

Provider Update Meeting
April 20th & 21st, 2022

CONSUMER DIRECTED SERVICES
AND
IN HOME SERVICES

Public Health Emergency

The Federal Public Health Emergency (PHE) has been extended. Department of Health and Senior Services (DHSS) are currently working to adjust some of the flexibilities associated with services/care Home and Community Based Services provides to its participants. DHSS has determined PHE will likely stay in place through July 15,2022. Below is a link that provides the most current and up to date information regarding flexibilities as it pertains to the HCBS providers (All providers should be signed up for notification updates as well from DHSS so as to make sure you are receiving the most up to date information regarding PHE and any other changes to process or procedures pertaining to your program):

DHSS: <https://health.mo.gov/seniors/hcbs/covid-19-provider-info.php>

Requirements and Responsibilities Electronic Visit Verification

Under 19 CSR 15-8.400 (2) CDS providers/vendors shall perform, directly or by contract, payroll and fringe benefit accounting for consumers/participant including but not limited to:

- **All Medicaid PCS having an Electronic Visit Verification (EVV) vendor that is able to capture service information related to delivery of personal care services, including homemaker chores and respite. EVV system needs to provide reports associated with the delivery of services.**

Requirements & Responsibilities Services and Taxes

- Paragraph 5.25 of your company's Participation Agreement for Home and Community Based Services (HCBS) requires you to “...perform all services under this Agreement in compliance with this Agreement and in compliance with all applicable state and federal regulations lawfully promulgated. “
- Pursuant to the responsibility, set forth in Title 42 of the Code of Federal Regulation (CFR) Parts 4561CDS providers/vendors are required to pay taxes on behalf of the participant/consumers.

Requirements and Responsibilities Continued

- **Transmitting individual payments to the personal care attendant on behalf of the consumer**
- **Ensuring all payroll, employment and other taxes are paid timely.**

Responsibilities - Filing Taxes

- As a CDS provider/vendor you are responsible for making sure taxes are properly filed and paid in a timely manner for the consumer/participant.
- Taxes for the consumer/participant are to be paid under their own federal and state EINs and not the CDS provider/vendor's federal and state EINs.
- The consumer/participant federal and state EINs belongs to them. As a CDS vendor, you have no right to obstruct the transfer of their federal and state EINs should they decide to change providers.



Responsibilities - Filing Taxes

- Department of Health and Senior Services on August 26, 2020 issued a memorandum for HCBS-CDS regarding federal and state EIN numbers to be entered into Cyber Access. Information pertaining to said memorandum can be accessed at the following link:

<https://health.mo.gov/seniors/hcbs/hcbsmanual/pdf/hcbs08-20-01.pdf>

- In 6/2021 the HCBS manual was updated, which provided information pertaining to CDS providers responsibilities regarding submission of assigned Federal or Missouri Employer Identification Numbers (EIN) and the Missouri Tax IDs for each CDS participant to be loaded into the HCBS Web Tool. A link to the HCBS manual is provided below:

<https://health.mo.gov/seniors/hcbs/hcbsmanual/pdf/3.25appendix1.pdf>

CDS required tax filings on behalf of the Consumer

- Federal 941- Quarterly or Federal 944 - Annually
- Missouri 941- Quarterly or Annually
- Division of Employment Security Contribution and Wage Report - Quarterly
- W3/W2 - Annually
- Federal 940 - Annually
- Missouri W3
- Local Annual Reconciliation - Kansas City/St. Louis
- Tax Coupon 8109 - Proof of Tax payments for the consumer

Tax forms are forever changing so make sure you watch for updates

CDS Financial & Service Report

CDS providers are required to complete and submit quarterly Financial and Service reports as follows:

- January 1st through March 31st - Due by April 30th
- April 1st through June 30th - Due by July 31st

CDS Financial & Service Report Continued

- **July 1st through September 30th - Due by
October 31st**
- **October 1st through December 31st - Due by
January 31st**

Annual Service Report

CDS providers are required to complete and submit only one Annual Service report as follows:

- January 1st through December 31st - Due January 31st of the following year.

CDS Annual Audit

RSMo 208.918.2 states vendors must demonstrate sound fiscal management as evidenced on accurate quarterly reports and an annual audit. 19 CSR 15-8.400(7) states vendors shall submit the annual audit, done by a properly licensed independent practitioner (certified public accountant licensed in the state of Missouri) pursuant to applicable federal and state laws and regulations, within one hundred fifty (150) days after the end of the vendor's fiscal year.

CDS Annual Audit Continued

RSMo 208.909 - The Governor signed bill that requires by state statues all vendors/providers:
2. In order to maintain its agreement with the department, a vendor shall comply with the provisions of subsection 1 of this section and shall:

(1) Demonstrate sound fiscal management as evidenced on accurate quarterly financial reports and an annual financial statement audit [submitted to the department] performed by a certified public accountant if the vendor's annual gross revenue is two hundred thousand dollars or more or, if the vendor's annual gross revenue is less than two hundred thousand dollars, an annual financial statement audit or annual financial statement review performed by a certified public accountant. Such reports, audits, and reviews shall be completed and made available upon request to the department;

The above went into effect 8/28/2020

CDS Annual Audit FYE dates

- January 1st through December 31st - Due May 31st of the following year.
- July 1st through June 30th - Due November 30th of the same year.

CDS providers choose their fiscal year (FYE) start and end dates. The examples above are dates selected by most providers, but not all.

Consequences

- Sanctions available to MMAC are:
 - Education
 - Suspend Medicaid Payments
 - Suspend MO HealthNet Participation
 - Termination

Consequences Continued

- CDS Vendors who fail to submit quarterly reports, the annual service report, or the yearly financial statement or financial audit conducted by a CPA will be subject to sanctions. MMAC will advise vendors, in writing, if reports are not received by their due date, to alert the vendors, and give them an opportunity to submit the reports.

Where to submit required documentation

Scan via EMAIL: MMAC.CDS@DSS.MO.GOV (Preferred)

FAX: 573-526-4375

Physical address for UPS/Fedex: 205 Jefferson Street, 2nd Floor
Jefferson City, MO 65101
or

USPS Mailing Address: P.O. Box 6500
Jefferson City, MO 65102