Complete the self-assessment to determine ability to consumer-direction,
3. Serve as the employer of record,
4. Recruit, hire, and manage the personal assistant,
5. Train and evaluate the personal assistant,
6. Work collaboratively with the care advisor and financial manager,
7. Notify all parties of health and service changes to the plan of care, and
8. Develop an emergency back-up plan.

Training

The beneficiary is required to participate in orientation and trainings prior to enrolling in the consumer-direction program option. Training may be offered by DMA, case management entities, and the financial management entity. Training prepares the beneficiary to complete the

tasks necessary to consumer-direct by providing detailed information about their role and responsibilities.

Complete Self-Assessment Questionnaire

The self-assessment questionnaire is a tool used to determine a consumer-direction beneficiary's ability to consumer direct and to identify their training needs. The self-assessment questionnaire shall be completed to illustrate the beneficiary's desire to consumer-direct; knowledge of consumer-direction processes; ability to develop a care plan and task lists; and the competency of the hired personal assistant. Upon the completion of the self-assessment the case management entity evaluates the beneficiary's responses to determine the readiness of the beneficiary to begin consumer-direction.

Serve as Employer of Record

The consumer-directed beneficiary will enter into a collaborative relationship with the financial manager. The financial manager will assist the beneficiary in managing the financial aspect of their employer related responsibilities. As the employer of record, the beneficiary will abide by all state and federal guidelines. The beneficiary will review and approve all documentation of completed tasks and timesheets presented by the personal assistant. The approved documentation will be submitted to the financial manager at the agreed upon submission time. It is necessary to submit this documentation in a timely manner to facilitate appropriate reimbursement of services.

Recruit, Hire and Manage Personal Assistant

The consumer-directed beneficiary will serve as the managing employer of all employees selected to provide personal assistance services. The beneficiary will recruit a personal assistant(s) among relatives, friends, neighbors, or worker registries. The beneficiary will refer the personal assistant to the financial manager for consideration for hire. The financial manager will assist in conducting necessary background checks on the prospective personal assistant. Once results are available, the financial manager will discuss the findings with the beneficiary to make a final determination of the individual's ability to provide care.

The beneficiary will train and monitor the personal assistant in specific care needs and specify any additional qualifications needed by the personal assistant. The beneficiary will determine a negotiated rate of pay and other benefits for the personal assistant. These negotiated rates of pay and other formal services necessary to meet the beneficiary needs must be cost effective and fit into the CAP service plan budget.

The beneficiary may terminate the personal assistant from employment, if necessary, and communicate this termination with the financial manager and the care advisor. The personal assistant is an at-will employee and may be terminated for any reason determined by the beneficiary.

Train and Evaluate Personal Assistant

The beneficiary is responsible for training the personal assistant in the tasks needed to address health care needs. The beneficiary will also evaluate the efficiency of the personal assistant to meet specific care needs and arrange additional training to build competencies when necessary. The beneficiary will orient and instruct the personal assistant in their performance of duties and supervise them while performing these duties. The beneficiary will develop and implement performance guidelines and perform regular performance evaluations to assure services are meeting health care needs.

The consumer-directed beneficiary will develop a job description to determine tasks and duties to be performed by his or her personal assistant. The job description shall also incorporate the work schedule of the personal assistant. The beneficiary will use the job description as a guide for the following:

- Evaluate effectiveness of the personal assistant
- Arrange for additional training to build competencies as needed
- Orient and instruct employee of performance of duties
- Supervise the employee and monitor performance

Work Collaboratively with Care Advisor and Financial Manager

The consumer-directed beneficiary is responsible for maintaining communication with the care advisor and the financial manager. This close communication is necessary to ensure accuracy of service provision, stewardship of public dollars, and safeguard of the assurances of the CAP waiver. Close communication and frequent contact also alerts of changes in care provisions and the need for additional services.

Notify all Parties of Changes

The beneficiary is required to notify the care advisor and the financial manager immediately upon changes to the plan of care to ensure accuracy of service provision and reimbursement. The beneficiary should consult with both the care advisor and the financial manager prior to implementing changes. The beneficiary will notify the personal assistant, financial manager, and care advisor of any changes in the personal assistant's identified schedule, in a timely manner. The recipient or designated representative must keep the care advisor and the financial manager informed of adjustments or substitutions made within the approved plan of care.

