

**THE SENIOR ALLIANCE AREA AGENCY ON AGING 1-C
OPERATIONAL GUIDELINES FOR PURCHASE OF SERVICE PROVIDERS**

The Senior Alliance (TSA) Area Agency on Aging 1-C and its Community Care Department (CCD) aim at avoiding the unnecessary or premature institutionalization of high-risk individuals, those who are unable to provide self-care and have multiple needs. CCD includes the MI Choice Waiver, Care Management (CM) and Case Coordination and Support (CCS) programs. Client needs are objectively identified through a comprehensive assessment process and community services are arranged, monitored, and adjusted as necessary by qualified TSA CCD staff.

TSA CCD directly purchases needed services for clients from a pool of competing vendors. The Purchase of Service (POS) pool is established through formal agreements with existing community service vendors.

The POS pool includes agencies participating in all three divisions of TSA CCD.

Services available for bid under a monthly purchase plan for the **MI Choice Waiver** program are:

Adult Day Health	Nursing Facility Transition
Chore Services	Personal Care
Community Living Supports	Personal Emergency Response System
Counseling Services	Private Duty Nursing
Environmental Accessibility Adaptations	Respite Care Provided Inside of the Home
Fiscal Intermediary	Respite Care Provided Outside of the Home
Home Delivered Meals	Specialized Medical Equipment/Supplies
Homemaker	Training
Non-Medical Transportation	
Nursing Facility Transition	

Services available for bid under a monthly purchase plan for the **CM & CCS** programs are:

In-Home Respite Care	Chore (with available funding)
Personal Care	Transportation (with available funding)
Homemaking Services	

TSA CCD POS program is available to clients residing in Southern/Western Wayne County excluding the cities of Detroit, City of Grosse Pointe, Grosse Pointe Farms, Grosse Pointe Park, Grosse Pointe Shores, Grosse Pointe Woods, Harper Woods, Hamtramck, and Highland Park.

I. OBJECTIVES

To promote the mutual goal of maximizing independent functioning of older adults through TSA CCD.

To maintain a climate of cooperation and consultation with and between agencies in order to achieve maximum efficiency and effectiveness among all agencies serving high risk older adults.

To reduce service duplication and fragmentation in the service area.

To share information and resources, and advocate for the development of comprehensive community based long term care services for older residents in TSA service area.

II. FUNDING SOURCES/REIMBURSEMENT STRUCTURE

TSA CCD program utilizes Older Americans Act, Older Michigianians Act and Medicaid funding to purchase services for CM, CCS, and MI Choice Waiver clients through incorporated agencies and businesses.

Vendors are reimbursed by TSA on a unit rate system. Only agencies approved for the POS vendor pool may be reimbursed. Each agency must submit TSA POS bid agreement form, which states for each service the unit rate of reimbursement. Reimbursement to vendors is based upon an approved reimbursement rate, and the number of units authorized by the care managers and actually delivered to the client. Units of service for the following services are 15 minutes: Personal Care, Homemaking, Respite Care, Training, Private Duty Nursing, Adult Day Care, and Chore Service. A unit of Counseling Service is one visit.

III. TARGET POPULATION

Participant eligibility for services is determined by the CCD staff. General guidelines are:

- A. MI Choice Waiver** - Participants who are over age 18, medically eligible for nursing home placement and financially eligible for Medicaid under special expanded income guidelines are qualified to receive services.
- B. Care Management and Case Coordination & Support** - Participants who are medically eligible to receive services. No financial guidelines are required for these two programs.

All TSA CCD participants are eligible for Title III service delivery regardless of race, color, religion, sex, national origin or income.

TSA staff will purchase service(s) on behalf of clients determined to be in need of such service intervention. It is the responsibility of TSA CCD to determine appropriate service intervention.

IV. VENDOR ELIGIBILITY STANDARDS

- A. Eligible Organizations** - Public, incorporated private non-profit or profit-making service vendors, and political subdivisions of the state, which offer services that meet the Michigan Department of Community Health (MDCH), Office of Service to the Aging (OSA) and TSA's minimum standards and which serve Southern and Western Wayne County, are eligible to apply. **Verification of incorporation must be submitted with the initial POS bid agreement.**

All potential vendors must submit an organizational chart.

