



## Experience as a Fiscal Intermediary Service Provider

Community Alliance is the dba for Community Living Network, 501c3 non-profit organization. Most of our contractors still refer to our agency as CLN.

### **How many individuals do you currently serve?**

- We currently serve over 580 individuals in nine (9) counties (CMH's) across southeast and mid- Michigan

### **What is your level of experience? Staffing expertise?**

- Our agency was founded in 1993 as part of a grant from the Robert Wood Johnson Foundation and was the first fiscal intermediary program in Michigan. Currently we have contracts with nine (9) Community Mental Health agencies. The total Medicaid contracts for our Fiscal Intermediary Program is over \$15 million annually. Our most recent contract is with Sanilac County in October 2020. Our largest contract is with Washtenaw Community Mental Health, with 200 participants.
- Our leadership team consists of the following:
  - Katherine Grant (MSW), Executive Director, 15 years working with non-profit organizations, 10 years with Community Alliance.
  - Melissa Frash (BS), Director of Fiscal Intermediary Services, has worked for Community Alliance for 25 years starting as a direct care staff to director of programs in the supported living program. She has been our Director of Fiscal Intermediary program since 2013.
  - Jason Medeiros (MSA), Director of Finance and Administration, has been with Community Alliance for 12 years.
  - Sam Brown, Coordinator of Fiscal Intermediary Services, BA has been with Community Alliance for 17 years.
  - Lynda Morgan, Team Lead Fiscal Intermediary Services, hired August 2015 has over 20 years of experience in payroll and customer service.
  - Shannon Grant, Team Lead Fiscal Intermediary Services was hired 2016.
  - 6 assistants support the effort with a combined 15 years of experience in the department.

### **What is your process for filing taxes on behalf of recipient of services for the workers they employ?**

- We register the recipient of services with all the required government agencies: Federal; State; Unemployment; Worker's Compensation. All taxes are paid as required by statute: after each payroll, monthly, quarterly and annually.

## **What checks & balances do you have built into your system?**

- Comprehensive checklists are used to ensure all documentation needed is obtained from the employer of record and their staff. Databases are utilized to ensure tracking and compliance.
- Recipient of service is not set up as an Employer of Record until all documentation and state and federal requirements are met.
- Employees are not given a 'start date' or entered into our payroll system until all the training requirements and background checks are completed.
- We have a detailed training database to track and manage the required training for all employees based on the CMH training requirements and employer's requirement.
  - Training Reports detailing requirements is sent to the employer with deadlines for compliance under the CMH requirements
  - CMH Contact Person is notified of non-compliance for determination of continued eligibility in the county's Self Determination program.
- Time-sheets are received via mail, secure email and fax and are reviewed for accuracy prior to payroll processing.
  - Task assignments in the department ensure a check and balance approach to process flow.
  - FI assistants checking time-sheets are not the same staff preparing the payroll and are not the same person that processes the claims for CMH. A final review of the claim forms against the timesheets insures a clean billing process. Each person in the process is trained on the other tasks to ensure a fresh set of eyes in a quality control check.
- Our payroll process is managed by the FI Coordinator utilizing a payroll software system designed for fiscal agents called ArborSoft. The system utilizes a series of validation markers that monitor the authorization and other important points before allowing payroll to be processed.
- Our website allows employers/employees to submit a concern/complaint as warranted. All feedback is followed up by our program and executive director.

## **Do you complete self -d/respite/CLS budgets for the year or would we work with the consumer & complete the budget on our own form? Can you send a sample budget?**

Budget allocations are determined by CMH and the recipient of service at the annual IPOS during the Person Centered Planning (PCP) Process. It is expected that CMH establish the annual budget with the recipient of service based on medical need. To ensure transparency and to avoid a conflict of interest CLN will not participate in the IPOS/ PCP meeting or process. The approved budget is forwarded to CLN from CMH for processing and we assist the recipient of service to develop a Budget Allocation Worksheet ensuring all anticipated expenses are covered according to their agreement with CMH and with legal and regulatory requirements from the feds and state. Emphasis is on employer taxes, wages, overtime estimates, training cost, worker's comp premiums. We have attached a copy of the Budget Allocation Worksheet we use after the CMH budget is approved.

- We create monthly usage Budget Reports that will indicate if the employer of record is over or under utilizing their allowed hours. These are sent to the employer and the CMH coordinator/contact person monthly. These are referred to as Budget Allocation Reports.
- We utilize a worker's comp database to ensure each employer has a current worker's comp insurance policy.

**Do you produce payroll once a month, weekly or bi-weekly? Can you send a sample report?**

- We process payroll (Direct Deposit or paper check) twice a month on the 15th and 30th (or closest business day if weekend or Holiday). We do not send payroll reports to CMH.

**What is the time frame from pay period end to pay date?**

- 15-days. Our pay periods are the 1st-15th with timesheets due on 18th with hours worked paid on the 30<sup>th</sup>. Second pay period is 16th-end of the month with timesheets due on the 3rd of the following month being paid on the 15th.

