

Provider Update Meeting October 19th & 20th, 2022

CONSUMER DIRECTED 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. This includes obtaining Federal, State and Local Employer Identification Numbers (EIN) on new and transferring consumers/participants.
- 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.

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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>

Consequences for not Paying Taxes Timely

SENATE BILL 710 - goes into effect August 2022

“...shall ensure ALL payroll, employment, and other taxes are timely paid on behalf of the consumer AND the vendor shall be liable to the consumer for any garnishment action occurring or that has occurred as a result of the vendor’s failure to timely pay such taxes.

The vendor may be subject to a \$1000 per occurrence penalty for failure to pay such taxes.”

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 Annual Service reports as follows:

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

CDS providers choose their fiscal year starts and ends. The examples above are dates selected by most providers.

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

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.

Consequences

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

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

HCBS Provider Fall Provider Update Meeting

October 2022

Mike Valley- Investigator

PARTICIPANT/CLIENT CARE

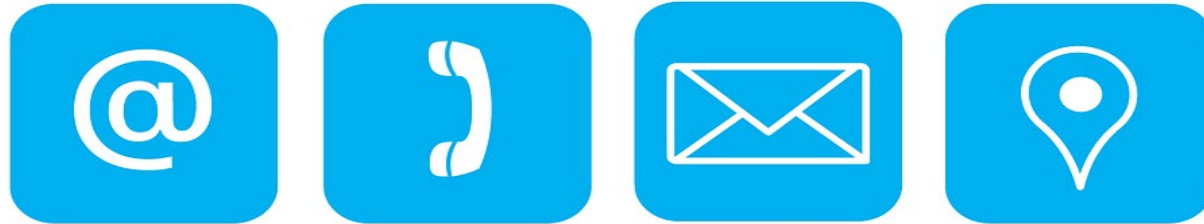
- ▶ Pop up visits—do them. You do not need to announce your visit.
- ▶ Check to see if the house is really cleaned. Check closets for cleaning supplies. (Mop, vacuum, broom, disinfecting wipes, or other cleaning products)
- ▶ Are attendants doing work for participant's family members? They should not be!

OFFICE HOURS

- ▶ Someone has to be in the office during your posted hours. If you have an answering machine or voice mail, your message needs to identify your business name and hours of operation.
- ▶ Someone from MMAC might be checking in to see if someone is there.
- ▶ If you have to leave, post a sign with the date and time and a good phone number where you can be contacted in case MMAC visits.
- ▶ We can show up unannounced for interviews or audits

Records Requests

- We send most record requests via fax or email
- Please make sure your fax numbers and email addresses are updated with MMAC's Contracts/Enrollment Unit



- If/when we call your listed main business phone number and get a “yeah” or “hello” or something other than your business name during your listed business hours, the Provider Enrollment Unit will be made aware you are non-compliant with the requirements of being a provider.

Records Requests - Continued

- ▶ The Investigations Unit will be attaching a Business Records Affidavit to **ALL** records requests we send out. **You must fill it out and have it notarized.**
- ▶ Please mail the original Business Records Affidavit to MMAC, Attn: (*Investigator who sent the request*), 205 Jefferson St. 2nd Floor. Jefferson City, MO 65102.
- ▶ Please include a copy of the notarized affidavit when returning the records to the requesting investigator.
- ▶ Should you have any questions, please feel free to call the investigator requesting the records.
- ▶ **Again, this affidavit MUST be signed, notarized, and the original returned to the requesting investigator's attention in Jefferson City.**

THE STATE OF _____
COUNTY OF _____

BUSINESS RECORDS AFFIDAVIT

Before me, the undersigned authority, personally appeared _____ who,
being by me duly sworn, deposed as follows:

My name is _____, I am of sound mind, capable of making this affidavit,
and personally acquainted with the facts herein stated:

I am the custodian of the records of _____. Attached hereto are (choose
one or more)

