

Questions and Answers

Consumer Contributions Policy and Procedures

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QUESTION #1 - *Previously, transportation provided to support adult day care and adult health services was subject to consumer contributions (formerly cost-sharing). Is transportation to support adult day services now exempt from the administrative requirements? It's not listed per se, just SSBG funded transportation and HCCBG funded transportation. As you know, transportation to support adult day services can be funded by a number of funding sources, e.g., State Adult Day Care, State In-Home, HCCBG, SSBG, etc. How should this type transportation be handled?*

Also, please clarify the frequency of which the provider must solicit and accept consumer contributions. Previously, the requirement/expectation was for the provider to solicit, accept and document efforts to collect consumer contributions on a quarterly basis. The new Consumer Contributions Policy, page IV-2 states that "to keep service recipients well informed of the value of the service(s) received, local providers may use notices (i.e. monthly, quarterly) summarizing the total cost of services utilized." I am interpreting this to mean that the provider may solicit consumer contributions through notices, brochures, mailings, etc. on a monthly basis or a quarterly basis if they choose. I am also interpreting the frequency of collection as optional as opposed to this being a requirement. Would the provider remain in compliance with the administrative requirements if they only solicited at the initiation of the service and annually there after?

ANSWER - With regard to Consumer Contributions, solicitation is only required annually. Now, that is not to say that monthly, quarterly or even daily reminders, notices, flyers, discussions, etc. can be carried out. As we shared in the training and as is found in the practice guidelines, the stronger the solicitation - the better results should be expected because it is about communication to the participants. However, as defined in the APA rules and in the policy, the minimal requirement is annual. (see pages III-1 through III-4).

Now to ADC/ADHC - first you must look to see that the Transportation service is provided as a stand-alone service (i.e. not a component of the ADC service). If Transportation is provided and paid as part of the Adult Day Care/Day Health Care reimbursement rate, then follow the directives for the ADC/ADHC service, not Transportation.

If Transportation is funded separately, it will fall into only two categories - HCCBG or SSBG. The reason is that HCCBG funds are made up of State In-Home and various Title III funds under the Older Americans Act. The State Adult Day Care Fund is part of the Social Services Block Grant. Therefore, if HCCBG or SSBG funds are used, you follow the guidelines in this policy regarding Transportation. I know that some agencies have been given an allocation and separate reimbursement rate for just Transportation.

QUESTION #2 - A provider in my region wants to know if "suggested % of cost of service" can be deleted from the schedule? The provider feels that many of his folks are "poor, but proud" and thinks it is not being sensitive to this.

ANSWER - The answer is no. The purpose of the Recommended Contribution Schedule is to communicate with the service recipient or their designated representative what their 'fair share' or the "suggested" amount of contribution would be based on their self-declared income. I completely agree with the opinion about our "poor but proud" folks, however the provider is to be reminded that no individual who is at or below poverty is shown this schedule. Only those persons who self-declare as above poverty are given this as a communication tool for them to voluntarily decide what amount they would like to contribute.

QUESTION #3 - Is it true that Type I--that consumer contributions CANNOT BE DISCUSSED with anyone below the federal poverty level.

ANSWER - Page III-1, first sentence under "administrative requirements", states "All recipients of service(s) under Type I.....". Please have them read the note on page III-2 and everywhere else in the policy which states: "providers are prohibited from using the Recommended Contribution Schedule with service recipients who are at or below the federal poverty line."

QUESTION #4 - A provider wants to know if she displays flyers throughout her senior center stating "The Senior Center Accepts Contributions for Services" if that would be acceptable for any services under Type III.

ANSWER - This is correct for any service - period. In fact, I encourage this!

