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DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF LONG TERM SUPPORTS AND SERVICES
BUREAU OF ELDERLY AND ADULT SERVICES

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**Frequently Asked Questions (FAQ) regarding Participant Directed and Managed Services (PDMS) and
Financial Management Services (FMS)**

1) What is Participant Directed and Managed Services and what is Financial Management Services?

Participant Directed and Managed Services (PDMS) allows CFI participants to:

- (a) design the services that will be provided;
- (b) select service providers;
- (c) decide how authorized funding is to be spent based on the needs identified in the participant's comprehensive care plan; and
- (d) perform ongoing oversight of the services provided.

Financial Management Services is a service that assists CFI participants receiving PDMS to:

- (a) manage and direct the distribution of funds contained in the participant-directed budget;
- (b) facilitate the employment of staff by the participant or authorized representative by performing as the participant's agent for employer responsibilities, such as payroll processing, withholding and filing federal, state, and local taxes, and making tax payments to appropriate tax authorities; and
- (c) perform fiscal accounting and make expenditure reports to the participant and state authorities

2) Who provides the employee orientation? Who recruits, trains, manages, and discharges employees?

The participant recruits, trains, manages, and if needed discharges the participant's employees. The participant also provides orientation for employees. The participant is the best individual to know what their needs are and how an employee can help them successfully achieve their outcomes. The participant can also choose to include other individuals in the orientation, such as family members, close friends, or authorized representative.

3) Are there any licensing requirements for PDMS providers? Who ensures that licensing requirements are met?

PDMS participants determine the qualifications necessary to provide PDMS services as allowed by state and federal law. FMS will work with participants to ensure the selected providers meet any state or federal law requirements. For example homemakers and personal care providers must register as an individual home health provider pursuant to He-P 820, unless they are an employee of: a home health care provider, licensed pursuant to He-P 809, a home care service provider agency licensed pursuant to He-P 822, or an Other Qualified Agency certified pursuant to He-P 601.

Below is a table of PDMS services and what licensing requirements must be met for providers of the service under state law.

| PDMS Service | Licensing Requirements |
|--|--|
| Financial management | Must be enrolled FMS provider |
| PDMS Personal Care* | He-P 809, He-P 820, He-P 822, or He-P 601 |
| PDMS Home Health Aide | He-P 809 |
| PDMS Homemaker* | He-P 809, He-P 820, He-P 822, or He-P 601 |
| PDMS Respite Care | He-P 809, He-P 820, He-P 822, or He-P 601 for home care respite He-P 803, He-P 804, or He-P 805 for respite in a facility |
| PDMS Skilled Nursing | He-P 809 |
| Individual Directed Goods and Services | Depends (e.g. non-medical transportation would require driver's license) |
| Consultation | Depends |

*Homemaker and Personal Care services can be provided without licensure if the provider only assists family members or if the provider does not solicit their personal care/homemaker services

4) What is the spending plan? How is it different from the budget?

The budget is the total amount allocated to the participant for needed services. The spending plan is a more detailed breakdown of how much a participant expects to spend on each service including seasonal variations. For example, a participant might have an annual total budget of \$20,000, expect to spend \$10,000 on supported employment and \$10,000 on personal care from September to May, but spend \$0 in the summer when the participant's college aged relative helps meet those needs. Monitoring of the budget would be ensuring the participant is on track to spend no more than the \$20,000 allocated. Monitoring of the spending plan includes a monthly budget report which provides more detailed tracking to ensure the participant is spending according to the plan and not spending too much on one service and any seasonal changes are accounted for, *i.e.* the participant is not using personal care in the summer.

4) Can spouses, authorized representative, powers of attorney, or guardians become providers under PDMS?

Spouses and authorized representatives can become providers under PDMS. Durable Powers of attorney and guardians cannot become providers under PDMS.

5) Will the FMS provider make data reports on payments made on participants' behalf available to the state?

Yes. State administrators will be able to access payment information via the FMS provider's online portal. The information will be used for quality assurance. The information may be accessed by researchers if they meet all applicable Institutional Review Board requirements.

6) Will case managers receive notifications regarding start and end dates for FMS services?

Case managers enter FMS authorizations in NH EASY. Routine case management communication between the case manager and FMS provider occurs for each participant's employee hire and termination.

7) If the participant's budget is approved on existing service authorizations, how do case managers deal with service hours the participant needs or wants?