The beneficiary should immediately contact the care advisor if their health care needs are not being met or safety and well-being is compromised. The beneficiary is responsible to immediately report critical incidents to the care advisor. A critical incident is an incident that has the potential of impacting the health, safety, and well-being of the beneficiary. Incidents pertaining to abuse, neglect, and exploitation are also considered critical incidents. These types

of incidents must be reported to the local department of social services, Adult Protective Services, or Child Protective Services Unit immediately.

Develop an Emergency Back-Up and Disaster Plan

The emergency back-up and disaster plan is used to communicate the special care needs in times of a crisis or unavailability of the personal assistant. The emergency back-up plan must identify individuals who will provide services when key direct care staff cannot provide services. In addition; the emergency back-up plan must indicate important information needed at the time of an emergency such as: primary caregiver contact information, alternative individuals to contact in the event the primary caregiver is unavailable, a home evacuation plan, physician's name and contact, poison control information, medication list, and allergy list.

The disaster plan shall be used in the event of a fire, hurricane, tornado, flood, or other natural disaster or hazard. The disaster plan, used in conjunction with the emergency back-up plan, should include provisions to follow in the event of a disaster such as: the nearest community shelter, special care equipment, and displacement contact information to check well-being after an evacuation.

Role and Responsibilities of Representative

Under the consumer-direction option, a representative is an individual who is appointed by the beneficiary and acts on behalf of the beneficiary to direct their care. At any time, the beneficiary has the autonomy to designate a representative to direct their care. The care advisor may recommend that a representative is appointed if they determine that the beneficiary is unable to meet the criteria to consumer-direct. The representative's role is to make the best decisions and choices for the beneficiary while including the beneficiary in these decisions. Key responsibilities of the representative are equivalent to those of the beneficiary.

The representative may be a family member, friend, legal guardian, other legally appointed representative, or designated payee of income. The representative cannot be paid for directing the beneficiary's services nor can they be an employee of the beneficiary.

When a representative is appointed, he or she must:

- Assume the role of the consumer-directed beneficiary.
- Demonstrate knowledge and understanding of consumer-direction processes.
- Understand the role and responsibilities of all key players in consumer-direction.
- Work collaboratively with all consumer-direction key players.
- Agree to a predetermined level of contact with the beneficiary.
- Be at least 18 years of age.

- Be approved by the beneficiary to act in this capacity or is acting as the legal guardian or power of attorney.

The care advisor must agree on the selection of the representative. The care advisor and the financial manager have the authority to intervene on behalf of the beneficiary when the representative exhibits deficiencies in making appropriate decisions and choices for the beneficiary. If these deficiencies cannot be resolved and there is no other individual to serve as the representative, the beneficiary's appropriateness for the consumer-direction option will be re-evaluated to ensure that the most appropriate care delivery system is in place.

Role and Responsibilities of Case Management Entities

Case management entities (CME) are appointed by DMA to provide day-to-day oversight of the CAP waiver. CMEs comprise local lead agencies and case management agencies and employ care advisors, who will provide support and assistance to the consumer-direction beneficiary. In addition to providing assistance to the beneficiary, the care advisor will remain responsible for providing the core functions of case management which include: assessing, care planning, referral and linkage, and monitoring and follow up.

Key responsibilities of the CME include the following:

1. Provide orientation and training on consumer-direction to the beneficiary.
2. Assess the beneficiary's ability to participate in consumer-direction.
3. Work collaboratively with the financial manager.
4. Monitor the beneficiary's care needs.
5. Develop a service plan.
6. Arrange emergency care.

Provide Orientation and Training to the Beneficiary

The CME is responsible for providing an orientation and training session to the beneficiary interested in consumer-direction. Once a beneficiary has expressed interest in consumer-direction; the CME will schedule a training session to provide a high-level overview of consumer-direction to include his or her role and responsibilities and the role and responsibilities of all key players.

Assess Ability to Participate in Consumer-Direction

The CME is responsible for determining the beneficiary's ability to participate in consumer-direction. The evaluation of the self-assessment questionnaire will assist the CME in deciding on the beneficiary's readiness to consumer-direct. The CME is responsible for evaluating the responses of the self-assessment questionnaire to ensure they indicate readiness and capability to

consumer-direct. The CME will work with the beneficiary by providing additional trainings as needed to help the beneficiary build competencies to participate in consumer-direction.

If the beneficiary is unable to meet the competencies to participate in consumer-direction; the CME has the authority to recommend the appointment of a representative for the beneficiary. The beneficiary will select a representative of his or her choice; however, the CME must evaluate the competencies of the selected representative to ensure that they meet the eligibility criteria.

