

T2025 – Fiscal Intermediary Services

Covered Service

Fiscal Intermediary Services is defined as services that assist the adult beneficiary, or a representative identified in the beneficiary's individual plan of service (IPOS), to meet the beneficiary's goals of community participation and integration, independence or productivity while controlling his/her individual budget and choosing staff who will provide the services and supports identified in the IPOS and authorized by the Prepaid Inpatient Health Plan (PIHP). The fiscal intermediary helps the beneficiary manage and distribute funds contained in the individual budget. Fiscal intermediary services include, but are not limited to:

- Facilitation of the employment of service workers by the beneficiary, including federal, state, and local tax withholding/payments, unemployment compensation fees, wage settlements, and fiscal accounting.
- Tracking and monitoring participant-directed budget expenditures and identifying potential over- and under-expenditures.
- Assuring adherence to federal and state laws and regulations.
- Ensuring compliance with documentation requirements related to management of public funds.

The fiscal intermediary may also perform other supportive functions that enable the beneficiary to self-direct needed services and supports. These functions may include selecting, contracting with or employing and directing providers of services, verification of provider qualifications (including reference and background checks), and assisting the beneficiary to understand billing and documentation requirements.

Fiscal intermediary services may not be authorized by use by a beneficiary's representative where that representative is not conducting tasks in ways that fit the beneficiary's preferences, and/or do not promote achievement of the goals contained in the beneficiary's plan of service to promote independence and inclusive community living for the beneficiary, or when they are acting in a manner that conflicts with the interests of the beneficiary.

Fiscal intermediary services must be performed by entities with demonstrated competence in managing budgets and performing other functions and responsibilities of a fiscal intermediary. Neither providers of other covered services to the beneficiary, family members, or guardians of the beneficiary may provide fiscal intermediary services to the beneficiary.

Fiscal intermediaries shall be under contract to the PIHP and/or the CMHSP or a designated sub-contracting entity. Contracted functions may include:

1. Payroll agent for direct support personnel employed by the individual (or chosen representative), including acting as an employer agent for IRS and other public authorities requiring payroll withholding and employee insurances payments.
2. Payment agent for individual-held purchase-of-services and consultant agreements with providers of services and supports.
3. Provision of periodic (not less than monthly) financial status reports concerning the individual budget, to both the PIHP/CMHSP and the individual. Reports made to the individual shall be in a format that is useful to the individual in tracking and managing the funds making up the individual budget.
4. Provision of an accounting to the PIHP and/or the CMHSP for the funds transferred to it and used to finance the costs of authorized individual budgets under its management.

5. Assuring timely invoicing, service activity and cost reporting to the PIHP and/or CMHSP for specialty mental health services and supports provided by individuals and entities that have a direct agreement with the individual.
6. Other supportive services, as denoted in the contract with the PIHP and/or CMHSP, that strengthen the role of the individual as an employer or assist with the use of other agreements directly involving the individual in the process of securing needed services.

Current Procedure Code

T2025

Unit Type- [Day, Encounter, Etc.]

Per Month

Eligibility Criteria and Service Priorities:

Fiscal Intermediary Services are available to Medicaid beneficiaries with a serious emotional disturbance, serious mental illness and/or intellectual/developmental disability through the §1915(i) State Plan Amendment (SPA) for home and community-based services in accordance with §1915(i)(7) of the Social Security Act. The intent of the §1915(i) SPA is to fund medically necessary supports and services that promote community inclusion and participation, independence, and/or productivity when identified in the individual plan of service as one or more goals developed during person-centered planning. The authorization and use of Medicaid funds for any of the §1915(i) SPA supports and services, as well as their amount, scope and duration, are dependent upon:

- The Medicaid beneficiary's eligibility for specialty services and supports as defined in the Behavioral Health and Intellectual and Developmental Disability Supports and Services Chapter of the Michigan Medicaid Provider Manual
- The service(s) having been identified during person-centered planning;
- The service(s) being medically necessary
- The service(s) being expected to achieve one or more of the following goals as identified in the beneficiary's plan of service:
 - Community Inclusion and Participation
 - Independence
 - Productivity

Associated Outcomes:

One or more of the following as identified in the beneficiary's plan of service:

1. Community Inclusion and Participation - The individual uses community services and participates in community activities in the same manner as the typical community citizen.
2. Independence - "Freedom from another's influence, control and determination." (Webster's New World College Dictionary, 1996). Independence in the B3 context means how the individual defines the extent of such freedom for him/herself during person-centered planning.
3. Productivity - Engaged in activities that result in or lead to maintenance of or increased self-sufficiency. Those activities are typically going to school and work. The operational definition of productivity for an individual may be influenced by age-appropriateness.

Typical Service Utilization Pattern:

The person-centered planning process determines the authorization for this service, but typical utilization includes a minimum of once per month.

Provider Qualifications:

A fiscal Intermediary is an independent legal entity (organization or individual) that acts as a fiscal agent of the Community Mental Health Service Programs (CMHSP) for the purpose of assuring fiduciary

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accountability for the funds comprising an individual’s budget. A fiscal intermediary shall perform its duties as specified in a contract with a CMHSP or its designated subcontractor. The purpose of the fiscal intermediary is to receive funds making up an individual’s budget and make payments, as authorized by the individual, to providers and other parties to whom an individual using the individual budget may be obligated. Examples of entities that might serve in the role of a fiscal intermediary include bookkeeping or accounting firms, local ARC or other advocacy organizations, or a subsidiary of a service provider entity if no conflict of interest exists.

An entity acting as a fiscal intermediary shall be free from other relationships involving CMHSP or the individual that would have the effect of creating a conflict of interest for the fiscal intermediary in relationship to its role of supporting individual-determined services/supports transactions. These other relationships typically would include the provision of direct services to the individual. The CMHSP shall identify and require remedy to any conflicts of interest of the entity that, in the judgment of the CMHSP, interfere with the performance of its role as a fiscal intermediary.

Please refer to the current version of the [MDHHS Behavioral Health Code and Provider Qualifications Document](#) for specific qualification and training requirements.