



Resident Funds and Possessions Policy

Date Implemented: 4/30/11

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Regulation(s) supporting the need for this policy: 10 CCR 2505-10 8.609.5 B5; 6 CCR 1011-1 Chap 08 10.1

POLICY:

Innovations will support all consumers in purchasing preferred items, safeguarding their money and possessions (including clothing), and in making informed decisions with regards to their possessions and monies.

PROCEDURE:

1. Management of Funds

- a. In general, a person receiving services shall be presumed able to manage his or her own funds and possessions unless the Individualized Plan documents and justifies limitations to self-management. If it is appropriate for the individual, a Service Plan goal will be created to address money management skills.
- b. At the IP meeting, each consumer or their guardian will sign a Personal Needs Money form, which determines what role Innovations will have in managing the consumer's funds.
 - i. If the consumer or guardian signs a Personal Needs Authorization, then Innovations will manage all of their money for them, including Social Security money, wages, unearned income and any other miscellaneous funds. For consumers with a Personal Needs Authorization, Innovations will set up a bank account in the consumer's name and will deposit all of the consumer's monies into it.
 - ii. If the consumer or guardian signs a Limited Authorization, then Innovations will only manage some of the consumer's funds. The consumer or guardian will determine which funds they want Innovations to manage. Innovations will set up a bank account in the consumer's name to manage those funds. Innovations will not manage the funds that we are not authorized to manage.
 - iii. If the consumer or guardian signs an Exclusion Agreement, Innovations will not manage any of the consumer's funds.
- c. Innovations will assist consumers in setting up disability trusts as needed or warranted. Innovations will encourage the consumer or their guardian to set up a trust when they meet either of the following criteria:
 - i. The consumer has considerable assets (between Personal Needs Money, earned income and unearned income), and either has trouble spending down that money or wants to save some of it.
 - ii. The consumer is approaching age 65, since it is nearly impossible to set up a trust after the age of 65.
- d. Innovations will assist consumers in paying expenses, as specified below.

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- i. On-going costs for preferred items as approved by the consumer (e.g., cable TV, personal phone, etc.).

ii. Room and Board

1. The cost for Room and Board is based on the Social Security Room and Board amount. As of January 1st, 2014, the Room and Board cost is \$649.
2. All consumers for whom Innovations provides Room and Board services shall be invoiced for Room and Board. Invoicing and payment depends on the type of authorization or agreement the individual has.
 - a. For individuals with a Personal Needs Authorization:
 - i. Room and Board is paid via electronic transfer from the consumer's personal needs bank account.
 - b. For individuals with a Limited Authorization:
 - i. Room and Board is paid via electronic transfer from the consumer's personal needs bank account.
 - ii. With a Limited Authorization, the individual's pay checks are sent to the consumer and he or she may maintain a separate account to manage that money.
 - c. For individuals with an Exclusion Agreement:
 - i. Room and Board is invoiced by the Imagine! Business Office directly to the Consumer's Rep Payee.

iii. Room and Board deductions

1. If a consumer works, some of their Social Security Room and Board money will be deducted per the following equation:

$$SSDI [if applicable] + (SSI Maximum [\$721] - \left((SSDI Benefits - \$20) + \frac{(Wages - \$65)}{2} \right))$$

2. How Room and Board deductions are paid

- a. Personal Needs money may not be used to pay Room and Board deductions. Room and Board may only be paid using wage money, unearned income, or miscellaneous funds from Social Security (e.g., overpayments, tax refunds, PTC rebates, etc.)
- b. Invoicing and payment depends on the type of authorization or agreement the consumer has:
 - i. For individuals with a Personal Needs Authorization:
 1. The individual's pay checks are deposited into the personal needs bank account managed by Innovations for the individual, and Innovations administrative staff will use the wage money to pay any deductions
 - ii. For individuals with a Limited Authorization:
 1. Innovations will send an invoice to the consumer to pay work-related Room and Board deductions.
 - iii. For individuals with an Exclusion Agreement:



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1. The Consumer's Rep Payee is expected to collect any work-related deductions directly from the Consumer.