Work Collaboratively with the Financial Manager

The CME will work collaboratively with the financial manager to assure accuracy of person-centered planning for successful participation in consumer-direction. The CME will assure freedom of choice of providers to CAP beneficiaries by making them aware of their right to select an enrolled Medicaid provider for CAP and other Medicaid services. In collaborating with the financial manager, the CME will provide information to the financial manager agency regarding waiver services the beneficiary is authorized to receive. This information will assist the financial manager in developing a consumer-direction budget.

Monitor Care Needs

The CME will continue to provide the core functions of case management while serving consumer-direction beneficiaries including: assessing; care planning; referral and linkage; and monitoring and follow up.

Regular contact must continue when the beneficiary enrolls into consumer-direction. The CME must ensure that monthly contact (face-to-face or in-person) is conducted and quarterly multidisciplinary meetings are held. The contacts shall provide an opportunity to monitor service provisions and evaluate the efficiency of the beneficiary's consumer-direction tasks.

Monitoring will also include the monthly review of the beneficiary's financial management documentation to monitor accuracy and efficiency of the service provision. If the care advisor finds significant deviations between planned spending and actual spending, they will contact the beneficiary or designated representative to implement a plan to address concerns. The plan of care must be continuously monitored by the care advisor to assure that needs are met and funds are used according to program criteria.

Develop a Plan of Care

The consumer-directed person-centered plan of care (POC) is developed on an annual basis and is revised as needed by the case management entity in collaboration with the beneficiary. The POC utilizes a person-centered planning approach that reflects the needs and preferences of the beneficiary as identified in the assessment and must be approved by the local lead agency or

DMA. The CME will provide guidance to the beneficiary in identifying needed services and working with the financial manager to incorporate services in the plan of care within budgetary limits. The amount budgeted is based on assessed needs and is determined annually by the Continued Needs Review (CNR) or sooner, if warranted by a change in the beneficiary's status.

The beneficiary may substitute traditional CAP services within the consumer-direction POC as long as the changes continue to address the beneficiary's assessed care requirements and do not pose a conflict with selected consumer-direction services. Any adjustments to the POC should be immediately communicated to all involved parties.

Arrange Emergency Care

The beneficiary is instructed to make the CME aware of any emergencies or unplanned occurrences that affect the provisions of services. The CME is responsible for addressing emergency situations to assure services for the beneficiary are accessible and in place. In the event the personal assistant and the identified informal supports are not available to provide services, the CME will coordinate with the beneficiary to arrange the receipt of in-home aid services under the traditional model of CAP.

Role and Responsibilities of the Financial Manager

The financial manager will assist the beneficiary in managing some of the employer responsibilities and ensuring that Medicaid funds outlined in the POC are managed and distributed as intended. The financial manager bills for consumer-direction services that are outlined in the beneficiary's POC and disburses funds to the hired employee. Financial manager services for CAP consumer-direction are performed by GT Independence, Outreach Health, and Rayni Enterprises.

Key responsibilities of the financial manager include the following:

1. Provide training to the beneficiary in Internal Revenue Services (IRS) and Department of Labor (DOL) laws related to consumer-direction.
2. Provide the beneficiary with a source for customer service inquiries related to financial management services.
3. Maintain financial records on behalf of the beneficiary and supporting documents as required by DMA.
4. Process the employment application for the personal assistant.
5. Provide a process to the beneficiary for paying personal assistants and vendors.
6. Ensure that all the records required from the beneficiary are completed and retained as appropriate.
7. Make enrollment package available to all case management entities and the beneficiary.
8. Educate the beneficiary on employer's role, rights, and responsibilities.
9. Conduct criminal background and N.C. Health Care Registry checks for the personal assistant.
10. Educate the beneficiary on background check results so that they can make an informed decision about hiring the prospective personal assistant.

11. Provide monthly invoice of filed Medicaid claims for reimbursement of all services to the beneficiary and CME, and as requested by DMA.
12. Notify the beneficiary if there is an issue with payment and establish a time frame to make funds available.
13. Collaborate with CMEs to provide necessary documents and inform of any financial irregularities.
14. File claims through the Medicaid Management Information System (MMIS) for beneficiary goods and services.
15. Deduct all required federal, state taxes, including insurance and financial management fees, prior to issuing reimbursement or paychecks.
16. Provide payroll statements on at least a monthly basis to the personal assistant.

Role and Responsibilities of the Personal Assistant

The personal assistant is the hired employee of the beneficiary to provide assistance with Activities of Daily Living and Instrumental Activities of Daily Living. The personal assistant provides help with personal and home maintenance tasks to the beneficiary who is unable to meet these needs independently due to physical and medical conditions.

