

EFFECTIVE

August 1, 2016.

Subject(s)

1. Update DHS and MDCH to MDHHS (ASM 125, ASM 135, ASM 140, ASM 145, ASM 160, ASM 165, and ASM 115).
2. Removal of joint policy development language (ASM 125, ASM 135, ASM 140, ASM 145, ASM 160, ASM 165, ASM 115 and ASM 155).
3. MI Choice Waiver (ASM 125).
4. New PACE Organization (ASM 125).
5. Level of care code description (ASM 125).
6. MI Health Link Demonstration (New manual item ASM 126).
7. Updates to provider/client interview (ASM 135).
8. Provider Enrollment (ASM 135).
9. Primary pay to address in CHAMPS (ASM 135 and ASM 160).
10. Criminal History Screening (ASM 135).
11. Mandatory and Permissive Exclusions (ASM 135).
12. LEIN (ASM 135).
13. Remove reference to the DHS 721, Personal Care Services Provider Log (ASM 135).
14. Electronic and paper services verification (ASM 135).
15. MSA 4678, Home Help Provider Agreement (ASM 135).
16. References to Bridges replaced with CHAMPS (ASM 135, ASM 140).
17. Change Bureau of Child and Adult Licensing/BCAL to Bureau of Community and Health Systems/BCHS (ASM 160).
18. Vendor Registration (ASM 140, ASM 160).
19. Payment authorizations (ASM 140).

20. Maximum payment levels (ASM 140).
21. Update Office of Adult Services name and email address (ASM 140).
22. Federal Income Contribution Act (ASM 145).
23. Update email address for Medicaid Collections Unit (ASM 145, ASM 165).
24. New item created for W-2 and 1099s (ASM 146).
25. Procedural updates for W-2 and 1099 corrections (ASM 146).
26. Procedural updates for warrant rewrites (ASM 160).
27. Overpayment types (ASM 165).
28. Prevention of Overpayments (ASM 165).
29. Update instructions for the DHS 566, Recoupment letter for Home Help (ASM 165).
30. Recoupment for Adult Protective Services overpayments (ASM 165).
31. Overpayments returned to Medicaid Collections Unit (ASM 165).
32. Withdrawal of recoupments (ASM 165).
33. References to fraud-intentional program violation removed (ASM 165).
34. New manual created for information pertaining to Fraud-Intentional Program Violation (ASM 166).
35. Changes in the requirement of the DHS-54A (ASM 115, ASM 155).
36. Removal of references to redeterminations (ASM 155)

**1) Update DHS and
MDCH to MDHHS**

**ASM 125, ASM 135, ASM 140, ASM 145, ASM 146, ASM 160,
ASM 165, ASM 115 and ASM 155)**

All references to the Department of Human Services (DHS) and the Michigan Department of Community Health (MDCH) have been changed to the Michigan Department of Health and Human Services (MDHHS).

Reason: Due to the merger of DHS and MDCH to the Michigan Department of Health and Human Services (MDHHS).

2) Removal of joint policy development language

ASM 125, ASM 135, ASM 140, ASM 145, ASM 146, ASM 160, ASM 165, ASM 115 and ASM 155).

Language referencing the joint policy development at the end of each manual item was removed.

Reason: Due to the merger of DHS and MDCH to the Michigan Department of Health and Human Services (MDHHS).

3) MI Choice Waiver

ASM 125

The services covered under waiver services were listed in alphabetical order.

To enroll with Medicaid, home health agencies must be Medicare certified. This is accomplished through an accrediting agency such as Accreditation Commission for Health Care (ACHC) or Community Health Accreditation Partner (CHAP).

Language stating certification was completed by the Bureau of Health Care Services, Health Facilities Division, Michigan Department of Licensing and Regulatory Affairs (LARA) was removed.

Waiver agents are now referred to as Pre-paid Ambulatory Health Plans (PAHP).