- _____ page(s) of records
- _____ disc(s) containing a pdf file with _____ pages
- _____ disc(s) containing _____ (describe contents,
e.g. two excel files, five audio recordings, etc.)
- _____ USB flash drive(s) containing _____
(describe contents, e.g. two excel files, five audio recordings, etc.)
- _____ other (describe) _____

from _____. These above described records are kept by
_____ in the regular course of business, and it was the regular course of
business of _____ for an employee or representative of
_____ with knowledge of the act, event, condition, opinion, or diagnosis
recorded to make the record or to transmit information thereof to be included in such record; and the
record was made at or near the time of the act, event, condition, opinion or diagnosis. The records
attached hereto are the original or exact duplicates of the original.

Affiant

In witness whereof I have hereunto subscribed my name and affixed my official seal this _____
day of _____, 20____.

Notary Public

My commission expires: _____

(Seal)

Business Record Affidavit

Make sure that you send
this back to the attention
of the Investigator who
sent the request.

Michael Valley- Investigator

FRAUD

- ▶ Medicaid Fraud Definition: No health care provider shall knowingly make or cause to be made a false statement or false representation of a material fact in order to receive a health care payment. [Revised Statutes of Missouri, RSMo. Section 191.905](#)
- ▶ Some examples of fraud:
 - ▶ Billing for services **NOT** provided
 - ▶ Offering/Accepting bribes or kickbacks for referring participants
 - ▶ Incentives to retain participants
 - ▶ Rendering inappropriate or unnecessary services
- ▶ **Do not bill when the participant is in the hospital or otherwise not receiving care! They must be home in order to receive care!**

Michael Valley- Investigator

FRAUD

- ▶ Remember you cannot bill from the participant's care plan, you can only bill for **ACTUAL TIME WORKED**. All CDS providers are now required to use EVV. (**Revised Statute of Missouri 660.023**) You should only bill based on EVV or Telephony records. If you have a “clock in” but no “clock out” or vice versa, you should not bill until you verify the actual hours worked. Clock in/clock out times should be exact. Manual entries must have verification, as well.
- ▶ Train staff on **NOT** submitting time sheets or EVV for days when they are not working, or if their participant is not home/in the hospital.
- ▶ Train staff on how to clocking in/out themselves. Participants are not allowed to clock in/out for staff.
- ▶ Train staff to actually do the work on the care plan and not sit around playing on their phones.
- ▶ Make sure you are aware of additional employment of your staff. Also make sure your staff know if they have another job, they can't be in two places at the same time.
- ▶ Kickbacks and incentives are not allowed. You cannot offer **ANYTHING** to anyone as a condition for a participant to stay with your company or to recruit new participants.

Michael Valley- Investigator

- ▶ Do not bill from the care plan. You can only bill for the time worked and the services provided, which should be verified with EVV.
- ▶ When billing, please bill for each day services are provided; not for multiple days, weeks, or months at one time, also known as block billing.
(Ex: 10/4/21 - 10/8/21, 4 hours each day = 80 units)
- ▶ You should bill: 10/4/21 16 units, 10/5/21 16 units, etc.
- ▶ Consumer Directed Services providers are **REQUIRED** to pay attendant withholding taxes. MMAC will impose sanctions, up to and including termination for providers who do not pay withholding taxes.

CDS and In Home

- ▶ For CDS, the attendant may be a family member but cannot be a spouse.
- ▶ Marriage Certificates are easy to find. \$3.00 in St. Louis City.
- ▶ For In Home, a family member is defined as a Parent, Sibling, Child by blood, adoption, or marriage, spouse, grandparent or grandchild

We need your help

- ▶ You're a taxpayer.....it's your money!
- ▶ More services for those in need
- ▶ If you know about it and don't report it, you are committing fraud. This is the easiest way to get terminated from the program.
- ▶ It's the right thing to do

Michael Valley- Investigator

Questions???

Contact Info

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