The personal assistant may:

- Be related to the beneficiary.
- Reside in the same residence as the beneficiary.
- Be employed by another beneficiary in the CAP consumer-direction program.
- Be employed by another CAP beneficiary in the same residence.

The personal assistant may NOT:

- Be the parent, step-parent, or guardian to a minor beneficiary.
- Be the spouse or significant other of the parent of a minor beneficiary.
- Be a representative or power of attorney for the beneficiary.

The personal assistant must meet minimum qualifications as listed below:

- 18 years or older;
- U.S. citizen or legal alien authorized to work in the U.S;
- Have a state issued picture identification and Social Security card;
- Have the ability to communicate successfully with the beneficiary;
- Complete and submit the employment application packet to the financial manager; and
- Pass a criminal background and NC Healthcare Registry check based upon the criteria as listed in the CAP clinical coverage policy.

Key responsibilities of the personal assistant include the following:

1. Complete tasks and timesheets correctly; sign and submit timesheets to beneficiary for signature and approval by the agreed upon date.
2. Cooperate with the beneficiary in submitting tasks and timesheets to the financial manager by the designated submission date.
3. Read, understand, and comply with the Beneficiary Rights and Responsibilities.
4. Request planned time off from regular work schedule as designated in the agreement established with the beneficiary.
5. Notify the beneficiary of any changes in personal information such as name, address, and telephone number, as soon as it occurs.
6. Discuss job related concerns with the beneficiary when it occurs to seek and implement a resolution to concerns.
7. Give the beneficiary two weeks written notice regarding resignation or termination of employment.

Role of the Division of Medical Assistance

The Division of Medical Assistance (DMA) is the Medicaid Administration and Operation Agency designated to provide training and technical assistance to CMEs. DMA manages the CAP home and community based services waivers and oversees the management and operation by the local lead agencies and CMEs to ensure operation is according to state and federal guidelines and procedures. DMA develops policies and procedures based on federal guidelines for operating the program. DMA publishes and distributes technical guides and other resource materials to guide CMEs and CAP service providers in administering the program and providing CAP consumer-direction services.

Key responsibilities of DMA include the following:

1. Obtain feedback and recommendations from stakeholders for best practices in the administering consumer-direction services.
2. Establish quality matrix and measures to identify non-compliant areas for quick remediation.
3. Determine Medicaid fraud, waste, and abuse and mechanisms to address fraud, waste, and abuse cases.
4. Provide initial and ongoing training to direct service providers and beneficiaries.
5. Monitor critical incident reports to ensure health safety and well-being of beneficiaries in consumer-direction.
6. Create an operation guide for the administration of consumer-direction.
7. Develop and manage CAP programs policies and processes.
8. Provide oversight to CAP providers.
9. Review plans of care.
10. Make on-site visits to review program activities.
11. Conduct annual on-site reviews at the CME sites.

12. Provide reports of program implementation and execution to the Centers for Medicare and Medicaid Service.
13. Review data to observe trends and develop reports.
14. Provide a Medicaid Management Information System (MMIS) system to adjudicate claims for reimbursement.

Eligibility

Individuals meeting the criteria under the CAP waiver are eligible to participate in the CAP consumer-direction option. The prospective beneficiary must understand the rights and responsibilities of directing his or her own care. The beneficiary must be willing to assume the responsibilities of consumer-direction or select a representative who is willing and capable of assuming those responsibilities. The prospective beneficiary or designated representative will be administered a self-assessment questionnaire designed to determine the ability to consumer-direct and identify training opportunities to build competencies to aid in consumer-direction.

Eligibility is limited to beneficiaries who meet the following criteria:

1. Complete a self-assessment to determine consumer-direction capabilities.
2. Display the willingness and capability to direct care as evident by the responses to the completed self-assessment questionnaire.
3. Be 18 years of age and older (if under 18 years of age, the legally responsible adult).
4. Be approved to receive CAP services.
5. Accepts the rights and responsibilities of directing one's own care by signing the Rights and Responsibilities addendum form.