The participant develops their hours. After the participant articulates their needs, the participant and case manager build a plan of care that the participant thinks will work for them.

8) Do FMS providers offer Fiscal/Employer Agent (F/EA) or Agency with Choice model of FMS?

The FMS providers allows participants the choice between F/EA or Agency with choice models. The participant must choose which model they prefer when they enroll with FMS. Participants have the ability to switch models in coordination with their FMS when requested.

**9) What type of reimbursement method do you use? **

FMS providers are reimbursed at a set monthly rate. PDMS providers are reimbursed based on unit types. (See table in question 11 below)

10) How is the individual service hourly rate determined?

The participant with their budget in mind sets the rate for services. Cost estimates are based on current CFI rates for services. FMS providers will provide case managers and a participants with a list of maximum rates for each PDMS service, to be used when developing the PDMS budget. The maximum rates for any PDMS service can be exceeded with prior approval from the BEAS bureau chief.

11) What is the service authorization identifier in NH EASY? Is there more than one? Will the frequency be daily, weekly, or monthly?

The procedure code for FMS is HC T2040. The frequency will be on a monthly basis. The procedure codes and frequencies of other PDMS services are located in the table below.

| Description | Proc Code | Mod 1 | Mod 2 | Unit Type | Rate as of 1/1/21 |
|--|-----------|-------|-------|--------------|-------------------|
| Financial management | T2040 | HC | | Month | \$93.74 |
| PDMS Personal Care | T1019 | HC | U3 | Quarter Hour | Manually Priced |
| PDMS Home Health Aide | G0156 | HC | U3 | Quarter Hour | Manually Priced |
| PDMS Homemaker | S5130 | HC | U1 | Quarter Hour | Manually Priced |
| PDMS Respite Care | T1005 | HC | U2 | Quarter Hour | Manually Priced |
| PDMS Skilled Nursing | T1030 | HC | U1 | Visit | Manually Priced |
| Individual Directed Goods and Services | H2016 | HC | | Job | Manually Priced |
| Consultation | T2041 | HC | | Job | Manually Priced |

12) How will New Hampshire protect participants receiving PDMS from abuse, neglect, or exploitation?

New Hampshire requires case management monthly contacts and in person visits every 60 days regardless of whether a participant has PDMS services or traditional agency directed services. State law requires all individuals to report suspected abuse, neglect, or exploitation to Adult Protective Services. Technical Assistance, CRCC, and IIIT will be available if necessary.

13) If participant requests more hours than the number authorized in the participant’s budget, how is the issue resolved?

Financial Management Services is a service offered to help participant’s choosing to direct their own services to stay within their budget. When a PDMS participant requests more hours than what is currently authorized in their care plan, the case manager will work with the participant to address their needs and update the care plan and budget as necessary. The FMS will then use the updated budget to manage PDMS services.

14) What credentialing do FMS providers go through to provide FMS?

FMS providers must enroll as FMS providers under Medicaid. As part of the enrollment process, the FMS provider demonstrated the capability to perform the required tasks in accordance with [Section 3504 of the Internal Revenue Code](#) and Revenue Procedure 70-6 Internal Revenue Cumulative Bulletin 1970, p. 420, accessible via ZIP download at govinfo.gov.

15) How will the department ensure FMS purchases meet plan of care and applicable spending rules for specialized medical equipment or environmental accessibility services?

FMS providers will be required to produce monthly reports on participant spending and will follow all applicable spending rules.

16) What are the guarantees for HIPAA compliance?

Under HIPAA, all covered entities are required to protect PHI and have business agreements in place with associates. HIPAA applies to services as well as other covered services. More information on HIPAA health information privacy is available on the Health and Human Services website at [hhs.gov/hipaa/index.html](https://www.hhs.gov/hipaa/index.html).

18) Who provides training and updates on issues that providers need to be aware of such as back safety, blood borne pathogens, sexual harassment, dementia, etc.?

The participant is responsible for the suitability of provider. That includes providing training and updates as needed on issues affecting the provider's employment. Equal Employment Opportunity Commission has more information on [sexual harassment](#). The Occupational Safety and Health Administration has more information on [blood borne pathogens](#) and [ergonomics](#) (relating to back safety).

19) Where do employees get training for personal care? Who notifies them on changes to the state PCSP requirements?

Participants are responsible for training their own personal care providers. Individuals only providing personal care services to participants through PDMS are not required to be licensed, and there will be no notification to changes to licensing rules.

