

POLICY: 456 - Self Directed Services

SECTION: Service Provision

MAINTAINED BY: Provider Network Manager

APPLIES TO:

- OnPoint Board of Directors
- OnPoint Staff
- Contracted Providers
- Other: MH/IDD

Approved By: 
Chief Executive Officer

Approved By: _____
Medical Director (if applicable)

First Effective: 12/2000

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PURPOSE

To support and promote the philosophy of Self-Determination and Self-Directed arrangements within the OnPoint service delivery system. To promote greater accessibility and availability of Self-Directed arrangements for individuals receiving services. To ensure individual choice and control of services, through person centered planning, while ensuring standards are met.

DEFINITIONS

Self-Determination

The right of all people to have the power to make decisions for themselves, to have free will. The goals of self-determination, on an individual basis, are to promote full inclusion in community life, to have self-worth and to increase belonging, while reducing isolation and segregation of people who receive services. Self-Determination builds upon choice, autonomy, competence and relatedness, which are building blocks of psychological well-being.

Self-Direction

An alternative method for obtaining supports and services. It is the act of selecting, directing and managing one's services and supports. Individuals who self-direct their services are able to decide how to spend their individualized Community Mental Health Service Programs (CMHSP) funded services budget with support. The methods of Self-Direction are crafted with the principles of Self-Determination.

Fiscal Management Service (FMS) Provider (previously called (FI) Fiscal Intermediary)

An organization that is contracted with the CMHSP and required to maintain compliance with contract requirements. All individuals with a self-directed arrangement have involvement with a FMS provider who acts as the Employer Agent. FMS providers assist individuals with payroll processing, taxes, budget development and management, and other fiscal aspects of employing staff and assist individuals with managing funds consistent with the SD Technical Requirements and OnPoint policy.

Individual Service Budget (ISB)

The amount of funding from a CMHSP given to pay for medically necessary behavior health services and supports as identified in the Individual Plan of Service (IPOS). By using an ISB, individuals have the ability to make meaningful choices about how they control their services and live their lives, within the rules and regulations allotted.

Estimated Cost of Services (ECOS)

An estimated annual cost to OnPoint of each covered service and support the individual is receiving. The ECOS includes all services the individual is receiving from OnPoint, including both self-directed and traditional arrangements.

Authorized Representative

An authorized representative is the individual who is responsible for being the employer in a self-directed arrangement. If the individual has a guardian, the legal guardian is the authorized representative, unless another individual is identified by the legal guardian to fulfill the role.

Qualified Provider

An individual or agency that meets federal and state requirements contained in the contract between the Michigan Department of Health and Human Services (MDHHS) and OnPoint in accordance with the Medicaid Provider Manual to provide mental health services and supports. For some Self-Directed services the provider may be on the OnPoint provider panel.

Choice Voucher

The name for self-directed services for individuals under the age of 18 because children cannot independently direct their services until adulthood.

Direct Employment (previously referred to as Employer of Record)

A model of self-direction where the individual is the legal/managing employer of ALL employees. An FMS and ISB is required.

Direct Contract (previously referred to as (POS) Purchase of Service)

A model of self-direction where the individual chooses a non-contracted provider agency or professional provider to deliver services. The provider must meet all applicable Medicaid provider requirements, maintain all required professional and business liability insurance, and meet all Medicaid documentation requirements. An FMSs and ISB is required.

Agency Supported Self-Direction (previously referred to as Agency/Provider with Choice)

A model of self-determination where the agency is a contracted provider with OnPoint. FMS is not utilized in this type of arrangement. The individual serves as a 'managing employer' but does not have full employer authority. The 'Agency' serves as employer of record and is responsible for the administrative aspects of employment as determined by the individual (i.e. determining pay rate, benefits, paying payroll, taxes, workers' compensation, etc.). Workers in this model are employees of the Agency but are managed by the individual and are referred to as 'workers,' in relation to the individual.

POLICY

Individuals served have the option to direct the use of resources to choose meaningful specialty mental health services and supports identified in their Individual Plan of Service (IPOS) as developed through the person-centered planning process. Individuals served will be provided with information regarding Self-Determination during the person-centered planning process, at least annually, and will be supported and informed of the various means for choosing and implementing a Self-Directed arrangement for Medicaid eligible services.

