

APPENDIX D TO 2009 STATE AND COUNTY CONTRACT  
FOR SOCIAL AND COMMUNITY PROGRAMS

Appendix Title: Community Options Program

It is further understood and agreed by both parties through this attachment to the CY 2009 "State and County Contract Covering Social Services and Community Programs" that:

1. Funds Provided/Period Covered

Funds in the amount identified in this contract are provided for the period beginning January 1, 2009 through December 31, 2009.

II. Purpose and Service Conditions on the Use of the Additional Funds

These additional funds may be used by the County only in accordance with section 46.27 of the Wisconsin Statutes, the Department of Community Options Program Guidelines and Procedures, numbered COP information bulletins, DDES (DLTC) Numbered Memos, and the 2009 County Community Options Plan which are by reference made part of this contract. The funds shall be apportioned as follows:

Sub-Allocation A: Funds identified in sub allocation A are for reimbursement of costs in developing assessments and care plans under ss. 46.27 (6)(a) and (b).

Sub-Allocation B: Funds identified in sub allocation B are for reimbursement of the costs of non-institutional community services provided to persons as specified in ss. 46.27 (95)(6g)(6r) and (7)(b) 11m.

Funds in sub-allocation A not required for assessments or care plans may be used for purposes stated in sub-allocation B. Failure to meet these purposes and conditions will result in loss of these funds by the County and their repayment by the County to the Department. Any sub-allocation may be increased or decreased by notice from the Deputy Administrator of the Division of Long Term Care. By letter notice from the Department, funds from sub-allocation B may be earmarked by the Department for purposes of achieving significant proportions compliance for underserved target groups under ss. 46.27 (3)(e) 1, or achieving compliance with care management standards under ss. 46.27 (6d), or in accordance with other policies developed by the Department.

III. Fiscal conditions on Earning of the Additional Funds

A. These additional funds are earned under the following conditions:

1. Within the funding available from sub-allocation A, the County may be reimbursed the actual cost for each assessment and care plan performed in accordance with the County Community Options Plan and Department Community Options Program Guidelines and Procedures and as reported on the Human Services Reporting System (HSRS).
2. The funding earned from sub-allocation B may not exceed a year-end average per client per month of **\$1,516.02**. Compliance with this limit shall be measured by dividing the total service and administrative expenditures reported (including

COP service funds that are used for the non-federal share of expenditures above the rates and local match in the waiver programs), by the total number of COP funded service days for all COP funded clients. The daily rate will be multiplied by 30.41 to determine the monthly service average. Unless a variance is granted in accordance with the Department Community Options Program Guidelines and Procedures, expenditures in excess of the **\$1,516.02** year-end average are subject to repayment by the County to the Department.

3. COP service funds under sub-allocation B may not be used for expenses incurred in CIP II/COP-W which have been disallowed due to waiver ineligibility unless eligibility for COP can be demonstrated. COP service funds also may not be used for expenses incurred in CIP II/COP-W which involve a disallowance under the circumstances established by DDES (DLTC) Numbered Memo.

B. Use of funds is conditioned by the following:

1. Department approval of the 2009 Community Options Plan and the County acceptance and fulfillment of any conditions attached to the plan approval.
2. Department approval of the County plan for expenditure of carryover funds.

The Department shall apply these conditions in determining the close of the contract. The amount of any subsequent audit adjustment on the funds in this contract shall be based exclusively upon these conditions.

Counties are allowed to establish a risk reserve for the Community Options Program and to place allocated COP funds that are not expended or encumbered for assessments, care plans or services in the risk reserve. Deposits in the risk reserve will reduce, by an equal amount, the limit on the amount of COP funds that can be carried forward to the subsequent calendar year. Counties are allowed to carry forward to the following year unexpended base COP dollars up to an amount which is 5% of the combined base 2009 COP and COP-W GPR allocations.

Counties are required to notify DHFS about amounts placed in a risk reserve and required to annually submit to DHFS, a form prescribed by DHFS, a record of the status of the risk reserve, including revenues and disbursements. The COP risk reserve must be maintained in an interest-bearing escrow account with a financial institution. This account must be held **separate** from the County's investment accounts. The terms of the escrow account must be approved by DHFS. All interest from the principal must be reinvested in the escrow account. The annual amount that can be placed in a risk reserve is 5% of the County's most recent COP and COP-W base allocation or \$750,000 whichever is less. Total amount of the risk reserve is limited to a maximum of 15% of the County's most recent combined COP/COP-W GPR base allocation. Funds from the risk reserve may be expended for any of the following purposes:

- a) to defray the costs of long-term community support services under sections 46.27(7)(fr);
- b) to meet requirements under any contract that the County has with the department to operate a care management organization (CMO) under ss. 46.284;
- c) to transfer funds to a Family Care District, if approved by the County board; and
- d) to fund COP administrative or staff costs, **if** approved by DHFS.

**As the COP program transitions into managed long term care, a county's COP program allocation will be reduced to reflect that some individuals are no longer being served in the COP program and instead are being served through the Family Care Program.**

IV. Fiscal and Client Reporting Conditions

- A. These additional funds and clients served by them must be reported to the Department as follows:
1. Expenditures of funds from sub-allocations A and B must be reported and billed on the DMT Form 600, Profile #367 as stated in the State/County Contract.
  2. For assessments and care plans to be reimbursed with funds from sub-allocation A, the information required on the Human Services Reporting System (HSRS) must be submitted by the last day of the month following the month in which the activity is completed.
  3. For each individual receiving services with funds from sub-allocation B, information is required on the HSRS or equivalent reporting and billing system as determined by the Department, by the last day of the month following the month in which services are provided. If a County becomes two or more months behind in reporting on HSRS, the County will not be paid on CARS. Expenditures must be claimed based on date of service, not date of payment. All financial reports for the calendar year must be submitted no later than February 28 of the following year.
  4. COP service funds may be used at County discretion, within established spending limits as determined by Departmental policy, to cover the GPR portion of expenditures that exceed the average per diem rates and local match requirements in the waiver programs. When COP funding is used in this way the federal matching share will be reimbursed in accordance with the federal matching rate in effect at the time reported expenses are paid by the CARS system. COP match dollar amounts as shown on the HSRS reports are based on a blended rate of **40.07%** non federal and **59.93%** federal. The blended rate may change if the official FFMP rate changes in October. This ratio may not reflect the actual split that occurs at the time expenses are paid through the CARS system. In order to balance total commitments as agreed upon by County agencies, Counties may adjust for this by applying more/less COP dollars toward the non federal share of costs that exceed the allowable rates for fully funded slots. Counties may not exceed the established COP DD spending limit unless a variance has been approved by the Department.
  5. All service expenditures for COP and the waiver programs must be reported on the HSRS long term support module by February 28, of the following year.
  6. COP service funds must be used to pay for allowable services for COP-W participants for whom the Department determines that federal funding may not be obtained due to federal limits on the number of people who can be served or on the average Medicaid cost per person.
- B. Final year-end reconciliation of expenditures will be based on the information submitted on the HSRS and/or equivalent reporting system as determined by the Department plus any supplemental reconciliation format as required by the Department. Information submitted on the HSRS must include, but is not limited to, all service expenditures and associated units by the correct standard program category by participant.
- C. Failure to report these funds and the clients served by them as specified above will result in the loss of these funds by the County and their repayment by the County to the Department.

V. Payment Procedures

Payment shall be made in accordance with the State/County Contract.

Conditions for the payment to begin, other than the execution of this contract will be the fulfillment of the conditions specified under section 4.02 of the contract.