

# Division Directive 5.070

Fiscal Review for Purchase of Service (POS) and Individual Funds

August 2018



# Why do we do the reviews?

- As Representative Payee we are responsible to ensure individual's funds are spent in accordance with Social Security's guidelines.
  - Not a "gotcha"
- Ensure compliance with provider contracts in regards to service provision and billing
  - Not determining what service an individual should receive
- Consistent provider expectations across the State



# Sample Size and Time Frame for Fiscal Reviews

- Reviews are conducted on a fiscal year basis for a minimum of a 3 month period
- 100% of all POS contracted providers providing a paid service
  - 5 individuals or all individuals if fewer than 5
- 100% of all residential providers receiving a consumer banking check
  - 5 individuals or all individuals if fewer than 5



# What's considered Individual Funds?

- Personal Allowance
- Wages
- ISL Room and Board Accounts
- Ancillary funds paid to home on behalf of individual
- Monetary Gifts
- Any other account maintained on behalf of individual



# Wages

- Reviewed per Contract for Services, Section 3.8
- ISP may include verbiage related to handling of funds
- Included on quarterly report
- Protect yourself- keep receipts



# Quarterly Ledger Reviews

- Providers required to send in quarterly ledgers for those individuals the Regional Office serves as payee
  - All ledgers should be reviewed for accuracy
    - Beginning and Ending balance
  - All balances should be checked to ensure Medicaid and/or Social Security eligibility is not in jeopardy
  - Ensure all required information is included on the ledger (signatures, intended spending)



# What makes up a Personal Spending Ledger?

- Cumulative running balance
- Timely deposits
- Item/Service to be purchased
- Cash transactions must indicate intended purpose
- Staff person and individual's signature















# What is looked at during annual Individual Funds Review?

- Verify individual funds are not comingled with provider funds
- Verify expenses charged to individual are appropriate
  - No items that should be provided by contractor
  - No overdraft charges
- Verify receipts exist for all purchases. If no receipt, does ledger entry indicate intended purpose as well as signature of staff and individual receiving funds.
- Verify any purchases totaling \$100 or more per day from funds at home have approval from the Rep Payee or Service Coordinator



# What is looked at during annual Individual Funds Review (cont'd)

- Ensure funds are returned to Regional Office within 30 days of death or move per Contract for Services
- Verify bank statement is reconciled monthly
- Ongoing ancillary costs verified
  - No more than 2 months accumulation
  - Used for intended purposes
- Verify Room and Board expenditures
  - Appropriateness
  - Split between housemates



# What is looked at during annual Individual Funds Review (cont'd)

- Ensure all required information is included on the ledger
- Ensure Medicaid and/or Social Security eligibility is not in jeopardy



# Signatures

- Anytime cash is dispersed must have signatures of the individual receiving the cash and staff person.
  - If individual unable to sign must have 2 staff sign
  - Full names are required
  - Signature stamps are not acceptable



# Receipts

- Documents must support all spending
  - Receipts
  - Ledger entries
    - Individual kept change (signatures)
    - Depositing funds back into home account
    - Sending funds back to the Regional Office



# What is looked at during annual POS Review?

- All required education and training
- Driver's license:
  - For staff transporting consumers, a current driver's license is on file.
- Vehicle Insurance:
  - For staff transporting consumer in their personal vehicle, evidence of insurance is on file.
- Proof of Citizenship:
  - Completed I-9 form, Employment Eligibility Verification form, documentation available.



# What is looked at during annual POS Review (cont'd)

- Progress notes are complete and include the following:
  - Name of individual
  - Date service was provided
  - Name of Service
  - Start and End time
  - Description of activities during service provision
  - Staff's complete signature
- Attendance sheets support dates of billing



# Concluding the Review

- If review conducted onsite, Regional Office staff will meet with you to go findings
- Formal letter will be sent to you that includes any necessary follow-up
- You can send comments back to the Regional Office regarding the findings
- APPTs entry if necessary (lack of receipts, no signatures on ledgers, no supporting documentation for POS services, etc.)



# Available Resources

- DD's Website <https://dmh.mo.gov/dd/>
  - Division Directive 5.070
  - Frequently Asked Questions
  - Webinars
- Social Security's Website <https://www.ssa.gov/>
  - A Guide for Representative Payees
- Local Regional Offices