Screening

Screening for the potential consumer-direction beneficiary is conducted by the care advisor. The care advisor will thoroughly analyze the informal support system, cognitive ability, and the individual's understanding of the components of consumer-direction to determine ability or specific training needs to self-direct. To ensure success and ability to self-direct, a self-assessment questionnaire will be completed by the beneficiary. The self-assessment questionnaire is a tool that includes various questions to assess the beneficiary's willingness and capability to consumer-direct. The self-assessment questionnaire also helps determine training needs of the beneficiary and the hired staff. The self-assessment questionnaire is completed by the beneficiary or the representative who will be responsible for directing care. The self-assessment questionnaire is divided into the following sections:

- Is Consumer-Direction Right for Me?
- What Are My Health Care Needs?
- What Areas Do I Need Help?
- Thinking Like an Employer (Techniques, Tools, and Processes)
- Finding the Right Employee to Meet My Care Needs
- Competency Validation of Direct Care Staff

Is Consumer-Direction Right for Me?

This section of the self-assessment questionnaire asks various questions to gauge the beneficiary's interest in consumer-direction and gain insight into their current knowledge of consumer-direction processes.

What Are My Health Care Needs?

This section is designed to assess the beneficiary's ability to identify the services required to meet health care needs. The beneficiary is also asked to identify current supports to determine the availability of informal supports that may be available to assist in managing the beneficiary's care.

What Areas Do I Need Help In?

This section request responses of the beneficiary to determine the level of assistance needed in various consumer-direction processes. This will assist the care advisor in determining training needs of the beneficiary.

Thinking Like an Employer (Techniques, Tools, and Processes)

In this section, the beneficiary is requested to provide responses of how he or she will handle certain employer responsibilities. The purpose of this section is to identify the beneficiary's ability to manage employer related responsibilities. This section also instructs the beneficiary to identify the skills needed to provide care to assess their ability to develop a sufficient task list for the personal assistant.

Finding the Right Employee to Meet My Care Needs

This section provides various statements to identify the importance of certain requirements for the personal assistant. Upon completion of this section, the beneficiary will develop an idea of preferences and desired qualifications of the selected employee.

Competency Validation of Direct Care Staff

In this section, the beneficiary will identify skills required to manage their care. This section validates the ability of the hired staff to complete the selected task and provides the opportunity to identify training needs of the personal assistant.

Upon the completion of the self-assessment questionnaire; the care advisor will complete a thorough evaluation of the beneficiary's response, using a validation check-off. The care advisor will review the self-assessment questionnaire for the following: completeness, relevance of responses, capability to consumer-direct, willingness to consumer-direct, understanding of care needs, presence of an informal support system, and competency of selected personal assistant. The responses provided in the self-assessment questionnaire will determine the next course of action in the enrollment process.

If the beneficiary does not display a readiness to proceed with consumer-direction based upon his or her responses in the self-assessment questionnaire, the care advisor will coordinate additional training sessions. Following the additional training, the beneficiary will update the self-assessment questionnaire based upon knowledge gained. If the beneficiary does not display the competency to proceed after additional training is provided; the care advisor will make a recommendation for the appointment of a representative. If the beneficiary is unable to identify a representative; the care advisor will work with the beneficiary to evaluate the appropriateness of consumer-direction for the beneficiary and identify the best method to receive services in the CAP waiver.

Services under CAP Consumer-Direction Waiver

Services available to consumer-direct include personal care services. The availability of services to direct will be based upon the assessed needs of the beneficiary. The following services are available to direct under the consumer-direction option of CAP.

Personal Care Services

Personal care services provide assistance with personal care and basic home management tasks for beneficiaries who are unable to perform these tasks independently due to their health condition. Levels of care and tasks provided through this service are outlined in the CAP clinical coverage policies. Personal care aide services can be provided in the community, including the home, the workplace, and educational settings, however the provision of a personal care aide in these settings must be indicated in the person-centered plan of care and task list.

Non-Institutional Respite Services

Non-institutional respite care is the provision of temporary support to the primary unpaid caregiver(s) of the CAP beneficiary by taking over the tasks of the primary caregiver for a limited time. These services are provided in the CAP beneficiary's home and may be provided by the hired personal assistant trained by the beneficiary. These services are similar to personal

care assistant services, but are provided in addition to regular personal assistant services. This service may be used to meet a wide range of needs including; family emergencies, planned special circumstances, (such as vacations, hospitalizations, or business trips), relief from the daily responsibility and stress of caring for the beneficiary, or the provision of time for the caregiver(s) to complete essential personal tasks.

| CAP/C | | CAP/DA | |
|--------------|---------------------------------|---------------|---------------------------|
| T2027 | Personal Care Assistance | S5135 | Personal Care Assistance |
| S5150 | Respite Care In-Home Aide | S5150 | Non-Institutional Respite |
| T1019 | Pediatric Personal Care | | |
| T1004 | Pediatric Personal Care Respite | | |

Enrollment into CAP Consumer-Direction

Enrollment into the consumer-direction option of CAP will include participation and collaboration between all key players. The following steps shall be followed to enroll a beneficiary into consumer-direction.