Reason: Updating manual item.

4) New PACE Organization

ASM 125

The following PACE organizations were added to the manual item:

- VOANS Senior Community.
- Great Lakes PACE.
- Huron Valley PACE.
- Genesys PACE of Genesee County.

Reason: Updating manual item.

5) Level of Care Code Description

ASM 125

Level of care code 17 was added to the manual item. Individuals with a level of care 17 are residing in a state psychiatric facility.

Reason: Updating manual item.

6) MI Health Link Demonstration Project

ASM 126

New manual item.

Effective March 1, 2015, the Michigan Department of Health and Human Services (MDHHS) in partnership with the Centers for Medicare and Medicaid Services (CMS), implemented a new capitated managed care program called MI Health Link (MHL). This program is a demonstration project ending December 31, 2020.

Eligible participants are those who are age 21 years or older, receive full benefits under Medicaid and Medicare and reside in one of the four demonstration regions.

MDHHS and CMS contracts with managed care entities called Integrated Care Organizations (ICOs) to provide Medicare and Medicaid covered acute and primary health care, pharmacy, dental and long term supports and services.

Enrollment into the MHL program can occur either voluntarily or passively. Individuals enrolled in MHL must receive personal care services through the integrated care organizations and are not allowed to receive services from home help or adult community placement concurrently.

7) Updates to provider/client interview

Level of care codes specific to the MI Health Link program are listed in ASM 126.

Reason: Implementation of new demonstration program.

ASM 135

The specialist must document contact with the provider in ASCAP by selecting Face-to-Face with Provider under the contact module.

Picture ID may include driver's license/state ID, passport or employee ID. Expired IDs are acceptable as long as identity can be verified by the adult services specialist.

The following talking points were added to the provider/client interview process:

- Home help services are a benefit to the client and earnings to the provider.
- The provider must be enrolled in the Community Health Automated Medicaid Processing System (CHAMPS) and undergo a criminal history screen. The screening must be completed and passed before a provider can be paid to provide home help services.
- The provider must keep their contact information up-to-date in CHAMPS.
- The home help program is funded by Medicaid and payments will not be authorized by the department if the client's Medicaid eligibility is inactive.
- The provider cannot be paid if the client is unavailable; including but not limited to hospitalizations, nursing home or adult foster care (AFC) admissions.

Note: Home help services cannot be paid the day a client is admitted into the hospital, nursing home or AFC home but can be paid the day of discharge.

- The client and/or provider is responsible for notifying the adult services specialist within **10 business days** of any change;

including but not limited to hospitalizations, nursing home or adult foster care admissions.

- The client and/or provider is responsible for notifying the adult services specialist within **10 business days** of a change in provider or discontinuation of services. Payments must **only** be authorized to the individual/agency providing approved services.
 - Home help warrants can **only** be endorsed by the individual(s) listed on the warrant.
 - Home help warrants are issued only for the individual/agency named on the warrant as the authorized provider.
 - If the individual named on the warrant does not provide services or provides services for only a portion of the authorized period, the warrant must be returned.

Note: Failure to comply with any of the above **may** be considered fraudulent or require recoupment.

- Any payment received for home help services **not** provided must be returned to the State of Michigan.
- Accepting payment for services not rendered is fraudulent and could result in criminal charges.
- The provider must submit an electronic services verification (ESV) monthly to confirm home help services were provided.

Exception: Individuals who are unable to submit a service verification electronically must submit a paper service verification (PSV) form monthly.

- Home help warrants are issued as dual party and mailed to the client's address.

Exception: There are circumstances where payment to the provider only is appropriate, for example, client is physically or mentally unable to endorse the warrant. Authorizations to home help agency providers are payable to the provider only.

- Social security and Medicare tax (FICA) **are** withheld from individual provider home help warrants.
- Agency providers will receive a 1099.

**8) Provider
Enrollment**

Reason: Clarification in policy.