- B. Insurance** - Service vendors shall indemnify, save and hold harmless TSA, OSA and the MDCH against any and all expense and liability of any kind which TSA, OSA or MDCH may

sustain, incur or be required to pay arising out of the implementation of this POS bid agreement/contract. **Service vendors are required to maintain insurances in amounts necessary to cover claims specific to the services being provided, in addition to the listed required insurances.**

INSURANCE REQUIRED FOR ALL SERVICE VENDORS:

- Workers Compensation and Employers Liability.
- Unemployment (in accordance with applicable federal and state laws and regulations).
- General Liability with TSA included as an additional insured (with a minimum combined single limit of \$1,000,000 each occurrence for bodily injury and property damage and the policy shall include personal injury and products/completed operations coverages).
- Fidelity bonding (for persons handling cash).

OTHER INSURANCE REQUIRED OF SERVICE VENDORS WHERE APPLICABLE:

- Facility Insurance (for facilities purchased with Federal and/or State funds).
- Product Liability with TSA included as an additional insured (meals, etc.).
- Professional Liability with TSA included as an additional insured (Counselors, Nurses, Financial Advisors, etc.).
- Property and Theft (for equipment purchased with Federal and/or State funds).
- Automobile Liability coverage for owned, hired and non-owned, including residual liability insurance with a minimum combined single limit of \$1,000,000 each accident for bodily injury and property damage.
- Third Party Fidelity (In-Home Services).

RECOMMENDED INSURANCE for additional protection includes, but is not limited to, Board Members and Officers and special multi-peril. Consult with your insurance agent about additional coverage.

Insurance policies must be issued by companies licensed to do business in Michigan or approved to do business in Michigan, and such companies must be well rated and acceptable to The Senior Alliance, TSA.

Certificates of Insurance must be issued to TSA, 3850 Second Street, Suite #100, Wayne, Michigan 48184-1755, evidencing required coverage and endorsements. In addition, certificates shall include TSA as an additional insured on general and professional liability policies, and as a certificate holder, and provide 30-day written notice of changes or cancellation of coverage to TSA. If vendor cancels coverage, they will be automatically eliminated from the POS vendor pool. **Submission of the Certificate of Insurance is required along with the POS bid agreement.** Organizations unable to submit a Certificate of Insurance with the POS bid agreement should include a letter stating the reason, and approximate date of submittal. Bids cannot be approved until insurance certificates are received.

Current contracted vendors will be notified via postal mail of all insurance policies expiring the upcoming month. Vendors are expected to contact their insurance provider and request that the renewed policy be sent to TSA prior to the current policy's expiration date. If a new policy is not received by the expiration date, a Vendor View message is sent with a final due date for compliance. Failure to meet the due date will result in immediate contract termination.

C. Confidentiality - Service vendors are to have procedures to protect the confidentiality of information about the clients they serve. No information will be disclosed without the prior informed consent of

that individual or his/her legal representative. Disclosures may be allowed by court order, or for program monitoring by authorized federal, state or local agencies (which are also bound to protect the confidentiality of client information) so long as acting in conformity with the Health Insurance Portability and Accountability Act (HIPAA). **All client information shall be maintained in controlled access files.**

- D. Subcontracting** - An agreement between TSA and a service vendor is one that is entered into in reliance upon the skills and qualifications of the service vendor and its principal officers, who must actively and substantially participate in the rendering of the services under this POS bid agreement/contract. The service vendor and, if any, its employees, who are covered by the service vendor's insurance coverages, as specified in Paragraph B, must perform those services. A service vendor cannot assign, transfer, share, or subcontract any of its duties or any of the services that it will render under the agreement or contract to any third party or to any independent contractor without the prior written approval of TSA.
- E. Service vendor procedures** – All vendors must have procedures for the following items and copies of these procedures must be submitted with the application:
- 1. Client Confidentiality** – this procedure addresses the vendor's practices for maintaining confidentiality of client records and client information. See Section C above for more details on confidentiality requirements.
 - 2. Client appeals/grievances** – this procedure addresses the vendor's practices in allowing clients to make complaints or file grievances about the services they receive.
 - 3. Client feedback/evaluation** – this procedure addresses the vendor's practices in obtaining feedback from clients regarding the services they receive and the vendor's use of that feedback to evaluate the program.
 - 4. Client rights and responsibilities** – this procedure outlines the client's rights and responsibilities as someone receiving services from the vendor.
 - 5. Emergencies in the client's home** – this procedure outlines the steps the vendor's staff should take in the event of an emergency in the client's home. Emergencies include but are not limited to a medical emergency with the client, an injury, fire, etc.
 - 6. Personnel** – A table of contents or outline of the vendor's personnel policies is required.
 - 7. Recruitment, training and supervision** – these procedures address the vendor's practice in finding, training and supervising direct service staff.

