Forecasting & Speculating
Changes in Supported Employment Services 2017 & Beyond

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The Opportunity for Change is Now in conjunction with:

• Home & Community-based Services (HCBS) Rule (excerpts)...
  • “...ensure that individuals receiving services through HCBS programs have full access to the benefits of community living.”
  • “...further expand the opportunities for meaningful community integration in support of the goals of the ADA and the Supreme Court decision in Olmstead...”
  • “...Provides opportunities to seek employment and work in competitive integrated settings,...”
  • “Ensures the individual receives services in the community to the same degree of access as individuals not receiving Medicaid HCBS”

• Work Innovation & Opportunity Act (WIOA) (excerpts)...
  • Goal is to increase employment of people with disabilities in integrated employment settings; attempts to significantly limit the use of 14(c), particularly for transition-age youth:
    • –Defines and prioritizes integrated employment as work at or above minimum wage, with wages and benefits comparable to people without disabilities and fully integrated with co-workers without disabilities
    • –Limits use of sub-minimum wage. Requires anyone under 24 to explore and try integrated employment before they can be placed in a sub-minimum wage setting; prohibits schools from contracting with sub-minimum wage providers; and requires at least annual engagement of anyone in sub-minimum wage setting
  • Created Advisory Committee on Increasing Competitive Integrated Employment for Individuals with Disabilities. The ACICIEID report outlines many suggested focus areas.
The Opportunity for Change continued...

• Employment First in Michigan (excerpts)...
  • “WHEREAS, the state of Michigan recognizes that competitive employment within an integrated setting is the first priority and optimal outcome for persons with disabilities, regardless of level or type of disability; and ... “ (recognizes intermediate steps if/as needed)
  • “All state departments and agencies that provide services and support to persons with disabilities, and all state departments and agencies that provide employment, economic development, or other related services, shall implement Employment First in Michigan by coordinating efforts and collaborating to ensure that state programs, policies, procedures, and funding support competitive employment within an integrated setting as the first priority and optimal outcome for persons with disabilities.”
  • “All state agencies shall, whenever feasible, share data and information across systems in order to track progress toward full implementation of this Order.”
  • “All state agencies are encouraged to adopt measurable goals and objectives to promote assessment of progress in implementing this Order.”
Supported Employment Services Clarifying language re:

• “Folding” C & B waiver services into 1115 waiver

• “…allowable…braided services…”
  • It is allowable to braid resources from community partners to support individuals seeking to obtain, return to competitive employment, or increase their employment objectives. This service can be used concurrently to supplement/complement services to help individuals achieve their desired employment outcomes as long as there is no duplication of resources for the same service element(s) at the same time.

• “…not to support 14(c ) sub-minimum wage work…”
  • Note: Supported employment services do NOT support payment of sub-minimum wages paid to individuals under 14(c ) legislation.
Proposed Medicaid Provider Manual Updates...possibly mid-FY 2017

Supported Employment Services Clarifying language continued...

• Follow along Supports/On-going Supports/Extended Services
  • “…underscore that employment follow-along support services are both allowed and encouraged recognizing such must be in the Individual Plan of Service.”
    • This is a VERY important component to help MRS & BSBP find a person eligible for services and provide same.

• Qualifications
  • Currently; successful completion of at least one of the following employment training programs are recognized by MDHHS/BHDDA-
    • Required for All General Supported Employment Services Staff:
      • Employment Training Specialist (ETS) multi-day training; or
      • Association of Community Rehabilitation Educator (ACRE) multi-day training
    • Note: Other supported employment services training programs may be submitted for approval by contacting BHDDA employment services lead staff at BHDDA mailbox
Proposed Medicaid Provider Manual Updates...possibly mid-FY 2017

• Individual Placement & Support (IPS) for Persons with Serious Mental Illness (Evidence-based Practice Supported Employment services)
  • Approval must be attained from BHDDA to establish an IPS site
  • Fair fidelity or higher required to RETAIN IPS status
  • On-going fidelity reviews required based on most recent score
  • Above Qualifications required PLUS training events related to IPS

• NOTE:
  • Other approved supported employment services for both individuals and group of 2 – 6 individuals may still be utilized, if not, providing IPS
Proposed Medicaid Provider Manual Updates...possibly mid-FY 2017

• Pre-vocational & Skill-building Services Re: Time limits
  • Services are expected to occur over a defined period of time, generally not to exceed a total of 12 months
  • ...(exception process may be considered if it can be reasonably expected the outcome is achievable within 12 additional months and requires a formal outcome-based vocational plan)

• Community Living Supports are NOT for employment services

• Also note consideration being given to include new codes that would separately apply to/focus on:
  • Job development
    • To include limited discovery, career planning, etc.
  • Job Coaching
  • Benefits planning
  • Transportation related to employment
Face-to-Face Encounter Services

- **Currently** within the PIHP & CMHSP ENCOUNTER REPORTING Healthcare Common Procedure Coding System (HCPCS) and REVENUE CODES language reads:
  - Include the transportation costs, where
    - appropriate, to and from supported employment services
  - Include cost of staff, facility, equipment,
    - travel, transportation, contract services, supplies, and materials
  - Include cost of *indirect* job development and job coach activities
  - Show MRS match on CMHSP subelement cost report as “Other GF Expense”
Face-to-Face Encounter Services continued...