ASM 135 and 140

All providers of home help must enroll in the Community Health Automated Medicaid Processing System (CHAMPS) and be approved prior to authorizing payment. During the enrollment process, individuals will be screened for criminal history. Once a provider is approved, CHAMPS will assign the provider a seven digit identification number. The adult services specialist must allow 24 hours from the completion of enrollment in CHAMPS to interface with ASCAP.

Home help providers are required to agree to a list of terms and conditions during the electronic enrollment process. The terms and conditions **replace** the requirement for the provider to complete and sign the MSA-4678, Medical Assistance Home Help Provider Agreement.

Exception: Providers who are unable to enroll in CHAMPS electronically must complete and sign the MSA-4678.

Individuals who are unable to enroll into CHAMPS electronically must be assisted by the adult services specialist. The specialist will assist in the enrollment process by doing the following:

- Completes the DHS-2351X, Provider Enrollment/Change Request.
- Has the provider complete and sign the MSA-4678, Medical Assistance Home Help Provider Agreement.
- Forwards the DHS-2351X and MSA-4678 to the MDHHS Provider Enrollment Unit via ID mail to:

MDHHS Provider Enrollment Unit
P. O. Box 30437
Lansing, Michigan 48909

OR

Scan and email to MSA-HomeHelpProviders@michigan.gov

OR

Fax to 517-373-2382

The Provider Enrollment unit will notify the adult services specialist via email once the provider is enrolled in CHAMPS.

9) Primary pay to address in CHAMPS

Reason: Change in policy and procedures.

ASM 135 and ASM 160

CHAMPS identifies the following address types:

- **Location address** refers to the physical location where the home help provider resides.
- **Correspondence address** refers to where the home help provider's mail is delivered. The correspondence address could be the same as the location address or it could be different (for example, a post office post).

Note: W-2's are mailed to the correspondence address.

- **Primary pay to address** refers to the address a single party warrant is mailed to.

The location address and correspondence address can be updated in CHAMPS by the provider. However, the primary pay to address can **only** be updated in CHAMPS by the MDHHS Provider Enrollment (PE) unit. Providers must submit a written request to:

MDHHS Provider Enrollment Unit

P.O. Box 30437

Lansing, MI 48909

OR

Scan and email to MSA-HomeHelpProviders@michigan.gov.

OR

Fax to 517-373-2382

10) Criminal history screening

Reason: Procedural revisions.

ASM 135

Individuals who wish to provide personal care services through the Medicaid home help program must undergo a criminal history screen during the enrollment process in CHAMPS. The screening must be completed and passed by MDHHS Provider Enrollment before payment can be authorized.

Individuals with certain excludable convictions may not be approved to provide home help. Excludable convictions fall into two general categories. Mandatory exclusions are those set forth in the Social Security Act (42 USC 1320a-7[a]). Permissive exclusions are felony convictions identified but not limited to the crimes listed in MSA Bulletin 14-40.

An individual or entity is considered to be convicted of a criminal offense when:

- A judgment of conviction has been entered against the individual or entity by a federal, state or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged.
- A finding of guilt against the individual or entity by a federal, state, or local court.
- A plea of guilty or nolo contendere by the individual or entity has been accepted by a federal, state, or local court, or
- An individual or entity that has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.

Reason: Change in policy.

**Mandatory and
permissive
exclusions**

ASM 135

Individual providers must be screened for and must disclose the following excludable convictions as required by the state of Michigan. Any person found to meet one of these four categories is **prohibited** from participating as a service provider for the home help program. The four mandatory exclusion categories are listed in MSA Bulletin 14-31 and are as follows:

1. Any criminal convictions related to the delivery of an item or service under Medicare (Title XVIII), Medicaid (Title XIX) or other state health care programs.
2. Any criminal convictions under federal or state law, relating to neglect or abuse of patients in connection with the delivery of a health care item or service.