Principles of Self-Determination

- **Freedom:** the ability for individuals, with assistance from allies, to plan a life based on acquiring necessary supports in desirable ways, rather than purchasing traditional services through a program. This includes the

freedom to choose where and with whom one lives, who and how to connect to one's community, the opportunity to contribute in one's own ways, and the development of personal lifestyle.

- **Authority:** the assurance and authority for a person to control a targeted amount of dollars in order to purchase supports, with the backing of their allies as needed.
- **Support:** the arranging of resources and personnel, both formal and informal, to assist the person in developing a life dream, taking steps to reach the dream and living in ways that are life enhancing and meaningful within the community.
- **Responsibility:** the acceptance of the individual having a valued role in the accountability for spending public dollars in ways that are life enhancing and are according to rules and regulations.

PROCEDURE(S)

I. Pre-Planning

- A. During pre-planning, the team should consider the goals and desires of the individual and discuss all support options available, including self-directed arrangements. Individuals receiving services and teams who want to explore self-directed arrangements may consider inviting OnPoint Self-Determination (SD) Coordinator to participate in discussions.
- B. OnPoint resource materials can be provided to individuals and families to assist in understanding self-determination, self-directed services, and the options available.

II. Individual Plan of Service of an individual self-directing services will identify:

- A. The services chosen by the person to self-direct, including if they will directly hire workers and control their Medicaid direct employment budget.
- B. What support is chosen by the individual to assist them in self-directing services.
- C. The individual's chosen method for documentation of their provider's services.
- D. The individual's chosen Fiscal Management Services provider.

III. Individual Service Budget (ISB) and Estimated Cost of Services (ECOS)

- A. An individual service budget (ISB) reflects the Medicaid funds available to pursue the goals of the person's Individual Plan of Service (IPOS) for any services the individual has chosen to self-direct. An ISB is developed with the individual through the person-centered planning process, at least annually, or when changes are necessary. If changes are required, the individual will work with their primary case holder to review medically necessary services, revise the IPOS and update the ISB, as needed.
- B. Budget periods are to be for the same time frame as the service authorization within the IPOS. Authorization timeframes are based on individualized medical necessity. The treatment planning team will give careful consideration if the authorization timeframe is shortened as it may impact ISB flexibility. This careful consideration will include documented efforts to limit any potential impact to ISB flexibility.
- C. The ISB shall be flexible and person-centered in order to meet the needs of the individual identified in the IPOS. Individuals have the ability to negotiate the rate of pay for their self-directed staff, as long as pay rates meet state and federal minimum wage requirements, do not exceed OnPoint's current contracted provider rate for the same service, and fall within the current budget's allocated amount.
- D. An estimated cost of services (ECOS) provides the individual an estimated cost of all authorized services in the IPOS, including both self-directed and traditional service arrangements. The individual and treatment team are encouraged to use the ECOS to inform the SD budget process and support decisions about self-directed services.

- E. OnPoint has a cost schedule for each service to be used while developing the ISB to ensure the service cost is not less than contracted provider rate for the same service for the level of care. The service cost includes all items in the direct employment budget, with the exception of the FMS fee.
- F. The individual is responsible for using the funding in the ISB solely for the medically necessary services and supports authorized within the IPOS, consistent with Medicaid and other contractual requirements.
- G. OnPoint can control the following within the ISB: training rate, requirements for workers' compensation insurance, the maximum amount of Medicaid funds available in the budget, and a system for budget oversight.
- H. The ISB can include the following allowable expenses, as long as it falls within the current budget's allocated amount, and is desired by the individual: rate of pay, reimbursement for completing training requirements, mileage, paid time off, anticipated overtime and other benefits. Direct Employment arrangements must include Medicare and Social Security Taxes (FICA), unemployment insurance and workers' compensation insurance. Individuals may waive workers' compensation insurance, with a written and signed waiver, completed at least annually.
- I. The individual, FMS and OnPoint all play a role in monitoring the utilization of the ISB and authorized units of service, to ensure usage does not exceed the authorized amounts.