QUESTION #5 - One issue I think we are going to need addressing at some point is this: When Social Security and/or VA income is deemed by Medicaid to the spouse remaining in the home when the other spouse is in long-term placement and we are determining the cost-share amount of the spouse at home for In-Home Aide Services, do we base the amount just on the spouse's income only or do we also include the "deemed" income amount as well? I am going to count the "deemed income" this time as Vol. VI, Chapter II of the Family Services Manual from the Div. of Social Services does not even speak to this type of income (i.e., "deemed income").

ANSWER - As far as income for a husband and wife, for the purpose of this policy, you would guide the client to consider their household income as the amount received by the wife including any amount received from her husband's pension. As long as they are married this amount would be her household income.

QUESTION #6 - We (my supervisor and I) have been reviewing the policy getting ready for August and we have a question about exclusions and prohibited activities. Section II, part 4 states that use of a Recommended Contr. Schedule is not permitted for individuals receiving congregate or home delivered meals. Does this mean that I can't use the Recommended Contr. Schedule for any of my In Home Aide clients/customers who also receive home delivered meals or visit a congregate site? Or does this just mean that home delivered meals/congregate site can't use the Recommended Schedule but I can use it when providing the In Home Aide services to the same person?

ANSWER - Your communication with the client is 'service specific' and therefore you would only be concerned with NOT showing the Recommended Contribution Schedule IF you were the nutrition provider. Therefore, if the client is above poverty and you are providing In-Home Aide Services, then you are permitted to share the Schedule.

QUESTION #7 - What type category does the Volunteer Program fall under? I do not see it on the matrix.

ANSWER - Consumer Contributions is no applicable to the Volunteer Program.

QUESTION #8 - I have a home delivered meal provider, they have a form that has the provider assurance information, they also have an envelope they give the client that has the total cost of the meal, how many meals the client received the previous month and the total cost of those meals. It has all the language concerning meals will not be discontinued if they do not contribute. My question is can they continue to use the envelope instead of the model letter. After reviewing the envelope I think it contains the same information as the letter.

ANSWER - As required by the policy for the Home Delivered Meals program, the provider assurance form must be completed by the appropriate staff, however, I would consider the envelop a 'best practice' and definitely something they DO NOT WANT TO DISCONTINUE. They are clearly communicating to the participant and going above the minimums for solicitation. Remember the policy defines the 'minimum' solicitation requirements. The Model Letter is a suggestion not a requirement. Use of the envelopes and communicating the cost of the meal is an excellent tool and does not violate the policy. However, for the purposes of monitoring and compliance with the policy, the form must be completed at least annually.

QUESTION #9 - I had a provider that ask me about the letter they give the client, do they have to keep a copy of the actual letter they give to the client, or can the provider show me an example of a letter (when I monitor) that they give to the client?

ANSWER - It is perfectly acceptable to show you an example of the letter they send. There is no requirement to maintain a copy of each letter in the client file. There is no need to maintain literally hundreds of pieces of paper.

QUESTION #10 - The provider only had one client who was above the poverty level and she presented the contribution schedule to that client. The question we have is does she have to provide the client with a solicitation letter as well as the provider assurance form or can she just present the provider assurance form which covers the solicitation? I just need some clarification.

ANSWER - A solicitation letter is always the "option" of the provider. Anything in the practice guidelines is offered as "best practices" and not required, however, strongly encouraged. According to the policy, "All recipients of a service under Type I shall be provided with the opportunity to voluntarily contribute to the cost of the service received".....and a copy of the Provider Assurance Form is to be maintained in each file verify that the client was informed of the policy and given the opportunity to contribute. Those at or below poverty are prohibited from receiving the Recommended Contribution Schedule unless they are SSI applicants or recipients - then they are excluded from the policy all together.

QUESTION #11 - If we are using Title III D money for a class that we pay someone to do is the instructor allowed to charge the seniors for the class since we should be asking for cost share. For example for our Yoga class the instructor charges a \$50.00 flat fee plus \$10 per student. We pay the \$50 with the Title III D Money and the senior pays the instructor the \$10. For our Tai Chi the instructor charges \$40 per student and we pay \$20 of it. Is this something that we need to change?

