

CALIFORNIA DEPARTMENT OF AGING

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MSSP ADVISORY AND GUIDANCE LETTER- 12-01

DATE: February 1, 2012

To: Multipurpose Senior Services Program Site Directors

From: Mary Sibbett, Operations Manager *M. Sibbett*

SUBJECT: One Time Only (OTO) Movement of Funds from Waiver Services

Purpose To provide clarification on OTO guidelines for the redirection of waiver service funds.

References

- California Department of Aging (CDA) Standard Agreement, Budget Detail and Payment Provisions- Exhibit B, Article III, Section F.
- CDA March 15, 2006, Budget Flexibility Letter for Fiscal Year (FY) 2005-06 and FY 2006-07.
- CDA e-mail from Mary Sibbett date May 7, 2009, to Site Directors "Clarification of FY 2009-10 Budget/Contract Process.
- HCBS Waiver: CA.0141.R04.00-July 2009.

Background CDA must assure to the Centers for Medicare and Medicaid Services (CMS) and the Department of Health Care Services (DHCS) that waiver services are in accordance with the client's health needs and ensure that the necessary safeguards are in place to protect the client's health and safety.

CDA is also required to ensure that waiver services are not eroded at the expense of program operations. CDA may permit an OTO movement of funds due to extenuating circumstances.

Guidance The primary reason for moving money from the Waiver Service category to Care Management (CM) or Care Management Support (CMS) categories is to use unspent funds for unforeseen expenses.

Examples may include computer, copier, and/or furniture purchases, etc.

Procedure

Generally, requests will only be considered during the fourth quarter of the FY. If a site determines a request needs to be made sooner, they should contact their analyst for guidance.

All requests must be in writing. The request must include the following:

- Brief synopsis of the unforeseen circumstance that triggered the request for movement of Waiver Service.
- The specific dollar amount of the associated expense.
- Detailed analysis of what cost reduction efforts have been implemented to reduce CM and/or CM expenses.

This description should include:

- Changes in staffing patterns.
 - Reduction in operating costs.
 - Renegotiation of vendor contracts.
 - Identification of alternate resources for provision of services.
 - Identification of new funding (confirmation of source; restrictions; and duration required).
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- Declaration that the reduction in waiver service funding will not result in a reduction of services to the current clients nor will it restrict future services.
 - Declaration confirming that the movement of waiver funds will not impact the health and safety of MSSP clients.
 - Explanation of how the site will leverage local resources to maintain the current level of program operations for the current fiscal year and for the next year when the waiver services are restored to their contractual level.
 - Fiscal Summary for the most recent two year period.
 - Summary of total expenditures and receivables by category to date.
 - Revised budget.
 - Calculation of projected rate changes.

CDA will review each request and issue a determination letter. Additional criteria for consideration include the status of any Corrective Action Plan, timeliness of required reporting dates, and if prior OTO movement of funds has been requested.

Questions

Please contact your assigned program analyst.