IV. Self-Directed Options

Individuals receiving mental health services may choose to self-direct their Medicaid mental health services through direct employment, direct contract or agency supported self-directed arrangements.

A. **Direct Employment** (*previously referred to as Employer of Record*)

A model of self-direction where the individual is the legal/managing employer of ALL employees. FMS involvement and an ISB are required.

1. The individual receiving services can choose to become an employer for qualified direct hire providers.
 - a. When the individual receiving services has a guardian, the role of the guardian shall be as the individual's representative as defined in the scope of the guardianship. Legal guardians may not serve as paid service providers in self-directed arrangements.
2. Employers are required, by OnPoint, to sign a Self-Determination (SD) Agreement on an annual basis. The SD Agreement outlines the core responsibility of OnPoint and the employer within the SD arrangement. By signing the SD agreement, employers provide their acknowledgement of the roles and responsibilities they assume within the SD arrangement.
3. The individual receiving services opting to become the employer of record must assure that each employee:
 - a. Has a signed employment agreement and job description
 - b. Has a signed Medicaid Provider Agreement
 - c. Completes minimum required trainings
 - d. Meets all Medicaid provider qualifications
4. OnPoint will provide support and training to the individual (employer of record) in the following areas related to functioning as an employer:
 - a. Supervising and evaluating employee performance
 - b. Recruiting employees
 - c. Interviewing prospective employees
 - d. Hiring qualified employees
 - e. Determining pay rates and benefits (within individual budget parameters)
 - f. Determining work schedules
 - g. Firing employees
 - h. Reviewing and approving timesheets
5. To avoid the appearance of co-employment, OnPoint shall not:

- a. Make hiring or firing decisions
 - b. Require employees to be placed on the OnPoint provider panel
 - c. Supervise the individual employees
 - d. Set employee schedules
 - e. Deny payroll for work that has been completed and approved by the employer
 - f. Set more restrictive qualifications for employees than the Medicaid minimum
 - g. Determine pay rates, benefits, etc.
 - h. Refuse to pay overtime approved by the employer.
6. Individual services are the most common use of SD Direct Employment arrangements. Use of groups for self-directed services must be in the best interests of the individual, clinically appropriate given assessed needs and medical necessity, and aligned with the goals and objectives of the IPOS. To ensure consistency and effectiveness of SD Direct Employment arrangements, OnPoint recommends the following:
- a. Group services and supports delivered in community settings have a maximum four (4) participants.
 - i. For groups of this size, individuals will meet at a chosen location in the community where services will begin. If the service or treatment activity involves transportation, transportation can occur once all clients are together. Such groups are appropriate for treatment goals that focus on community inclusion and relationship building.
 - b. When transportation to the community activity is needed for group services – e.g. a Direct Employment staff picks up the individuals from their homes, workplaces or other sites – the recommended number of participants is no more than two (2).
 - i. This group size minimizes potential logistical challenges with transportation while still allowing opportunities to work toward relationship-building and socialization goals.
 - c. Other individual accommodations and arrangements must be supported by clinical rationale and approval from the Clinical Supervisor and Provider Network SD Coordinator.
 - d. OnPoint will continually evaluate the outcomes, satisfaction, and sustainability of SD arrangements, and will adjust agency practices as necessary and appropriate, to ensure services delivered in this manner are effective and meet the needs of the person served.

B. Direct Contract *(previously referred to as (POS) Purchase of Service)*

A model of self-direction where the individual chooses a non-contracted provider agency or professional provider to deliver services. Involvement of Fiscal Management Services are required and an ISB is required.

Individuals can choose to self-direct Medicaid Services by utilizing a provider agency that is not contracted with OnPoint.

1. Providers selected by the person receiving services shall meet all applicable Medicaid provider requirements, maintain all required professional and business liability insurance, and meet all Medicaid documentation requirements. OnPoint will not require the provider to meet additional requirements that contracted provider may have.
2. The individual service budget will indicate the services that are being self-directed as outlined in the Individual Plan of Service. Rates for services within a POS model may be guided by OnPoint and not conflict with OnPoint established contracted provider rates for the same services. For this reason, full budget control may not be possible in this model. Budget and hour flexibility will remain.
3. OnPoint will credential all self-directed direct contract providers.
4. OnPoint is responsible for monitoring services delivered by the provider.
5. The following are required with this model:
 - a. Self Determination Agreement
 - b. Medicaid Provider Agreement

- c. Purchase of Service Agreement
- d. Fiscal Management Agreement

C. Agency Supported Self-Direction (*previously known as Agency/Provider with Choice*)

A model of self-determination where the individual chooses an agency that is a contracted provider and in-network with OnPoint to provide services. Fiscal Management Services are not utilized in this type of arrangement.

