

### **Children's Community Options Program**

It is further understood and agreed by both parties through this attachment to the CY 2016 "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, 2016 through December 31, 2016.

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 46.272 of the Wisconsin Statutes, the Children's Community Options Program Guidelines and Procedures, numbered information bulletins, and memos, and the 2016 County Children's Community Options plan which are by reference made part of this contract. Use of these funds is limited to persons under 22 years of age who are not eligible to receive services in or on a waiting list for an adult long-term care program. Individuals eligible to receive funding under this program must have a severe physical, developmental, or emotional impairment which is diagnosed medically, behaviorally, or psychologically and is characterized by the need for individually planned and coordinated care, treatment, vocational rehabilitation or other services and which has resulted or is likely to result in substantial limitation on the ability to function in at least 2 of the following areas: self-help, receptive and expressive language, learning, mobility and self-direction, and level of care is equivalent to nursing home, hospital, or institution for mental disease.

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. 46.272 (7)(a) and (f) and 46.272 (8) and (11) and (13)(a)1. Assessment/plan funds may be used to pay the costs not otherwise paid by fee or under s.49.45 or 49.78(2). Counties may use unspent funds allocated under this subdivision to pay the cost of long term-community support services and for a risk reserve under par.(f)

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. 46.272 (7)(b), (10), (13)(a)(2) and (13)(b-h). These funds are allocated to pay the cost of providing long term community support services described in (7)(b) not otherwise paid under s. 49.45 to children eligible for medical assistance under 49.46, 49.47, or 49.471(4)(a). The county department administering the program may spend funds received under this paragraph only in accordance with the case plan and service contract created for each child receiving long term community support services. Counties may use unspent funds allocated under this subdivision for a risk reserve under par.(f).

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.

### III. Fiscal conditions on Earning of the Additional Funds

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

1. Under 46.272(9)(c) from the information obtained under par.(b), the county department shall determine the amount of the fee for receipt of children's long term community support services under this section. The county department shall require payment by the child or parent or guardian of the child of 100 percent of the amount calculated under this paragraph. The county department shall use funds received under par. (c) to pay for long term community support services for children who are eligible for services under the children's community options program.
2. By letter notice from the Department, under 46.272(13)(d), if the Department determines that a county demonstrates a pattern of failure to serve clients whose cost of care significantly exceeds the average cost of care for children's, long term community support services provided this section, the Department may require that county to reserve a portion of funds allocated under this subsection for the provision of service to those clients, or in accordance with other policies developed by the Department.
3. These funds may not be used to pay for room and board for children under the Children's Community Options Program.
4. Counties may be disallowed reimbursement for services provided to children who do not meet the eligibility requirements for the

- Children's Community Options program or any other eligibility requirements established by the department.
5. Counties may not use funds received under this section to purchase land or construct buildings.
  6. Funding may not be used to pay for long term community support services provided to any child who resides in a nursing home, unless the department waives this restriction on the use of the funds and services are provided in accordance with a discharge plan.
  7. As described in s. 46.272 (15) A child who is denied eligibility for services or whose services are reduced or terminated may request a hearing from the department under s.227.44, except that lack of adequate funding may not serve as the basis for a request.
  8. Under 46.272(13)(e), the Department shall at the request of a county, carry forward up to 5 percent of the amount so allocated under this subsection to the county for a calendar year if up to 5 percent of the amount so allocated has not been spent or encumbered by the county by December 31 of that year, for use by the county in the following calendar year, except that the amount carried forward shall be reduced by the amount of funds that the county has notified the department that the county wishes to place in a risk reserve under par.(f). An allocation under this paragraph does not affect a county's base allocation under this sub-section and shall lapse to the general fund unless expended within the calendar year to which the funds are carried forward. A county may not expend funds carried forward under this paragraph for administrative or staff costs, except administrative or staff costs that are associated with implementation of the waiver under sub. (14) and approved by the department.
  9. Counties are allowed to establish a risk reserve for the Children's Community Options Program and to place Children's COP funds that are not expended or encumbered for assessments, care plans or services in the risk reserve, not to exceed 10 percent of the county's most recent allocation under par (a) and sub. (14)(b)1 or \$750,000 whichever is less. The total amount of the risk reserve, including interest, may not exceed 15 percent of the county's most recent allocation under this subsection. 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.

10. Counties are required to notify DHS about amounts placed in a risk reserve and required to annually submit to DHS, a form prescribed by DHS, 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 DHS. All interest from the principal must be reinvested in the escrow account. Funds from the risk reserve may be expended for any of the following purposes:
  - a) To defray the costs of children's long-term community support services under this section.
  - b) If approved by the department, for administrative or staff costs under this section.

B. Use of funds is conditioned by the following:

1. Department approval of the 2016 Children's 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.
3. Funds allocated under this subsection may not be used to replace any other state and federal funds or any county funds that are currently being provided under any program to a family whose child is receiving services through the children's community options program.

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.

IV. Fiscal and Client Reporting Conditions

- A. These additional funds and participants 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 forms as prescribed by the Department on CARS Profile #377 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) or equivalent reporting system as determined by the Department, 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 may 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 (unless a later date has been communicated to Counties by the Department) of the following year.
- B. Within determined spending limits as determined by Department policy, Children's Community Options (CCOP) service funds may be used at the discretion of the administering agency. Children's COP funds may be used for the non-federal portion of expenditures that exceed the CLTS non-federal contract and for local match requirements in the waiver programs. When CCOP 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. CCOP funding utilized as match for the CLTS waivers is determined based on claims paid through the third party administrator (TPA) as determined by the County authorizations. Final CCOP funding applied for CLTS waivers will be determined based on the final claims data and county reports during the year end reconciliation process. 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 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 participants 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 payments to begin, other than the execution of this contract, will be the fulfillment of the conditions specified under section 4.02 of the contract.

Payments through 06/30/2016 are limited to 4/12 of the contract with the balance paid after 6/30/2016 based on reported costs up to the contract level.