

## Financial management services (FMS) provider requirements for CFSS

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Legal authority	<a href="#">Minn. Stat. §256B.85, subd. 10 and 13a</a>	
Comparison of PCA and CFSS	<p>DHS is in the process of replacing PCA with CFSS. For more information about this transition, refer to <a href="#">CFSS Manual – Transition from PCA and CSG to CFSS</a>.</p> <p><b>Differences</b></p> <p>PCA does not include financial management services (FMS). This page applies to CFSS only.</p>	
Definitions	<p><b>Financial management services (FMS) provider:</b> An organization that people use to help them with employer-related responsibilities and FMS tasks. DHS contracts with all FMS providers to provide these services and enrolls them as Minnesota Health Care Programs (MHCP) providers. For more information about the services, refer to <a href="#">CFSS Manual – FMS for CFSS</a>.</p> <p><b>Note:</b> FMS providers also provide similar services to people using consumer directed community supports (CDCS). For information about those services, refer to <a href="#">CDCS Manual – FMS for CDCS</a>.</p> <p><b>Responsible party (RP)/participant’s representative:</b> An individual who is age 18 or older and capable of directing care on behalf of a person receiving PCA/CFSS services when the person is assessed as unable to direct their own care. In PCA, this individual is called the RP. In CFSS, this individual is called the participant’s representative.</p> <p><b>Note:</b> All references to “representative” on this page refer to the participant’s representative, unless otherwise specified.</p>	
Applicability	<p>The following people must choose an FMS provider:</p> <ul style="list-style-type: none"> <li>• People who use the CFSS budget model.</li> <li>• People who use the CFSS agency model and also purchase goods/services.</li> </ul> <p>People who use the CFSS agency model and do not purchase goods/services do not need to choose an FMS provider.</p>	
Overview	<p>A person cannot bill the state directly for approved CFSS goods and services. The FMS provider submits claims and receives payments from the state on behalf of the person. These payments are used for approved goods and services through CFSS.</p>	
Provider standards and qualifications	<p>DHS contracts with all FMS providers to provide FMS. DHS determines if FMS providers meet the qualifications through a request for proposal (RFP) process at a frequency determined by DHS. To view open RFPs, refer to <a href="#">DHS – Grants and RFPs</a>.</p> <p>An FMS provider must meet all of the following qualifications:</p> <ol style="list-style-type: none"> <li>1. Successfully complete a readiness review before enrollment that is conducted by a person or organization that meets the qualifications required by the state.</li> <li>2. Be a financially solvent organization.</li> <li>3. Have all of the following: <ul style="list-style-type: none"> <li>• Current and adequate liability insurance and bonding, as defined in the RFP.</li> <li>• Knowledge of and compliance with Internal Revenue Service (IRS) requirements.</li> <li>• An information technology security officer.</li> <li>• A certified payroll professional, a certified public accountant or an individual with a bachelor’s degree in accounting.</li> <li>• An electronic visit verification (EVV) system (either the state’s selected system or an alternative system that meets the state’s requirements).</li> </ul> </li> </ol>	

	<ul style="list-style-type: none"> <li>• The ability to provide services statewide.</li> <li>• The ability to meet the requirements under a collective bargaining contract.</li> <li>• An established customer service system.</li> </ul> <p><b>Requirements to act as an agent of the person</b>  FMS providers function as statewide vendor fiscal/employer agent (VF/EA) FMS organizations in accordance with <a href="#">Section 3504 of the Internal Revenue Service (IR Code)</a> and <a href="#">Revenue Procedure Code 2013-39</a>, as applicable.  To provide fiscal agent services, the FMS provider must:</p> <ul style="list-style-type: none"> <li>• Obtain an IRS authorization from the person to act as an agent on their behalf.</li> <li>• Have the ability to advise the person about their obligations for workers' compensation insurance.</li> <li>• Help the person obtain workers' compensation insurance, if needed, and any other required insurance.</li> </ul>
<p><b>General responsibilities</b></p>	<p>FMS providers have a responsibility to disclose financial interests, have an agreement with the person, make public their service rate(s) and have the capacity to submit background studies.</p> <p><b>Disclose financial interests</b>  An FMS provider who has any direct or indirect financial interest in the delivery of certain services to the person must disclose the nature of that relationship to the person in writing. These services include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Training for CFSS workers.</li> <li>• Goods and services.</li> <li>• Any services provided as an MHCP-enrolled provider.</li> </ul> <p>The FMS provider must obtain a document signed by the person stating the person both:</p> <ul style="list-style-type: none"> <li>• Acknowledges their understanding of the information disclosed about the direct or indirect financial interest.</li> <li>• Identifies and confirms their choices of services and providers.</li> </ul> <p><b>Have an agreement with the person or their representative</b>  An FMS provider must have a written agreement with the person or their representative that outlines roles and responsibilities of the FMS provider, the person/representative and the support workers. The agreement should also identify the FMS provider's fees and outline the actions the FMS provider or person/representative will take if the agreement is not followed.</p> <p><b>Have the ability to submit background studies</b>  An FMS provider must have the ability to submit background study requests to DHS on behalf of the person. The type and extent of background studies the FMS provider is required to facilitate are those that follow the requirements under Minn. Stat. Ch. 245C. For more information, refer to <a href="#">DHS – Background studies</a>.</p>
<p><b>Person's rights</b></p>	<p>The FMS provider must provide the person with a written copy of their rights, including:</p> <ul style="list-style-type: none"> <li>• How the person can access any records the FMS provider retains about them.</li> <li>• The FMS provider's policies and procedures about data privacy.</li> <li>• How the person can contact the FMS provider about problems or grievances.</li> <li>• The FMS provider's policies and procedures for reporting, investigating and attempting to resolve grievances of people who receive services.</li> </ul>