V. APPLICATION PROCESS

If TSA's provider pool is open and new contracts are being accepted the process includes the following. Organizations proposing to participate in direct purchase of service receive a packet containing the following information: The operational guidelines, a POS Bid Agreement (Attachment I), service/unit rate forms, standards for services (Exhibits A-G), MDCH performance criteria, billing/report forms and POS authorization/addendum forms. The application materials must be complete and approved by TSA in order for a bid to become part of the POS vendor pool.

Application materials must include the following: The POS Bid Agreement; submission of individual services and unit rates; Exhibits A-G; verification of incorporation; required policies and procedures; and insurance documentation.

SEND ALL MATERIALS TO:

**The Senior Alliance, TSA
Attn: Contracts
3850 Second Street, Suite #100
Wayne, MI 48184**

- A. POS Bid Agreement** - Please read the POS Bid Agreement in its entirety. Complete the vendor

information section on page 1, and sign and date page 7.

- B. POS Service Information/Unit rates** - Rates established through the Bid Agreement is time-specific, normally covering TSA's fiscal year (Oct. 1 - Sept 30).

Allowable reimbursements, and unit definitions as stated in the service-specific standards, must be adhered to strictly. Therefore, in establishing unit rates, vendors are advised to consider all potential costs which may incur during service provision. **A unit may include administration, holiday pay, travel expense, documentation time, etc.**

Applicants must complete a separate bid agreement form for every service the agency wishes to provide (please make copies of the blank forms as needed). Standard in-home services (i.e. personal care, respite, homemaking, etc) are submitted on page 8. Individualized forms are used when bidding on Durable Medical Equipment and Medical Supplies (page 9) and Environmental Modifications/Environmental Aids (page 10). Please complete and submit all POS service information/bid agreement forms that apply.

Note: The Bid Agreement Amendment form (page 11) is used only when an adjustment in a unit rate is required. A Vendor would receive notification that there is a rate change, which can then be re-bid upon. At that time the Vendor would submit an amendment to the original POS bid agreement. The Vendor must be able to show a need to increase that unit rate.

Bids are effective the 1st of the month following TSA Authorizing Official's signature.

- 1. Vendor Information** - Indicate the agency's name, address, and telephone number.
- 2. Background** - Provide a brief narrative regarding the background of the vendor relevant to the proposed service.
- 3. Service** - Identify the service being proposed (personal care, homemaking, etc.).
- 4. Capacity** - Indicate the capacity or number of potential units available for purchase each week.
- 5. Service Cost Per Unit** - The service cost per unit reflects the proposed POS charge to TSA for each unit of service delivered.
- 6. Costs Included in the Unit** - List the cash components used to determine the service cost per unit, such as salaries, travel, insurance, holiday, shift differential, meetings, case conferences, etc. Verification of the unit cost must be on file with the Vendor. Ineligible costs may not be included in the unit cost such as bad debts, capital expenditures, construction, entertainment, judgments, severance pay, and penalties.

There are maximum dollar amounts that will be paid for each service category. Should a submitted bid be higher than these established rates, the Vendor will be notified and informed that the rate is beyond the maximum allowable, and that TSA will not be able to use the service unless the rate is lowered. It is the option of the Vendor to resubmit the rate at a lower level, or be dropped from consideration for the vendor pool for that particular service.

The installation cost for PERS units is to be pro-rated. If the unit is installed from the 1st to the 15th of the month, the entire installation cost may be submitted to TSA. If the unit is installed from the 16th to the end of the month, the installation cost is to be pro-rated.

