

**MI Self-Determination in Long-Term Care
Fiscal Intermediary Readiness Review**

Name of Fiscal Intermediary Reviewed: _____

Address: _____

Phone: _____

A. Status of Physical Plant, Equipment, Information Systems Technology and Customer Service System

A.1 _____ Is the physical plant's location, size, equipment (including computer hardware and software) adequate to effectively operate Fiscal Intermediary (FI) services?
_____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

A.2 _____ Is the FI effectively executing the philosophy of participant direction and being culturally sensitive in all business practices in order to communicate effectively with a diverse population of participants of all ages and with a variety of disabilities and chronic conditions?

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.3 _____ Does the FI communicate effectively with participants who have a variety of functional impairments, including the need for large print/alternative formats, telecommunication devices for hearing and speech impaired, and access to translation services and to an interpreter?

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.4 _____ Are the necessary technologies and accommodations in place adequate to effectively operate FI services?

- _____ Toll free number (or other method for free calls from participants)
- _____ Internet web site
- _____ E-mail communication option
- _____ TDD line
- _____ Fax (minimum 28.8 - standard)
- _____ Alternate/large print capabilities
- _____ Foreign language/American sign language capabilities

If not, why and what is the FI's plan for correcting the situation?

A.5 _____ Does the FI return calls within 24 and at most 48 hours from the time the message is recorded?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.6. _____ Does the FI have a communication, corrective action, and complaint tracking system for program participants and workers that addresses the following issues and is automated so that information can be analyzed by program participant, issue and over time?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.7_____ Does the FI notify program participants and Waiver Agent staff in a timely manner in the event a payroll is processed and disbursed late (i.e., over five days)

- _____ System in Place
 _____ Written Policies and Procedures In Place
 _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.9._____ Does the FI process program participants' representatives including:

- Making sure the representative is not a paid service provider for the program participant, and
- When the representative is the common law employer of the workers (does not have an executed federal, and state, as required, Power of Attorney) and when the representative is not the common law employer of the workers (has a federal and state, as required, Power of Attorney).

- _____ System in Place
 _____ Written Policies and Procedures In Place
 _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

A.10_____ Does the FI obtain and evaluate participant feedback, experience and satisfaction with the receipt of FI services, have alternative methods for collecting this information (e.g., more than mail surveys) and use this information to make improvements to systems, policies and procedures? _____Yes _____No

- _____ System in Place
 _____ Written Policies and Procedures In Place
 _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

B. Staffing

B.1 _____ Does the FI have an organization chart for the organization and for the FI function? _____ Yes _____ No

Attach a copy of all relevant organizational charts.

If not, why and what is the FI's plan for correcting the situation?

B.2 _____ Are the key management and staff in place and is the level of staffing (FTEs) and staff qualifications and experience sufficient to provide effective FI services?
_____ Yes _____ No?

Attach job descriptions of all FI management and staff positions and resumes of existing staff.

If not, why and what is the FI's plan for correcting the situation?

B.3 _____ Has the FI had any trouble recruiting FI staff and does the FI foresee any challenges in recruiting staff in the future? _____ Yes _____ No

If yes, how does the FI plan to address these challenges?

C. Coordination and Communication with Waiver Agent Support Coordinators

C.1 _____ Does the FI communicate effectively with the Support Coordinators and avoid duplication of activities in supporting participants in understanding and implementing arrangements?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

C.2 _____ Do the FI's policies and procedures clearly describe the FI's and Support Coordinators' role and responsibilities related to the MI Self-Determination in LTC Supports and Services Program, program participants and workers?

_____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

C.3 _____ Does the FI receive information including Medicaid identification numbers, service plans and individual budget from the Waiver Agent regarding participants who enroll in and disenroll from the Michigan Self-Determination in LTC Program?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

C.4 _____ Does the FI notify a program participant's Supports Coordinator when FI staff becomes aware of an issue related to a program participant's performance (e.g., untimely timesheet filing or over reporting of worker's hours) and/or any incidences of financial fraud/abuse or a program participant's inability to perform required tasks?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring
If not, why and what is the FI's plan for correcting the situation?