3. Felony convictions **occurring after August 21, 1996**, relating to an offense, under federal or state law, in connection with the delivery of health care items or services or with respect to any act or omission in a health care program (other than those included in number one above) operated by or financed in whole or in part by any federal, state, or local government agency, of a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.
4. Felony convictions occurring after August 21, 1996, under federal or state law, related to **unlawful manufacture, distribution, prescription, or dispensing of a controlled substance**.

Permissive exclusions are felony convictions beyond the four mandatory exclusions. Individual providers are denied enrollment based on permissive exclusions identified in MSA Bulletin 14-40 unless the client signs an Acknowledgement of Provider Selection form stating he or she wishes to retain the provider.

A client may choose to select a provider who has been determined ineligible as a result of a permissive exclusion identified through the criminal history screening process. The client must sign an Acknowledgement of Provider Selection form in order to hire a provider with a permissive exclusion.

The client's signature acknowledges he or she has been informed of the criminal offense (s) and continues to choose the individual to provide services. The effective start date for the selected provider is the date the client signs the acknowledgement form. The specialist **must not** authorize payment prior to the signature date on the acknowledgement form.

Note: If a provider with a permissive exclusion desires to work for multiple clients, an Acknowledgement of Provider Selection form must be signed by **each** client. The approved date of payment is based on the date the client signed the acknowledgement form.

The Acknowledgement of Provider Selection form **cannot** be applied to the federally mandated exclusions.

Procedures

Refer to the Criminal History Screening Process on the adult services home page for processes and procedures.

12) LEIN

Reason: Change in policy.

ASM 135

Criminal history screens for home help providers are conducted during the CHAMPS enrollment process and **not** by staff at the local office. Adult services staff **must only** utilize LEIN information in the course of an APS investigation. Use of LEIN in any other adult services program is **prohibited**.

Any inappropriate access, use or disclosure of LEIN information will result in disciplinary action. For information regarding penalties for improper use and release of LEIN information, refer to ASM 264.

Reason: Clarification of policy.

**13) Removal of
reference to the
DHS 721, Personal
Care Services
Provider Log****ASM 135**

All references to the DHS 721, Personal Care Services Provider Log have been removed from this item. All individual home help providers must utilize the electronic or paper services verification.

Reason: Change in policy.

**14) Electronic and
paper services
verification****ASM 135**

Individual home help providers are required to submit an electronic services verification (ESV) through the Community Health Automated Medicaid Processing System (CHAMPS) each month.

The ESV lists the activities of daily living (ADL) and instrumental activities of daily living (IADL) approved by the specialist.

The adult services specialist accesses CHAMPS to view the submission of an electronic services verifications.

Individual home help providers with questions on how to submit an ESV should be referred to the MDHHS Home Help website at

www.michigan.gov/homehelp or call the Provider Support hotline at 1-800-979-4662.

The electronic services verification (ESV) replaces the DHS-721, Personal Care Services Provider Log.

A paper service verification (PSV) form is available as an **exception** for individual providers who are unable to submit an electronic services verification. Providers eligible for this **exception** must meet the following criteria:

- The individual providing care does **not** have access to a computer.
- The individual providing care does **not** have access to the internet.
- Internet access is unavailable within 15 minutes of where the client or provider resides and the provider has a valid reason, such as lack of transportation or unable to leave the client alone.
- Provider lives in a rural area where internet is scarce or non-existent.

The adult services specialist can generate the paper services verification (PSV) form through CHAMPS, along with a cover sheet and instructions for completing the PSV. Providers are required to return the form monthly to the following mailing address located on the cover letter:

MDHHS Adult Home Help
P.O. Box 26007
Lansing, Michigan 48909
OR
Fax to 517-763-0111

Note: Individual home help providers must be instructed not to submit PSVs for future months as these will not be accepted.

The PSV will be scanned and stored in CHAMPS and the specialist has the ability to view the PSV for accuracy.