**Do you have overtime reports?**

During the Budget Allocation process we work with the employers of record to account for possible overtime. Overtime is managed by the employer on the timesheets and we pay the employee the time and half rate. On the monthly Budget Allocation Report (usage If report) sent to the employers it indicates the wages and taxes paid for the previous month. If we determine there are sufficient funds to pay the overtime it is paid. If the budget is in a deficit, the hours are paid at the regular rate and the employer must pay the overtime .5 portion from their own funds. Ultimately it is up to the employer of record to manage it and understand that overall budget allocation is effected with overtime and could negatively impact staff hourly wages.

**What is your audit process?**

We have a comprehensive Corporate Compliance Plan that is reviewed annually. Our audit process is layered:

- Internal Audits- random selection of 10% of all claims is analyzed for variance and compliance
- Program Coordinator randomly selects a percentage of files to 'file check' against audit rubric.
- Budget Verification- every employer of record's budget is verified every month to ensure all revenues are correct and the employer is managing the hours and services received according to their agreement with CMH.
- Stakeholder Audits- each CMH conducts annual audits of our process and claims.
- Community Alliance is CARF Accredited - we have built the CARF standards into our own processes for a seamless survey process

We have a very high fidelity to our audit process and Corporate Compliance Plan and score well above the expectations of our stakeholders.

## **How are payments funded and how often? ACH weekly, monthly, portion of individual budget?**

- We require a minimum of 1/12th of the value of the annual individual budget as a cash advance to float payroll. We are reimbursed for payroll with claims. Depending on the size of the contract and the complexity/reliability of the CMH billing process we may require a 2/12<sup>th</sup> advance.
- We have a system in place to manage and track the cash advances and would be happy to share that with CMH if we agree to a contract.

## **How do payroll reports/budgets get to our CMH finance department, by E-mail or secure server?**

- Email or scan. If there is a special report CMH requires, we would be happy to review the information you need and will work with you to create a report. We will submit the Medicaid claim/billing according to CMH protocol. We currently use CMH electronic billing systems and HICF 1500 forms emailed to the CMH. We are working on our 837 capabilities and hope to have that working within a year. We do have a secure email address to send and receive confidential information. We password protect all emailed from non-secure email addresses.

## **Do you charge a Criminal Background Check fee? If so, how much is it?**

- We use the Michigan ICHAT (free) and a provider that does a national search (Castle Branch \$25) if they don't have a Michigan License. The Criminal Background fee is included in our set up fees and monthly FI fees.

## **Do you charge an enrollment Fee? If so, how much is it?**

- Yes, we charge a one-time enrollment fee of \$225. Included in this fee is the set-up of the client's electronic and paper files, the entire employer's paperwork and registration with all the government agencies.
- We meet with the client face to face and set up all of the employer's paperwork and finalize the Budget Allocation Worksheet. *See below a complete breakdown of FI fee.*

### Community Alliance Fiscal Intermediary Services Breakdown of FI Fee

#### Employer (recipient of service) Related Activity Fiscal Intermediary Set Up Fee \$225

- Staff labor: 1 Team lead and 2 assistants assigned to process files start to finish
- Time: Approximately 6-12 hours of staff labor
- Scope: All aspects of becoming an employer of record including compliance with Department of Labor, Unemployment, State and Federal governments, Office of Finance and Insurance (state of Michigan), CMH, Medicaid, CSTS.
  - Postage/copies each packet is at least 150 pages per set up of 1 employer (at cost)
  - Create paper and electronic files to track budget and CMH required documentation and inputting the employer into our payroll system (at cost)

- Communication with the CMH team getting recipient of services started in the program and follow-up emails to get them into EII for the Authorization (part of staff time)
- Verify child waiver participant has special services such as speech therapist; massage therapist, etc. that the provider of the service has the proper NPI ID number with a copy on file for our records.
- Setting up vendors files in payroll system
- Creating and reviewing the start-up budget allocation and staff rate of pay
- Meeting with the employer to complete the paperwork (typically 1-2 hours). Includes additional travel time as required.
- Processing the Federal and State Government paperwork including EIN (employer identification number) and unemployment tax records following up to ensure timely compliance . This process can take weeks to complete due to the federal system.
- Set up worker's compensation insurance through our broker (we pay insurance policy in full at start of insurance and receive reimbursement from CMH in arrears).

**What is your FI service fee per month, per individual?**

- Yes, the FI fee is per month per individual whether the individual has employee activity or not. Our program monitors quarterly taxes and maintains the files whether there is employee activity or not.
- \$50 per month for employers when no employee/payroll activity
- \$100 per month for employers that hire companies as providers
- \$140 per month for employers who employ up to six (6) individuals as direct care staff in that month
- \$160 per month for employers who employ seven (7) or more individuals as providers in that month
- 1/12 to 2/12 advance of each participant's annual budget upon receipt of an invoice from CLN for newly enrolled participants
  - CLN agrees to return to CMH the full amount of advance subject to reconciliation of outstanding costs upon termination of the participant from self-determination.

**Can you please provide me with a rate structure? For example, what is the typical/AVG amt charged for Self D, Respite & CLS?**

- The unit rate is established by the PIHP and passed through to CLN by CMH. We do not establish unit rates for fee for service contracts for the CLS budget.

**Can you provide any References?**

- Yes. We'd like to have a conversation with your team before we provide references.