ANSWER - This is an excellent question that has been raised by another agency. First and foremost, what I will tell you and other agencies is that you cannot deny this service to an older adult who wishes to participate if they are "unable or unwilling" to contribute toward the cost of the service. In this situation, I question why an instructor would not simply have a flat fee to the center which would be offset by any contributions received. Now, in the situation of a craft class, the center would use federal/state funds to pay for the instructor, however each person who wishes to participate must either pay a supplies fee or furnish their own supplies - this is a completely different situation. Exercise and Tai Chi fees cannot be required IF you are offsetting all or a portion of the cost with OAA or state funds. Therefore, you should communicate with each participant that the cost of the instructor is covered with Title III D funds, however, each person is requested to contribute toward the cost of the service. Our goal is to have a listing questions and answers posted to the web soon and if you don't mind I will include your question.

QUESTION #12 - In Section IV, it notes that certain expenses can be considered when determining the monthly income of the client. Can this method of deterring monthly income be used for our Adult Day Care/Health clients during the assessment process?

ANSWER - The answer to your question is no. The deduction of fixed expenditures to determine if a client considers themselves at or below the federal poverty line is strictly a procedure for use with the Consumer Contributions Policy.

QUESTION #13 - One of our providers has shared with me that the model letter, Exhibit C of the consumer contributions policy, which they are now using, has impacted their contributions in a negative way because of the statement that contributions are not tax deductible. We don't know if folks have been deducting those contributions in the past or whether it's just a psychological impact. They are concerned about this negating their fund raising efforts as well, because participants get it in their heads that donations to the agency are not deductible.

My response was, that in my opinion, the letter was a model, and as long as the letter that they used had the "thou shalt" that pertained to that service like confidentiality, voluntary etc., they could just remove that tax deductible line.

ANSWER - We spent a tremendous amount of time seeking advice from a Tax Attorney on this subject. The reason it did come up was because many providers reported that individuals wanted to receive a statement to use as a tax deduction. The fact is, if audited, you cannot count this as a tax deduction because the client is "receiving" something for the donation. Now, if the provider is a private non-profit and an individual gives them money, this is a "donation" and certainly tax deductible because they are not receiving goods or services for the donation.

The model letter is just that, A MODEL. Use it if you like, however it is not mandatory as stated in the policy. We offered these items as tools for use as they see fit. I am certainly surprised by this reaction because these are not tax deductible items.

QUESTION #14 - Our "clients" are caregivers in the Family Caregiver Support Program. With that in mind, are we are looking at the caregiver's poverty level to decide who to give the contribution schedule to, or the care recipient, or both?

ANSWER - Since the caregiver is your client, you would need to make your determination based on the caregiver's self declared status of 'at or below poverty'. Let me know if you have any other questions.

QUESTION #15 - Do we have to use the recommended consumer contribution schedule as seen on the website, or can we modify it internally? If I already solicited contributions from clients via the cost-sharing forms (back in July), do I need to ask them again in this FY with the consumer contribution forms?

ANSWER - You must use the Recommended Contribution Schedule as presented. Now if you or a provider chooses to put this on letter head or make the information larger or smaller - that is fine. APA Rules, however, require that the schedule be presented as you see it. Question #2 - I am not sure which service you are referring to, however, I will advise you to solicit as often as possible. Remember the minimum requirement is annually, however you are not prohibited from communicating on a monthly basis. The more information, the better results.

QUESTION #16 - I understand that we are not to ask participants that receive SSI for contributions, but what if they receive SSI and other sources of income can we then ask for their participation? Can we use the forms we have in place for cost share or do we have to create a new one?

ANSWER – As specified in the APA Rules and the policy, applicants or recipients of SSI are excluded from the Consumer Contributions Policy. In addition, the new Provider Assurance Form replaces all previous forms used for Cost Sharing.