1. The beneficiary informs the care advisor of his or her desire to participate in consumer-direction.
2. The beneficiary participates in an orientation session coordinated by the care advisor.
3. Consumer-direction resource materials and a self-assessment questionnaire are forwarded to the beneficiary.
4. The care advisor reviews and evaluates the completed self-assessment questionnaire to determine the beneficiary's or representative's ability to consumer-direct; schedules training session with the beneficiary.
5. If the beneficiary or representative is deemed appropriate to consumer-direct, but requires competency building, arrangements for additional training will be initiated.
6. When the skills are adequate for the beneficiary or representative to consumer-direct, the care advisor will coordinate the referral to the financial manager agency selected by the beneficiary.
7. The financial manager will arrange a training and enrollment session with the beneficiary and complete all necessary steps to enroll the beneficiary as the employer of record and obtain clearance for the personal assistant.

8. The financial manager will provide the care advisor with information regarding the negotiated pay rate to include in the consumer-direction plan of care.
9. The care advisor will coordinate with the beneficiary to develop a person-centered consumer-direction plan of care.
10. The care advisor will submit a change of status request into e-CAP for approval. The change of status will include the completion of a new assessment and a revised plan of care. The completion of a new assessment is required to assess acuity of needs in conjunction with self-directing eligibility and to ensure that in the transition to consumer-direction, beneficiaries are receiving the appropriate level of care based upon their assessed needs. The care advisor will upload the following information into supporting documents: completed self-assessment questionnaire, rights and responsibilities, emergency back-up plan, risk agreement (if applicable), and financial manager referral form.

11. Plan approval is obtained:

CAP/C

- CAP evidence code does not change
- Care advisor sends revised plan of care to Department of Social Services (DSS) Medicaid worker
- Care advisor sends notification to providers informing them of change in CAP services

CAP/DA

- CAP evidence code changes to CAPCO- ID or SD
- Care advisor sends memo to notify DSS Medicaid worker of CAP consumer-direction effective date and new evidence code
- Care advisor sends notification to providers informing them of change in CAP services

A beneficiary who is participating in CAP consumer direction can choose to return to the provider-led option of CAP or the care advisor can make a recommendation due to documented inadequacies or deficiencies in directing care. When a decision is made to return to the provider-led option of CAP, the transition will occur at a specified timeframe.

Transitioning from Traditional CAP to CAP Consumer-Direction

A beneficiary enrolled in the provider-directed option of CAP has the autonomy to transition to the consumer-direction option of CAP at any time. The same criteria for enrollment applies to all beneficiaries eligible to participate in the CAP waiver. When a CAP beneficiary requests to transition, the beneficiary will be required to participate in a consumer-directed training session to learn important information about the responsibilities of consumer-direction. At the end of the training session, the beneficiary or his or her representative will complete a self-assessment

questionnaire to determine his or her ability to consumer-direct. If it is determined that the beneficiary is unable to consumer-direct and does not have a representative to assist, the self-assessment questionnaire will be used to identify areas that require additional training necessary to strengthen the individual's abilities to consumer-direct. If competencies are not met after additional training, the care advisor will work with the beneficiary to evaluate the appropriateness of consumer-direction for the beneficiary and identify the best method to receive services in the CAP waiver.

Limitations on Enrollment into Consumer-Direction

Under some circumstances a beneficiary may be limited from participation in consumer-direction or limited in who may be hired as a personal assistant in CAP consumer-direction. Some circumstances include beneficiaries with a monthly deductible, sanctions, and individuals who do not meet criteria for hire as listed in the CAP clinical coverage policy. Limitations and restrictions can also be posed on employee hiring as a result of a positive criminal background history of a felonious act against public funding, illegal substances, or abuse of children or adults.

Deductible Protocol for Consumer-Directed Beneficiaries

A CAP beneficiary who has a deductible is able to participate in the consumer-direction option, however, the beneficiary must understand and agree to the conditions of incurring and paying a monthly deductible. The beneficiary must understand that they are responsible to pay the established deductible in order for the personal assistant to be paid for services rendered. The personal assistant must understand and accept that if the beneficiary does not pay the deductible they will not receive pay for services rendered until the deductible is met or paid.