3. Managing Aging Deductions

- a. Innovations will work with individuals and their IDTs to address situations where an individual builds up a debt to Imagine! through failure to pay their Room and Board deductions.
 - i. When an individual first starts receiving a Room and Board wage deduction, the Regulatory Business Analyst will communicate with the individual's IDT to alert them to the deduction and to figure out who should receive and coordinate the Room and Board deduction invoice.
 - ii. The Regulatory Business Analyst will continue to send invoices for aging deductions even if there are no new charges for a given month.
 - iii. If an individual's Room and Board debt exceeds \$200, the Regulatory Business Analyst will communicate with the individual's IDT to schedule a meeting to discuss the debt and make a plan to address it moving forward.
 - iv. If an individual's Room and Board debt exceeds \$500, the Regulatory Business Analyst will communicate with the individual's IDT to schedule another meeting to discuss the debt and make a formal payment plan.
 - v. Failure to pay an aging Room and Board debt after a payment plan is established may jeopardize an individual's placement with Innovations. Innovations reserves the right to provide notice to an individual who fails to pay the full cost of Room and Board.

iv. Co-Pay charges

1. Consumers are billed every three months for all co-pay charges they received over the course of that time.
2. Innovations will only charge a consumer up to half of their personal needs money in co-pays each month.
 - a. When Imagine! Is the Representative Payee:
 - i. Co-pay charges that appear on bills for a given month will be billed to the consumer.
 - ii. In the following month, Innovations will transfer money from the personal needs bank account managed by Innovations for the individual to pay the co-pays, up to half of their personal needs money for each month. The remaining co-pay charges for that month will be written off.
 - b. When Imagine! Is not the Representative Payee:
 - i. Co-pay charges that appear on bills for a given month will be billed to the consumer.

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- ii. In the following month, the Imagine! Business Office will send out an invoice for the consumer to the Representative Payee.
- iii. The Representative Payee will send a check to the Business Office to pay for the co-pay(s).

2. Access to Funds

- a. Innovations will ensure that each consumer is able to access their monies. If Innovations maintains a bank account for a consumer, then there are two days per month when staff or providers can arrange to pick up money from that account.

3. Tracking Expenses

- a. When Innovations is responsible for managing a consumer's funds, Innovations will be responsible for keeping track of how the money is spent including maintaining copies of bank records, cash on hand records, and receipts. The standard process for personal needs accounting has been developed by the Business Office at Imagine!, and Innovations will maintain contact with that office in order to ensure training in the proper procedure for all staff and contract providers. The specific procedure for safeguarding personal needs funds is as follows:
 - i. Each month, receipts and ledgers are turned in to the Innovations Accounting Clerk for the previous month.
 - ii. The Accounting Clerk reviews these documents and prepares them for audit.
 - iii. The Accounting Clerk submits these documents to Imagine! to be audited on a quarterly basis.
 - iv. The Imagine! auditor completes an audit and sends the findings to the Innovations Accounting Clerk
 - v. The Innovations Accounting clerk responds to any questions or concerns in an audit response and submits that to the Imagine! auditor.
 - vi. The Imagine! auditor will then determine whether or not money needs to be reimbursed to each consumer if there are undocumented or unallowable purchases.

4. Keeping Track of Possessions

- a. Innovations will complete an annual personal inventory that catalogs each consumer's personal possessions (including clothing) and their condition. This annual process is recorded on the Inventory form and updated when the consumer acquires new items. Serial numbers are included when applicable in order to keep an accurate record of the purchase of electronics. Clothing and other possessions can be described in more general terms, but should be added and deleted from the list as old items are discarded by a consumer and new things are purchased.
 - i. Family Model Settings
 - 1. Innovations will not require an inventory for consumers in Family Model settings where an entity other than Imagine! is the Representative Payee.
 - 2. During regular site reviews, Innovations staff will do a visual check of the residence to ensure that the individual has adequate and appropriate personal possessions. If at any point Innovations staff observe issues with the individual's personal possessions (e.g., clothing is worn out, garments are inadequate for the weather, walls are

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excessively bare, etc.), then those issues will be discussed with the individual's Inter-Disciplinary Team. In addition, Family Caregivers are instructed to report any instances of theft or exploitation to Innovations staff within 24 hours.

- b. All consumers will be assisted in the maintenance of their personal possessions upon request or determination of their Inter-Disciplinary Team (IDT) that such assistance is necessary. This includes cleaning, maintenance and repair.
- c. Innovations will document whenever a high-value item is discarded or destroyed, and will obtain consumer or guardian signature to acknowledge what happened to the item.
- d. In general, a consumer has the right to have access to his or her possessions and to use them as he or she wishes. However, if Innovations believes that a consumer poses a risk to themselves or others by using their possessions, then Innovations will follow the due process guidelines in pursuing a limit to the consumer's right.