- Consideration to **possibly** include “On-behalf-of” language reflecting:
  - ...may be a blended encounter reporting of both “face-to-face with” and “on behalf of” an individual. **Individual** competitive integrated employment services include:
    - Direct supports, provided in the presence of the individual, and
    - Indirect supports provided when the individual is not physically present and the provider is providing supports that directly relate to the **individual’s** employment situation.
      - Include the transportation costs, where appropriate, to and from supported employment services
      - Include cost of staff, facility, equipment, travel, transportation, contract services, supplies, and materials
      - Include cost of indirect job development and job coach activities
  - This change is intended to allow and encourage CMHSPs to be creative in rate reimbursement/payment structures and strategies that best promote the preferred and optimal outcome of **individual** competitive integrated employment. Such reimbursement structures may include performance-based, outcome-based, milestone payments, tiered rates, and other rate models to best achieve the optimal outcome.
  - Encounters reported need to include all aggregate costs, then reported by 15 minute units for all individuals to gain the average 15 minute cost to report whether “face-to-face with” or “on behalf of” an individual along with total costs.

- **Note:** Effort to further encourage and promote reimbursement structures that may include performance-based, outcome-based, milestone payments, tiered rates, and other rate models to best achieve the optimal outcome.
  - Possible examples: Reimbursement for HOURS worked by the INDIVIDUAL receiving services with monthly “check-ins”, possibly higher rates to support persons with more significant disabilities (possibly use the SIS and/or other), promote INDIVIDUAL Competitive Integrated Employment rates to “out pace” group, enclave or other rates.
The purpose of this policy is to underscore the BHDDA/MDHHS’s expectation of CMHSPs to support schools with students with disabilities to transition to full community inclusion. Such services are required by the Michigan Mental Health Code Section 330.1227, School-to-Community Transition Service.

“Each community mental health services program shall participate in the development of school-to-community transition services for individuals with serious mental illness, serious emotional disturbance, or developmental disability. This planning and development shall be done in conjunction with the individual’s local school district or intermediate school district as appropriate and shall begin not later than the school year in which the individual student reaches 16 years of age. These services shall be individualized. This section is not intended to increase or decrease the fiscal responsibility of school districts, community mental health services programs, or any other agency or organization with respect to individuals described in this section.”

Condensed to 4 pages with required tracking measurement criteria:

- Annual documentation of number of youth likely to be eligible for services through collaboration & documentation of local participation
- Documentation of at least annual presentation
- Documentation of participation in IEPs for likely eligible youth at the youth’s invitation
- Number of post-age 18 students seeking integrated residential living
- Number of post-age 18 students seeking competitive integrated employment
Michigan
Freedom to Work
Public Act 0518 of 2014
(Implemented October 1, 2015)

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Key Terms to Look For

- **Countable Income**
  - utilizes Social Security’s SSI Medicaid income formula
    - $20 General Income Exclusion
    - Earnings divided by 2

- **Modified Adjusted Gross Income (MAGI) (per CMS 2/6/15)**
  - TOTAL of UNEARNED & EARNED
    - Such as SSDI, Veterans, etc. and earnings

- **Remember...Substantial Gainful Activity**
  - Social Security’s SGA rules still apply

- **NOTE: Implemented October 1, 2015**
Public Act (PA) 0518 of 2014

FTW

• **Initial Eligibility** –

• (2)(a) The individual has been found to be disabled under the federal supplemental security income (SSI) or the social security disability income program (SSDI) or would be found to be disabled except for earnings in excess of the substantial gainful activity (SGA) level as established by the U.S. Social Security Administration (SSA).

• (b) the individual is at least 16 years of age and younger than 65 years of age.

• (c) The individual has **A COUNTABLE** income (EARNED & UNEARNED) level of not more than **250%** of the current federal poverty guidelines (FPL) **FOR A FAMILY OF 1**. (Equates to 250% times $990 or $2475 + $85 = $2560 in 2016-April 1?)

• (d) **THE INDIVIDUAL’S ASSETS MEET THE MEDICARE PART D EXTRA HELP LOW INCOME SUBSIDY (LIS) AND MEDICARE SAVINGS PROGRAM (MSP) ASSET LIMIT, AS ADJUSTED ANNUALLY. ($8780 includes $1500 burial fund in 2016)**

• (e) The individual is employed on a regular and continuing basis.

• NOTE: Cannot be SSI Medicaid eligible and FTW eligible at the same time
Services –
• (3) The program is limited to the medical assistance services made available to recipients under the medical assistance program administered under section 105.