7. **Geographic Boundaries** - Fill in the geographic boundaries of the service area, taking into account available personnel for the service. Please be very specific. For instance, if covering only certain cities in Southern & Western Wayne County, state this on the POS bid agreement.
 8. **Signature** - Obtain the appropriate requested signature and date of the signing on the bottom of the form. **All forms must obtain an original signature.** Copies or faxes of a signature will not be accepted on any forms contained in the POS bid agreement packet.
- C. Assurances of Compliance (Exhibits A, B, & C)** - This part includes three forms: 1) Assurance of Compliance with Service Standards; 2) Assurance of Compliance with Section 504 of the Rehabilitation Act of 1973, as Amended; and 3) Assurance of Compliance with Civil Rights Acts (see pp 13-15). **Compliance with Standards for Services through TSA is mandatory.** The latter two are statutory assurances which govern service activities for recipients of federal and state funds. Please read all information carefully, fill in the agency name and address where appropriate, secure requested signatures (original signatures are required) and indicate the date of signing.
- D. Subcontractor Enrollment Agreement (Exhibit D)** - All POS Vendors must complete this form, regardless of current or past participation in Medicaid, **but once the completed form is on file at TSA it does not need to be resubmitted for each new contract period.** For those completing the form for the first time, read the instructions and complete the form accordingly. Secure the requested signature (original signature is required) and indicate the date of signing.
- E. Signature Authorization Form (Exhibit E)** - All POS vendors must complete this form. This form verifies name and signatures (original signatures are required) of those authorized to submit reimbursement requests to TSA.
- F. Business Associate Agreement (Exhibit F)** - All POS Vendors must complete this agreement, which describes the privacy practices that Vendors must follow in order to protect the confidentiality of client information. Please read all information carefully, fill in the Vendor's name and address where appropriate, secure requested signatures (original signatures are required) and indicate the date of signing.
- G. Assurance of Eligibility to Enter Contracts Involving Federal Grants (Exhibit G)** - All POS vendors must complete this form. This form verifies that the Vendor is eligible to enter contracts involving federal grants. Secure the requested signature (original signature is required) and indicate the date of signing.

VI. SELECTION

Once the Vendor and designated TSA staff meet to discuss the compliance with service standards and guidelines, the Vendor will remit the appropriate materials. After accurately submitted, TSA will approve the POS Bid Agreement and mail a signed copy to the Vendor. The Vendor is then included in the POS vendor pool. TSA CCD will select vendors on a case by case basis from the criteria listed below. Vendors will deliver services at levels specified by TSA CCD care plans, approved by the client and/or client representative and the care manager(s).

- A. Client Preference** - Some clients prefer specific vendors through previous or current experience.
- B. Cost** - Selection is competitive and TSA's focus is on cost effectiveness.

- C. **Accessibility** - Practical application in streamlining intake, avoiding duplication of assessments, and ability to work cooperatively with CCD meeting the approved care plan. Other considerations include the geographic area of service and ease of service delivery to TSA CCD clients.
- D. **Ability to Provide Quality Services** - Includes performance, client outcome and accountability as monitored by TSA staff during performance criteria reviews (programmatic audits).
- E. **Comprehensive Care** - Minimize the number of agencies involved in each case for time effectiveness in brokering and/or purchasing services, and for minimizing client and family stress. Accessibility to TSA CCD of the full array of pertinent services with vendor accessibility is significant.

VII. REPORTING/PAYMENT SYSTEM

Payment to vendors for services is dependent on the timely submission of the following report forms:

1. Direct POS Monthly Service Report/Payment Voucher:
2. Direct POS Monthly Service Report/Payment Voucher - **Summary Report.**

The Summary Report summarizes the information contained on the individual Payment Vouchers.

Vendors receive payment for services usually within 45 days of the official TSA report due date (the 8th of the month) for services provided. Reports must cover a one-month period from the first day of the month through the last day of the month **To receive prompt payment, reports are due to TSA by the 8th of each month and must be completely and correctly filled in.**

Reports are checked by billing and CCD staff to verify the services ordered. If the information submitted is incomplete or incorrect it will be returned to the Vendor for correction.

Payment(s) will be delayed until the necessary corrections are submitted and approved for payment.

It is required that TSA report form (Purchase of Service Monthly Service Report / Payment Voucher be used.