20) Service authorizations have been approved and NH EASY is not reflective of the total picture of what the client needs based on the inability of hiring workers in rural areas.

Service authorizations for "PROVIDER NOT AVAILABLE" should have been entered and reflect the hours that would be needed for full coverage and estimated under the current rate for budgeting. Participants may find they have to increase their offered rate to encourage people to apply/perform tasks.

21) Are there any rules or restrictions regarding the COVID vaccine?

New Hampshire is currently recommending all providers and individuals follow the [Universal Best Practices](#).

22) Will fingerprinting be done once the emergency flexibility related to the coronavirus pandemic has been lifted? How will fingerprinting be paid for?

FMS service includes ensuring that criminal records are checked. The FMS provider would pay for any fingerprinting required for a criminal records check. The Department of Safety is currently in the process of creating an online portal for state criminal records checks. Until the portal is

completed, the Department of Safety requires that criminal records checks be completed through the mail which may lead to delays.

23) Who will pay for the required tuberculosis test?

Tuberculosis tests are not a requirement to become an individual home care provider. [He-P 820](#). If the participant is hiring a home health service provider agency or other licensed provider that requires tuberculosis testing, the licensed agency will pay for tuberculosis testing as a licensing requirement. [He-P 822](#).

24) When a participant under PDMS hires an individual on their own (family friends, etc.) what protections are in place to ensure the participant receives adequate care?

PDMS puts the participant in control of the services they receive. The participant is responsible for determining whether an individual is suited to provide services. The FMS provider is responsible for determining employee eligibility. Case managers must contact in accordance with He-E 805. State law requires all individuals to report suspected abuse, neglect, or exploitation to Adult Protective Services. Technical Assistance, CRCC, and IIT will be available if necessary. Case managers are also required to ensure that services are adequate and appropriate for the participant's needs, pursuant to He-E 805.05(d)(2).

25) Does helping a PDMS participant create a budget create a conflict of interest for Case Management Agencies?

No. Conflicts of interest occur when a case management agency is a direct service provider, is a guardian of a participant, or has a familial or financial relationship with the participant. He-E 805.02(h). So long as case managers do not have an interest to steer participants to particular providers, assisting participants create a PDMS budget will not create a conflict of interest. See [CMS Home and Community Based Services Training Series](#) for more information on conflicts of interest.

26) Can PDMS Individual Goods and Services be used for non-emergency medical transportation?

No. PDMS are still subject to the rule that services not be covered under Medicaid State Plan. He-E 801.13(a)(1). Non-emergency medical transportation is provided to all beneficiaries under Medicaid State Plan, therefore it cannot be covered under CFI PDMS. He-W 573.02; He-W 574.02. Non-medical transportation can be covered under PDMS as an individual good or service.

27) Can a participant receive both PDMS and non-PDMS directed services at the same time?

Yes. Participants may choose which services they want to be participant directed. Participants may choose to have some services be PDMS and other services be agency directed. For example a participant might choose to personally direct personal care services but continue to receive Home Health Aide via agency directed services. The participant, case manager, and FMS provider will develop and monitor a PDMS budget for personal care services, while the participant continues to receive home health aide services as an agency directed service.

28) What steps are being taken to prevent unfunded or underfunded obligations for participants directing their own services?

The FMS provider trains participants and employers of record during the enrollment process to stay within the authorized hours of care. Participants choosing PDMS services must sign an agreement stating they understand they must stay within authorization. Participants and case managers can request changes to authorizations for changes in ongoing needs of a participant. Participants can request overtime for short term changes in care needs.

29) Who is the employer of record for participants receiving PDMS services?

For participants choosing the Fiscal Employer Agent model, the employer of record is either the participant or the person the participant designates to be the employer of record. For participants choosing the Agency with Choice model, the FMS provider and the participant are co employers. Under the agency with choice mode, the FMS provider is the employer of record and the participant manages the workers performance.

30) Who ensures that taxes are properly withheld?

The FMS provider processes payroll including withholding for federal taxes.

31) Who ensures worker's compensation insurance coverage is obtained?

The FMS provider will purchase a worker's compensation on behalf of the participant.

32) Does a provider of individual goods and services need to be an enrolled Medicaid provider?

No. Providers of individual goods and services must meet follow all applicable state laws or local ordinances. For example only hiring a licensed electrician when a service involves electrical work.

33) Can a PDMS service authorization include training of a new PDMS provider?

Yes. A PDMS service authorization can include training of a new provider.