	<ul style="list-style-type: none"> <li>• Contact information for the <a href="#">Office of the Ombudsman for Long-Term Care</a>.</li> </ul> <p>The FMS provider must:</p> <ul style="list-style-type: none"> <li>• Report suspected maltreatment.</li> <li>• Have policies and procedures for protecting personal, financial and medical information.</li> <li>• Have policies and procedures for advising the person of the FMS provider's disclosure of this information.</li> <li>• Treat the person and their property with courtesy and respect.</li> <li>• Not retaliate if the person, their representative or anyone authorized to act on behalf of them asserts these rights or files a grievance with the FMS provider or any other entity.</li> </ul>
<b>Billing</b>	<p>The FMS provider bills for all goods and services the person uses, except for:</p> <ul style="list-style-type: none"> <li>• Consultation services.</li> <li>• Direct care services and worker training and development for a person using the CFSS agency model.</li> </ul>
<b>Documentation and reporting requirements</b>	<p>The FMS provider must maintain records to ensure a clear audit trail and track all CFSS spending, including:</p> <ul style="list-style-type: none"> <li>• Required EVV system data.</li> <li>• Receipts that include the date of purchase, vendor contact information, cost and description of item(s) for any goods/services purchased.</li> <li>• Invoices.</li> <li>• Payroll summaries.</li> </ul> <p>The FMS provider also must:</p> <ul style="list-style-type: none"> <li>• Submit claims that correspond with services, amounts and time frames approved and authorized in the person's approved service delivery plan.</li> <li>• Maintain records for a minimum of five years from the claim date and have them available for audit or review upon request.</li> </ul> <p>For more information, refer to <a href="#">CFSS Manual – FMS documentation and reporting for CFSS</a>.</p>
<b>Rates</b>	<p><b>FMS provider responsibilities</b></p> <p>The FMS provider must:</p> <ul style="list-style-type: none"> <li>• Establish the maximum rate(s) for their services.</li> <li>• Make public their service rates through <a href="#">DHS – FMS provider information</a></li> <li>• Establish provider fees on a fee-for-service basis instead of a percentage of the person's service budget.</li> <li>• Not include set-up fees, base rates or other similar charges in provider fees.</li> </ul> <p><b>DHS responsibilities</b></p> <p>DHS may establish maximum FMS provider fees.</p>
<b>Service limitations</b>	<p>The FMS provider <b>cannot</b> in any way:</p> <ul style="list-style-type: none"> <li>• Limit or restrict the person's choices of service or support providers.</li> <li>• Help develop the person's service delivery plan.</li> </ul> <p>The FMS provider may offer CFSS consultation services and CFSS provider agency services, but they cannot provide these services to people who are using FMS from them.</p> <p>The FMS provider cannot provide FMS to a person who lives in housing the FMS provider owns.</p> <p>If the FMS provider offers training as part of their business, they cannot offer that training to the workers of a person they are serving.</p>

<b>Additional resources</b>	<a href="#"><u>CDCS Manual – FMS for CDCS</u></a> <a href="#"><u>CFSS Manual – CFSS worker training and supervision</u></a> <a href="#"><u>CFSS Manual – Consultation services overview</u></a> <a href="#"><u>CFSS Manual – FMS documentation and reporting for CFSS</u></a> <a href="#"><u>CFSS Manual – FMS for CFSS</u></a> <a href="#"><u>CFSS Manual – Goods and services through CFSS</u></a> <a href="#"><u>CFSS Manual – Transition from PCA and CSG to CFSS</u></a> <a href="#"><u>DHS – Background studies</u></a> <a href="#"><u>DHS – FMS provider information</u></a> <a href="#"><u>DHS – Grants and RFPs</u></a>
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