When a beneficiary is receiving services through the CAP consumer-direction option and also has a deductible, an agreement is signed by both the beneficiary and the personal assistant acknowledging their understanding of incurring and paying medical expenses. The beneficiary must not only incur medical expenses but also pay these incurred medical expenses in order for the personal assistant to receive pay for services rendered. The beneficiary is responsible to pay the personal assistant during the time the deductible is active. Payments to the personal assistant may be made directly to the personal assistant or the financial manager. The beneficiary, financial manager, and personal assistant will develop an agreement to determine the method of providing funds to the personal assistant. The care advisor must be informed of the provisions of the payment agreement. The beneficiary is primarily responsible for tracking payments made during the deductible period and the care advisor may provide assistance as needed.

Medicaid Sanctions

A Medicaid sanction period is a determined amount of time in which a beneficiary is not eligible to receive Medicaid services. The beneficiary may be placed in a sanction period when they transfer real property, personal property, or other resources counted or excluded in determining Medicaid eligibility. The beneficiary will coordinate with the local department of social services and his or her care advisor to determine details, including the time frame of his or her sanction period. A beneficiary who is in a Medicaid sanction period is unable to participate in consumer-direction.

Limitations of the Personal Assistant

A CAP consumer-direction beneficiary may choose to hire a personal assistant from their preferred source. A personal assistant may be recruited from relatives, friends, neighbors, church members, employment agencies, or public advertisements. Upon soliciting and hiring the personal assistant, a criminal background check and NC Health Care Registry check will be conducted to assure compliance with DMA policy. The policy includes a criminal background that does not contain the following: serious felonies in association with illegal substances; abuse, neglect or exploitation of an individual; Medicaid fraud; and substantiated allegations that would prevent an individual from working in the healthcare field in NC. If any of the restricted convictions or substantiated allegations appear on the criminal or NC Health Care Registry background checks, the prospective personal assistant will not be permitted to work with the CAP beneficiary under the CAP consumer-direction program.

Criminal Background Check

All positive results on criminal background checks and NC Healthcare Registry checks for CAP consumer-direction will be reviewed by the CAP beneficiary and presented to DMA, when necessary. The financial manager should assist and educate the beneficiary in understanding the definitions of all specific charges that appear on the criminal background check and the NC Healthcare Registry check so the beneficiary can make an informed decision regarding hiring of the prospective personal assistant.

The chart below indicates convictions that will restrict an individual from working as a personal assistant in the consumer-direction option of the CAP program.

| Length of Time Barred from Working | Types of Convictions or Substantiated Allegations |
|---|---|
| Lifetime Ban | <ul style="list-style-type: none">• Felonies related to manufacture, distribution, prescription or dispensing of a controlled substance• Felony or misdemeanor health care fraud• More than one felony conviction |

| | |
|--|--|
| | <ul style="list-style-type: none"> • Felony for abuse, neglect, assault, battery, criminal sexual conduct (1st, 2nd or 3rd degree), fraud or theft against a minor or vulnerable adult • Felony or misdemeanor patient abuse • Felony or misdemeanor involving cruelty or torture • Misdemeanor for abuse, neglect, or exploitation of a minor or disabled adult • Substantiated allegation of abuse, neglect or exploitation listed with the N.C. Health Care Registry • Any substantiated allegation listed with the NC Health Care Registry that would prohibit an individual from working in the health care field in the state of NC |
| <p>Individuals with criminal offenses occurring more than 10 years before the date of the criminal report may qualify for an exemption. The financial manager shall inform the CAP beneficiary when a prospective employee is within the 10-year rule and the CAP beneficiary shall have the autonomy to approve the exemption.</p> | |

Program Integrity

Program Integrity is a division within the Division of Medical Assistance that works to ensure Medicaid dollars are paid appropriately by detecting and preventing Medicaid fraud, waste, and abuse. Medicaid fraud and abuse occurs when an individual or organization knowingly cheats or is dishonest in the receipt, administering, or management of Medicaid funds. Key players in consumer-direction must be aware of program integrity issues to prevent occurrences and report occurrences when observed. The following represent examples of occurrences that would be considered program integrity issues:

- Reporting time on timesheet not actually worked.
- Knowingly approving incorrect timesheets.
- Providing medically unnecessary services.
- Allowing unauthorized individuals to provide services.

Medicaid fraud is a criminal offense that can result in fines and incarceration. To prevent program integrity issues, providers should be honest in the receipt and administering of Medicaid services. Program integrity issues should be reported immediately. Issues may be reported to case management entities, DMA, or directly to Program Integrity. The contacts to report issues directly to Program Integrity are listed below.

