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## MEMORANDUM

**DATE:** August 30, 2007

**TO:** Family Care MCO Directors

**FROM:** Monica Deignan, Managed Care Section Chief  
Office of Family Care Expansion

**SUBJECT:** Guidelines for Paying Family Caregivers

This memorandum supersedes the "Guidelines for Paying Family Caregivers" memo issued on March 1, 2004 to reflect a change in Federal and DHFS policy that allows a spouse of a member to be paid for providing services.  
Note: The policy for paying a spouse is no longer current.

The purpose of the attached guidelines are to provide assistance to interdisciplinary teams (IDTs) when the issue of paying family members or legally appointed guardians to provide care arises within the context of the member-centered planning process.

Paying Family Members Policy: The Family Care program policy on paying family members as caregivers is based on 2008 MCO contract language<sup>1</sup> and is as follows:

**A person in the member's family, including a spouse of a member<sup>2</sup>, shall be paid by the MCO for services if all of the following apply:**

1. The service is authorized by the interdisciplinary team.
2. The member's preference is for the family member to provide the service.
3. The family member meets the MCO's standards for its subcontractors or employees providing the same service.
4. The family member will either:
  - i. Provide an amount of service that exceeds normal family care giving responsibilities for a person in a similar family relationship who does not have a disability; or,
  - ii. Find it necessary to forego paid employment in order to provide the service and is not receiving a pension (including Social Security retirement benefits).

Paying Guardians Policy: The Family Care MCO contract has no explicit requirements on whether or not guardians can also be paid caregivers, except that determining whether a guardian

<sup>1</sup> A copy of the MCO contract is available on our website at <http://dhs.wisconsin.gov/LTCare/StateFedReqs/FC-RC-CMO-Contracts.htm>.

<sup>2</sup> DHS reposted guidelines in September 2009. The information pertaining to paying a spouse as a family caregiver is no longer current. Care Management workgroup is working on new language for updated policy on paying a spouse.

is the most appropriate provider of paid services in the Family Care benefit package is a result of using the Resource Allocation Decision method (the RAD) and the member-centered planning process.

Guideline: Guidelines provide a **framework** to follow, and if they do not work in a particular care planning situation, the team can elect not to follow the guidelines. The purpose of a guideline is to assist with decisions about supports and services while individualized care planning activities are occurring. Guidelines should be used to:

- Support the use of the RAD;
- Help generate ideas for options to meet the outcomes that have been identified by the interdisciplinary team, including the member; and
- Assist with team thought processes and decision-making activities.

Criteria: Criteria are **rules** that are used to make decisions about services and supports. They are external to the interdisciplinary team, and are used instead of, not in combination with, the RAD. Typically, criteria must be met before a particular service can be authorized, which implies that when criteria are used to make care-planning decisions, the care planning process is no longer individualized. **The Department must approve all criteria prior to their implementation by the MCO.** The following are examples of criteria:

- A rule that specific diagnoses or medical conditions must be present in order for a specific service or item to be authorized (e.g., list of included and excluded diagnosis);
- A rule that a service or support must have a specific purpose (e.g., must improve member's functioning or impairment);
- An example of a criterion about paying guardians could be a MCO rule that a member's guardian cannot be paid by the MCO to provide care to that member under any circumstances.

Application of Guideline: When applying the attached guidelines, the following procedure should be followed:

1. If an IDT is considering a request for a family member or guardian to be paid as a caregiver, the team should apply the RAD method, and use these guidelines to assist in the decision-making process.
2. If the team decision differs from the decision the guidelines would guide the team to, then the team's RAD-based decision takes priority (unless the decision is inconsistent with the contract).
3. If the MCO wishes to use specific criteria for making service authorization decisions instead of the RAD, the Department must approve those criteria before they are implemented. For example, if the MCO wishes to use guardian status of a family care member to deny payment of a family member, this criterion must be approved by the Department prior to its implementation.

If you have questions about this memo or guidelines for paying family caregivers, please e-mail them to the MCO mailbox at [cmoteam@dhfs.state.wi.us](mailto:cmoteam@dhfs.state.wi.us).

cc: Family Care ADRC Managers