Continued eligibility -
• (4) Without losing eligibility for medical assistance, an individual who qualifies for and is enrolled under this program is permitted to do all of the following:
  • (a) Accumulate personal savings and assets not to exceed $75,000.00
• Continued eligibility –

• (b) Accumulate unlimited retirement and individual retirement accounts WITH INCOME FROM EMPLOYMENT WHILE ENROLLED IN THE FREEDOM TO WORK FOR INDIVIDUALS WITH DISABILITIES PROGRAM. ASSETS DESCRIBED IN THIS SUBDIVISION SHALL REMAIN EXCLUDED FROM ELIGIBILITY CONSIDERATION FOR OTHER MEDICAID PROGRAMS FOR THE INDIVIDUAL EVEN IF HE OR SHE LOSES ELIGIBILITY UNDER THIS SECTION.

• (c) Have temporary breaks in employment that do not exceed 24 months if the temporary breaks are the result of an involuntary layoff or are determined to be medically necessary OR FOR RELOCATION NECESSARY DUE TO EMPLOYMENT IN THIS STATE

• (d) Work and have income that exceeds the amount permitted under section 106, but shall not have UNEARNED income that exceeds 250% of the federal poverty guidelines. (FPL of $990 in 2016)
(5) THE DEPARTMENT OF COMMUNITY HEALTH SHALL ESTABLISH A PREMIUM THAT IS BASED ON THE ENROLLED INDIVIDUAL’S Earned AND UNEARNED INCOME. AN ENROLLED INDIVIDUAL SHALL PAY A SLIDING FEE SCALE MONTHLY PREMIUM BASED ON AN ANNUAL REVIEW OF Modified Adjusted Gross INCOME (MAGI) - per CMS info of 2/6/15 - AS FOLLOWS:

(A) NO PREMIUM FOR INDIVIDUALS WITH Modified Adjusted Gross INCOME (MAGI) - per CMS info of 2/6/15 - LESS THAN 138% OF THE FEDERAL POVERTY GUIDELINES FOR A FAMILY OF 1.

• NOTE: 138% of the 2016 FPL-April 1 of $990 equates to $1366/month.
• **(B)** Beginning the effective date of the 2014 amendatory act that amended this subdivision, **a premium of up to 7.5% per month of MAGI** – per CMS 02/06/15 - (earned and unearned) **for individuals who have total MAGI between 138% of the federal poverty guidelines for a family of 1 and $75,000.00 of MAGI.** Equates to over $1366 in MAGI (earned and unearned) but less than the $75,000 MAGI.

**NOTE:** The premium that will initially be used is **2.5% of MAGI per MI Medicaid Services.**

• **So...if a person’s MAGI income (EARNED & UNEARNED) total $1500.00, then the monthly premium would be $37.50**

• **If a person’s MAGI income (EARNED & UNEARNED total $2000, then the monthly premium would be $50.00**
  • *These are my best/simplest examples of how this premium will apply.*
  • **Note:** Some FTW individuals will also need to pay their own Medicare Part B premium as it’s always been – currently $121.80.
• Premiums –

• **(C) A PREMIUM OF 100% OF THE AVERAGE FREEDOM TO WORK PROGRAM PARTICIPANT COST FOR AN ENROLLED INDIVIDUAL WITH MAGI OVER $75,000.00 ANNUALLY.**

• (d) The premium for an enrolled individual shall generally be assessed on an annual basis based on the annual return required to be filed under the internal revenue code of 1986 or other evidence of earned income and shall be payable on a monthly basis. The premium shall be adjusted during the year when a change in an enrolled individual’s rate of annual income changes.

• (6) Revenue received from premiums collected under this section shall **not** exceed $3,000,000.00 per year.
Questions, Speculation, Answers, and Actions?

• What about someone already on FTW?
  • Some of the current 2,400+ FTW eligible individuals will NOW have to pay a premium of the determined percent.

• Some FTW individuals will also need to pay their own Medicare Part B premium of $121.80 (2016 amount) as it’s always been.
  • Based on if countable income exceeds 120% of the Federal Poverty Level (FPL). FPL in 2016 is $990/month so 120% is about $1188.
    • A person with a $1088 SSDI check would actually be able to make $284 in earned income before paying this premium. That is $1088 + $284 = $1372. The SSI calculation is used in reverse. $284 in earned income less $20 = $264 less $65 = $199 divided by 2 = $99.50. $1088 plus $99.50 = $1187.50 approx.
    • The earnings before paying Part B varies depending on the size of the SSDI check given this formula.
Questions, Speculation, Answers, and Actions?

- Why did I say “in reality” about earnings potential?
  - **Recognize that Social Security’s Substantial Gainful Activity (SGA) rules still apply.**
  - A person has the opportunity to make and keep much more but will also need to seek benefits counseling to understand the impact
    - Community Work Incentives Counselors (CWICs) noted at: [http://mi.db101.org/glossary_item.aspx?item-id=2601](http://mi.db101.org/glossary_item.aspx?item-id=2601)

- Continuing Medicare coverage for up to 93 months if the person earns their way off SSDI check.

**NEW** - Department of Human Services Bridges Manual #174 found at: [http://www.mfia.state.mi.us/OLMWEB/EX/BP/Public/BEM/174.pdf#pagemode=bookmarks](http://www.mfia.state.mi.us/OLMWEB/EX/BP/Public/BEM/174.pdf#pagemode=bookmarks)