All billing information should be addressed to:

**The Senior Alliance, Area Agency on Aging 1-C
Attn: Fiscal Department/Billing
3850 Second Street, Suite 100
Wayne, MI 48184
(734) 722-2830**

VENDORS COMPLETE THE FORMS AS FOLLOWS:

- A. **Direct POS Monthly Service Report/Payment Voucher** - Use more than one form if more than six services are provided per client for the reporting month. Vendors are to complete the form as follows:

1. **Client Identification Information** - On the top portion of the form, please indicate:
 - a) **Month/Year** - Indicate the month and year the report covers.
 - b) **Vendor** - Insert the name of the agency filing the form.
 - c) **Phone** - List the agency phone number.
 - d) **Client's Name**-List client's name (last name first) for whom the services were provided.
 - e) **City/Township of Client**

2. **Program Information** - The middle graph portion of the form provides space to indicate the service provided, date of service, and number of units provided per date, per client.

3. **Billing Information** - The box marked VENDOR'S USE: supplies space to list the total number of units provided, per client, for the month for each service, unit cost, and to calculate the amount of funding being requested.
 - a. **Service** - List the type of service provided for the client (i.e., homemaker, personal care, etc.).
 - b. **Units** - Enter the number of units provided to each client per month for each service listed.
 - c. **Total** - Determine the amount of funds due to each service per client by multiplying the Total Units times the Unit Cost.
 - d. **Total Due** - Add the total column for each page from the amounts listed. This is the amount your agency will be reimbursed.

4. **TSA Use** - The box at the right hand side of the form is for TSA to use in recording and processing payment.

5. **Notes/Comments** - The blank lines on the form provide space to comment on any of the information submitted. Please indicate any problems, explanation of deviations from the services ordered, etc., in the space provided. **NOTE: ALL DEVIATIONS MUST HAVE PRIOR APPROVAL BY TSA CCD.**

6. **Certification** - Sign and date the form certifying that the information submitted is verifiable and correct. This form does not require an original signature.

B. Payment Voucher Summary Report - A Summary Report must be submitted to TSA. Use more than one form if more than six TSA CCD services are provided for the reporting month.

1. **Vendor Identification** - On the top portion of the form, indicate what month and year the report covers, the name & ID # of the Vendor and the Vendor phone and fax numbers.

2. **Program Assignment** - From the Payment Voucher forms, tally the type of service provided during the month, and enter each service under the box.
 - a) **Service** - List the type of service provided.
 - b) **Total Units** - For each service, list the total number of units provided for the month.
 - c) **Unit Cost** - For each service, list unit cost.
 - d) **Total** - Determine the amount of funds due for each service by multiplying the Total Units times the Unit Cost.
 - e) **Total Due** - Add the total column from the amounts listed. This is the amount your

agency will be reimbursed.

3. **Notes/Comments** - The blank lines on the form provide space to comment on any of the information submitted. Please indicate any problems, explanation of deviations from the services ordered, etc., in the space provided. **NOTE: ALL DEVIATIONS MUST HAVE PRIOR APPROVAL BY TSA CCD.**
4. **Certification** - Sign and date the form certifying that the information submitted is verifiable and correct, to the best of your knowledge. **An original signature is required on the summary report.**
5. **TSA Use** - The box at the bottom of the form is for TSA to use in recording and processing payment.

Please call TSA Finance Department at any time should questions arise regarding the billing process.

VIII. EXPECTATIONS REGARDING MEDICATIONS – AIDES

Medication administration requires a Registered Nurse (RN) or a Licensed Practical Nurse. Under no circumstance should anyone without one of these licenses administer medication of any kind to a participant.

Aides may remind a participant to take medications that have been set up for the participant by an informal caregiver or by a RN or LPN. Aides are never to select medications for the participant to take. This includes over-the-counter medications. All vendors are strongly encouraged to train aides on this information.

IX. EXPECTATIONS REGARDING MEDICATIONS – MEDICATION SET-UP BY NURSE

To ensure appropriate set-up of medications, all nurses must complete the following steps prior to setting up medications for a participant.

1. Contact the physician to obtain a current medication list prior to setting up the medications.
2. Contact the participant two days before the visit to verify that all prescriptions have been filled and are available for set-up. If the participant is not able to get the prescriptions filled, contact the participant's Support Coordinator at The Senior Alliance to discuss the situation.
3. If the participant reports that the medications have changed, contact the physician to confirm. Do not assume that the participant fully understood the physician's instructions if the participant gives information that conflicts the medication list provided by the physician.
4. If there is a problem contact the participant's support coordinator through vendor view and by phone to address any concerns or issues that may arise within two business days.