Provider Cases

- Medicaid fraud, waste, and program abuse tip-line at 1-877-DMA-TIP1 (1-877-362-8471)
- Health Care Financing Administration Office of Inspector General's Fraud Line at 1-800-HHS-TIPS
- State Auditor's Waste Line: 1-800-730-TIPS

Recipient Cases

- Division of Medical Assistance; DHHS Customer Service Center at 1-800-662-7030
- Medicaid fraud, waste and program abuse tip-line at 1-877-DMA-TIP1 (1-877-362-8471)

Termination from the Consumer-Direction Program

If problems occur in meeting the beneficiary's needs and or utilizing funds as specified by the program criteria, the care advisor will work with the beneficiary to resolve these concerns. If these concerns cannot be resolved, the beneficiary should be reassessed for appropriateness of participation in consumer-direction. Care advisors shall consult with DMA for guidance prior to taking this action.

The primary consideration underlying the provision of services of individuals in the CAP waiver is the assurance of his or her health, safety, and well-being. In consumer-direction, the same assurances of monitoring the beneficiary's health, safety, and well-being must be met. If health,

safety, and well-being cannot be met; the continuation of appropriateness to continue in the consumer-direction option of CAP must be evaluated.

When a beneficiary requires 24-hour care coverage, a 24-Hour Coverage Plan must be included in the plan of care and the emergency back-up plan. CAP consumer-direction requires the same mandate as the traditional CAP model for health, safety and well-being issues. If safeguards cannot be identified, participation in consumer-direction should be evaluated.

If the beneficiary is unable to demonstrate that they are capable of understanding the rights and responsibilities of consumer-directed care and are not capable to assume the responsibilities required for consumer-directed care, and have no one to act as a personal representative, then CAP consumer-direction may not be an appropriate option.

If a CAP consumer-direction beneficiary deliberately fails to cooperate, communicate, and work collaboratively with the financial manager and care advisor, then the care advisor must assess suitability of the beneficiary's option in CAP consumer-direction and develop an appropriate action plan.

Glossary

1. Activities of Daily living (ADL)

Basic activities performed on a daily basis that are necessary for independent living in the home or community. Examples of ADL's include: dressing, personal hygiene, eating, maintaining continence, mobility, and transferring.

2. Beneficiary

The recipient of Community Alternatives Program services who will serve as the employer of record in the consumer-direction option of CAP.

3. Care Advisor

A specialized case manager providing case management services to a beneficiary in consumer-direction.

4. Case Management Entity

Case management agencies and lead agencies providing case management and care advisor services to individuals enrolled in the Community Alternatives Program.

5. Community Alternatives Program(CAP)

A North Carolina home and community-based services waiver program providing services and supports in the home and community setting to eligibility individuals as an alternative to nursing home placement.

6. Community Alternatives Programs for Children (CAP/C)

A North Carolina home and community based services waiver program providing services and supports in the home and community to medically fragile children as an alternative to nursing home placement

7. Community Alternatives Program for Disabled Adults

A North Carolina home and community based services waiver program providing services and supports in the home and community to disabled adults as an alternative to nursing home placement.

8. Consumer-Direction

A service delivery option of the Community Alternatives Program that allows a beneficiary to have choice and control over the services and supports received by allowing the option to direct care.

9. Division of Medical Assistance

The Medicaid administration and operation agency that provides overall oversight of the CAP waivers and all CAP providers.

10. e-CAP

A web-based information and communication service used by CAP agencies and providers to house electronic records and communicate beneficiary information.

11. Emergency-Back up and Disaster Plan

A plan developed by the beneficiary to identify a plan to ensure continuity of care in the event of a crisis, emergency, unplanned occurrence, or disaster.

12. Financial Manager

An entity that provides services to consumer-direction beneficiaries to ensure consumer-directed funds are managed and distributed appropriately.

13. Instrumental Activities of Daily Living

Self-care tasks that are necessary for an individual to living independently. Examples of IADL's include: money management, home cleaning, meal preparation, shopping, and transportation.

14. Medicaid Deductible

An amount established for an individual who is over the income limits to receive Medicaid. The deductible is the amount of medical expenses that must be incurred before Medicaid will begin paying any medical bills.

15. Medicaid Management Information System (MMIS)

A claims processing and information retrieval system for Medicaid.

16. Personal Assistant

An individual hired by the consumer-direction beneficiary to provide personal care services.

17. Program Integrity

A unit within the Division of Medical Assistance that detects and prevents Medicaid fraud, waste, and abuse.

18. Self-Assessment Questionnaire

A tool used to assess the beneficiary's ability to consumer-direct and determine training needs