1. Individuals can choose to self-direct Medicaid Services by utilizing a provider agency (“Agency”) that is in-network and contracted with OnPoint. In this model, an individual may identify a worker and connect them to the Agency or receive assistance from the Agency in identifying an available pool of employees to choose from. The Agency may decline to retain a worker selected by the individual if there is a demonstrated concern that the worker is unable to complete required duties. The Agency may set personnel policies for workers to follow but shall not penalize the individual or worker if the individual decides to pursue the Direct Employment Model. The Agency must be clear about its role with both the workers and the individual, and refrain from intruding upon the individual’s role in managing workers, instead supporting them by making the individual aware of challenges and offering assistance in problem-solving.
2. The individual serves as a “managing employer” but does not have full employer authority. The Agency serves as employer of record and is responsible for administrative aspects of employment as determined by the individual (determining pay rate, benefits, payroll, taxes, workers' compensation, etc.). Workers in this model are employees of the Agency, but are managed by the individual and referred to as “workers” in relation to the individual.
3. The Agency must meet all applicable Medicaid provider requirements, maintain professional and business liability insurance as identified in the OnPoint contract, and meet all Medicaid documentation requirements.
4. The following are required with this model:
 - a. Self Determination Agreement
 - b. Medicaid Provider Agreement
 - c. Agency-Supported Self-Direction Agreement

V. Provider Qualifications & Training

- A. Individuals are able to choose the providers of the services and supports they need. The individual receiving services must identify desired skills/attributes of the provider/staff and can perform interviews to make a selection of desired staff.
- B. If a relative who is not the legally responsible individual (i.e. is not the parent of a minor child, spouse, legal guardian or conservator) meets the provider qualifications, they may be paid for provision of that service following the parameters of any limits set within the definition of each service and as specified in the individual plan of service (IPOS).

The determination of whether a relative (who is not legally responsible for the individual) may be a paid provider of services would be made on an individual basis through the person-centered planning (PCP) process to assess whether a conflict of interest would exist if the relative was a paid staff person. If it is determined that a conflict of interest does not exist, a relative may be hired through a self-directed arrangement.

The services that may be provided by a relative include:

- a. Out of home non vocational habilitation
- b. Respite (respite services cannot be delivered by a primary caregiver)
- c. Supported Employment – Individual supported employment

- d. Supported Employment – Small group employment
- e. Community Living Supports
- f. Overnight Health and Safety Supports
- g. Private Duty Nursing
- C. Providers must meet minimum Medicaid Provider Qualifications:
 - 1. Be at least 18 years of age
 - 2. Have the legal right to work in the US
 - 3. Be in good standing with the law (i.e., not a fugitive from justice, a convicted felon, or an undocumented person). A background check is required.
 - 4. Able to prevent transmission of communicable disease
 - 5. Able to communicate effectively in order to follow IPOS requirements, beneficiary specific emergency procedures and report on activities performed.
- D. Providers must meet minimum training requirements:
 - 1. Standard precautions – prior to working directly with individuals
 - 2. IPOS Training on individuals’ goals and objectives - prior to working directly with individuals
 - 3. Recipient Rights – within 30 days of hire and annually thereafter
 - 4. Emergency Preparedness – within 60 days of hire and annually thereafter
 - 5. Knowledge of First Aid – within 60 days of hire and annually thereafter
 - 6. HCBS Provider Training Module – within 60 days of hire and annually thereafter
- E. Background Checks
 - a. As mandated by the Michigan Mental Health Code, MDHHS contract, Michigan Medicaid Provider manual, and OnPoint Policy #702 (Provider Background Checks), all necessary background checks are completed prior to hire and annually thereafter.
 - i. Direct-Hire Employment
 - 1. The FMS provider completes credentialing requirements, including background checks, for direct employment.
 - ii. Direct Contract (Purchase of Service)
 - 1. The agency will credential staff and OnPoint will ensure staff are adequately credentialed.
 - iii. Agency-Supported Self Direction
 - 1. OnPoint contracted provider completes the credentialing requirements, including background checks.