D. Administration - FI Policies and Procedures Manual, Quality Management Plan and Staying Up-to-Date with Federal and State Rules and Regulations Pertaining to Vendor FIs and Household Employers and Employees

D.1._____ Has the FI developed a comprehensive FI Policies and Procedures Manual that documents all FI tasks, includes all applicable federal and state forms and documented internal controls for each FI task?

_____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

Attach copy of the manual.

D.2._____ Does update its FI Policies and Procedures Manual as needed and at least annually in an accurate, complete and timely manner? _____ Yes _____ No

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.3 _____ Does the FI review and update all IRS forms, instructions, notices and publications related to FIs, household employers and employees and for withholding, filing and paying federal income tax withholding and employment taxes (FICA and FUTA) and managing advanced payments of federal earned income credit (EIC) on behalf of the program participants it represents and their workers (Key web site www.irs.gov)?

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.4 _____ Does the FI review and update all applicable US Citizenship and Immigration Services (US CIS) rules, forms (i.e., US CIS Form I-9, *Employment Eligibility Verification*) and instructions. (Key web site: www.uscis.gov)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.5 _____ Does the FI review and update all applicable federal Department of Labor rules, forms and instructions related to household employers and domestic service employees and Federal Fair Labor Standards/wage and hour rules (Key web site: www.dol.gov)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.6 _____ Does the FI review and update all applicable Michigan Department of Labor & Economic Growth rules, forms and instructions related to household employers and domestic service employees and related to State wage and hour rules (Key web site: www.michigan.gov/cis)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.7_____ Does the FI review and update all Michigan Department of Labor & Economic Growth Unemployment Insurance Agency rules, forms and instructions for registering and retiring program participants as employers, and for withholding, filing and paying state unemployment insurance taxes for each participant it represents in accordance with information presented on state web sites and in department handbooks/manuals (Key web site: www.michigan.gov/uia)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

D.8. _____ Does the FI report program participants' new hires through the Michigan New Hires Operations Center (Key web site www.newhire-usa.com/mi)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.9_____ Does the FI review and update all rules, forms and instructions for registering and retiring program participants as employers, and for withholding, filing and paying state income tax withholding for each program participant it represents in accordance with information provided on the MI Department of Treasury web site(s) and in department handbooks/manual(s) (Key web site: www.michigan.gov/treasury)?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

D.10_____ Does the FI identify program participant's back-up workers for payroll purposes?
_____ System in Place

_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

E. Administration – Record Management Process

E.1 _____ Does the FI establish and maintain current program participant, worker and FI files on site in a secure and confidential manner as required by federal and state rules and regulations (e.g., program records kept in a secure place with restricted access using a password protected computer system)?

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

E.2 _____ Does the FI establish and maintain archived program participant, worker and FI files in a secure and confidential manner as required by federal and state rules and regulations either on or off site (e.g., program records kept in compliance with secure place with restricted access using a password protected computer system) and maintain them for seven years either on or off site?

_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

E.3 _____ Does the FI ensure that access to Medicaid information will be limited to FI office staff and that it will take prudent safeguards to protect unauthorized disclosure of the Medicaid information in its possession and comply with HIPAA as applicable?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

E.4. _____ Has the FI developed a disaster recovery plan for electronic information and the related policies, procedures and internal controls included in the FI Policies and Procedures Manual? _____ Yes _____ No

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring
- _____ Approval by Waiver Agent

If not, why and what is the FI's plan to correct the situation?

E.5. _____ Has the FI developed a system and a written policy and procedure and internal control for maintaining other records and information required by the contract with the Waiver Agent?

- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring
- _____ Approval by Waiver Agent

If not, why and what is the FI's plan to correct the situation?

F. Administration – Processing Payroll and Invoices Preparing and Submitting Required Reports to State Government and Program Participants/Representatives

F.1 _____ Does the FI process payroll and pay other invoices in an efficient manner?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring
- _____ Approval by Waiver Agent

If not, why and what is the FI's plan to correct the situation?

F.2. _____ Has the FI developed the format for and submitted a sample monthly report of financial activities to each program participant with a copy to the Waiver Agent?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring
- _____ Approval by Waiver Agent

If not, why and what is the FI's plan to correct the situation?