VI. **SD Arrangement Improvement Plans:**

The following steps are recommended in an attempt to resolve concerns related to self-directed arrangements and create successful implementation of Medicaid services delivered through a self-directed arrangement.

The following formal process will be implemented when ongoing concerns are identified and there has been little to no resolution through previous attempts to resolve concerns.

- a. Step 1: Case Manager (CM) and SD Coordinator will coordinate and discuss the identified concern. A meeting shall take place with SD Coordinator, CM and employer to discuss concerns, expectations for improvement and tools available to support the employer/arrangement. CM will document concerns and summary of conversation within the electronic health record. Documentation will also include agreed upon steps and timelines to resolve concerns.
- b. Step 2: If concerns remain, the SD Coordinator will send the employer written notification that the arrangement is at risk of ending if the concern is not resolved. SD Coordinator will upload a copy of this written notification into the EMR. CM shall be copied on the written notification to the employer. SD Coordinator will speak with the employer and set final deadline for resolution;

employer will work with staff to resolve the issue identified. SD Coordinator and CM will document any contacts with employer in the EMR.

- c. Step 3: If improvement in identified area is not made by established deadline, the SD Coordinator will contact the employer by phone, provide written documentation and proceed with discontinuing the arrangement. The SD Coordinator will document lack of improvement/concerns as well as contacts with the employer in the EMR. CM will work with the individual to develop a transition plan for services, based on medical necessity.

VII. **Discontinuing a Self-Directed Arrangement**

- A. Either party, OnPoint or the individual receiving services, may terminate a self-directed arrangement. Prior to termination, OnPoint shall inform the individual receiving services of the issue(s) that have led to considering termination and will explore possible opportunities for problem resolution. If a self-determined arrangement is terminated, OnPoint shall allow time for other supports to be put into place prior to the end of the arrangement.
- B. The person receiving services may terminate their self-directed arrangement through changes to their Individual Plan of Service (IPOS). An individual can discontinue their self-directed arrangement for any reason by notifying their Case Manager or the Self-Determination (SD) Coordinator.
- C. Self-directed arrangements can be terminated by OnPoint for any of the following reasons including, but not limited to:
 - (1) Health and safety concerns.
 - (2) Abuse or neglect concerns.
 - (3) Individual/Employer not following the agreed upon plan and not keeping costs within budget.
 - (4) Individual/Employer not meeting training and Medicaid documentation requirements.
 - (5) Individual/Employer is unable to hire and retain qualified staff.
- D. Individualized situations will be considered when deciding whether a self-directed arrangement will be terminated and the improvement process shall be attempted, when possible.
- E. If authorized services are terminated as a result of discontinuing a self-directed arrangement, a notice of Adverse Benefit Determination will be completed as indicated in policy #1105. An individual can access the grievance and appeal process if he/she disagrees with OnPoint's decision to discontinue the Self-Directed Arrangement. Terminating a self-directed arrangement is not a Medicaid Fair Hearing issue. Only a change, reduction or termination of Medicaid services can be appealed through the Medicaid Fair Hearing Process. Terminating Fiscal Management services can be appealed through the Medicaid Fair Hearing Process.

REFERENCE(S)

- MDHHS Self-Directed Services Technical Requirements
- MDHHS Self Determination Policy and Practice Guideline
- MDHHS Self-Direction Technical Requirement Implementation Guide
- OnPoint Policy #1105, Notice of Adverse Benefit Determination
- MMP 26-14 Bulletin

ATTACHMENT(S)

- 456.1 Self Determination Agreement
- 456.2 Medicaid Provider Agreement
- 456.30 Direct Employment Agreement
- 456.31 Direct Employment Job Description Template
- 456.4 Purchase of Service Agreement
- 456.5 Agency Supported Agreement
- 456.6 Fiscal Management Agreement

- 456.7 OnPoint Self Directed Process-Internal use only