F.3 _____ Does the FI report the information required by the MDCH/Office of LTC Supports and Services to the Waiver Agent?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

G. Enrollment of Participants and Workers

G.1. _____ Does the FI have a standard orientation protocol for program participants (by phone or in-person), as requested by the program participant or representative, to be implemented by FI staff?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

G.2. _____ Does the FI ensure that each program participant understands the role of the FI in the Michigan Self-Determination in LTC Program?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

G.3. _____ Does the FI evaluate all FI orientation materials and its standard orientation protocol?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

G.4. _____ Has the FI developed program participant enrollment and worker employment packets that contains the following information and is it in a user friendly format:

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

Attach a copy of each of the packet.

G.5 _____ Does the FI produce and distribute Program Participant Enrollment and Worker Employment Packets and collect, review and process the information contained in these packets? _____ Yes _____ No
_____ System in Place
_____ Written Policies and Procedures In Place
_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan to correct the situation?

H. Waiver Agent Approval to Be an FI

H.1 _____ Is the FI enrolled with the Waiver Agent as a Medicaid provider with an executed contract to provide FI services? _____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

H.2 _____ Does the FI have a separate FEIN specifically to file the IRS Forms 2678, 8821 and selected federal tax forms on program participants' behalf?
_____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

H.3 _____ Has the FI executed an IRS Form 8655, *Reporting Agent Authorization* between itself and its reporting agent, if the FI has engaged a reporting agent to process payroll on its behalf and for maintaining the applicable documentation in the FI's file?

_____ Yes _____ No

If not, why and what is the FI's plan for correcting the situation?

H.4 _____ Does the FI revoke IRS Form 8655 with a reporting agent when appropriate and for maintaining the applicable documentation in the FI's file?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.5 _____ Does the FI attach a federal employer identification number (FEIN) for each program participant it represents and for maintain copies of the IRS FEIN notification and the filed Form SS-4, *Application for Employer Identification Number* in each program participant's file?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.6 _____ Does the FI retire individuals' FEINs when they are no longer employers (and stating specifically in the letter when the program participant is deceased)?

_____ System in Place

_____ Written Policies and Procedures In Place

_____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.7_____ Does the FI monitor the FEIN process, including attaching and retiring FEINs and making sure all relevant documentation is maintained in each program participant's file?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.8_____ Does the FI prepare, submit and maintain copies of a signed IRS Form 2678: *Employer Appointment of Agent*, Request for Approval Letter (multiple individuals may be listed on one letter) to the IRS for maintaining IRS Approval Notification for each program participant it represents?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.9_____ Does the FI submit the IRS Form 2678 and IRS Request for Approval Letter, receipt of IRS FI Authorization Notice from the IRS and documents revoking the IRS Form 2678 in accordance with IRS requirements and the maintenance of all relevant documentation in each program participant's file?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.10 _____ Does the FI file a signed IRS Form 8821, *Tax Information Authorization* with the IRS for each program participant it represents in order to communicate with the IRS on the program participant's behalf regarding federal employment tax issues and to maintain copies of the Form in each program participant's file?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.11 _____ Does the FI file IRS Form 8821 renewals for each applicable program participant at the appropriate time?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.12 _____ Does the FI revoke the IRS Form 8821 for each program participant when the FI no longer represents the individual and to maintain the relevant documentation in program participants' files?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.13 _____ Does the FI file the Michigan Department of Treasury Form 518, *Registration for Michigan Taxes* and Attaching state income and unemployment tax registration numbers for each program participant it represents and maintain the appropriate documentation in program participants' files?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.14 _____ Does the FI retire the state income tax registration number for each program participant it represents using the MI Department of Treasury Form 163, *Notice of Change or Discontinuance* and for maintaining the appropriate documentation in program participants' files? _____ Yes _____ No

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

H.15 _____ Does the FI retire the state unemployment tax registration number for each program participant it represents using the MI Department of Labor and Economic Growth Form 1772, *Discontinuance or Disposition of Business* and for maintaining the appropriate documentation in program participants' files?

- _____ System in Place
- _____ Written Policies and Procedures In Place
- _____ Internal Controls Documented for Monitoring

If not, why and what is the FI's plan for correcting the situation?

*Adapted from Protocol
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