The paper services verification form generated in CHAMPS replaces the DHS-721, Personal Care Services Provider Log.

Reason: Change in policy.

**15) MSA-4678,
Home Help
Provider
Agreement****ASM 135**

Providers who electronically enroll in CHAMPS meet this requirement by agreeing to a list of terms and conditions. Providers who are unable to enroll electronically **must** complete and sign the MSA-4678.

The specialist must forward the completed and signed agreement to the Provider Enrollment unit.

Reason: Change in policy.

**16) References to
BRIDGES replaced
with CHAMPS****ASM 135 and ASM 140**

Home help providers are enrolled in CHAMPS. All references to BRIDGES was replaced with CHAMPS.

Reason: Policy change

**17) Change Bureau
of Child and Adult
Licensing/BCAL to
Bureau of
Community and
Health
Systems/BCHS****ASM 160**

References to Bureau of Children and Adult Licensing (BCAL) have been changed to Bureau of Community and Health Systems (BCHS).

Reason: Change in bureau name.

**18) Vendor
Registration****ASM 140 and ASM 160**

Home help agencies must register and update their information online with Vendor Registration using Contract & Payment Express (C&PE) at www.michigan.gov/CPEExpress. If an agency provider is not registered with the state of Michigan, payments will not process.

Reason: Paper registration via the W-9 is no longer accepted.

19) Payment authorizations

ASM 140

The adult services specialist can authorize an ongoing home help payment for up to six months, not to exceed the next review.

Reason: Authorizations reduced from 13 months to six months.

20) Maximum payment levels

ASM 140

The adult services specialist is allowed to approve a maximum of \$799.99 a month.

Payment levels of \$800 - \$1599.99 a month must be approved by the supervisor.

Payment levels of \$1600 a month and over require prior approval from the MDHHS Long Term Care Policy Section. The specialist must receive a copy of the Policy Decision (DCH-1785) from the Long Term Care Policy Section before submitting the authorization.

Reason: Approval levels adjusted due to minimum wage increase(s).

21) Update Office of Adult Services name and email address

ASM 140

Changed references to the Office of Adult Services to Adult Services Program Office. The adult service policy mailbox changed to MDHHS-Adult-Services-Policy@michigan.gov.

Program office is now under Aging and Adult Services. Email address change related to merger of DHS and DCH to MDHHS.

**22) Federal Income
Contribution Act
(FICA)****ASM 145**

Grammatical changes made in ASM 145.

The FICA rebate warrant is issued to the provider only.

The adult services specialist will be able to identify FICA rebate warrants in ASCAP by the service period and service code. The service period will reflect the entire year. ASCAP will display 'FICA' for the service code.

Information related to W-2 and 1099 removed from ASM 145 and placed in new manual item, ASM 146.

Reason: Manual item revisions and creation of new manual item.

**23) Update email
address for
Medicaid
Collections Unit****ASM 145 and ASM 165**

The Medicaid Collection Unit email address changed to MDHHS-Medicaid-Collections-Unit@michigan.gov.

Reason: Email address changed related to merger from DHS and MDCH to MDHHS.

**24) New item
created for
W-2 and 1099****ASM 146**

Information related to W-2 and 1099 removed from ASM 145 and placed in new manual item.

Reason: Manual revisions.

**25) Procedural
updates for W-2
and 1099
corrections****ASM 146**

In the home help program, payments made to individual providers are considered earned income and must be reported to the Internal Revenue Service (IRS). The Michigan Department of Health and Human Services (MDHHS), on behalf of the client, issues a W-2 for all individual providers. W-2s are based on wages **issued** in a calendar year. Agency providers are issued a 1099.

If an individual home help provider reports non-receipt of their W-2, refer to the Provider Support hotline at 1-800-979-4662.

W-2 corrections are required when an individual home help provider reports inaccurate earnings on their W-2 or when earnings were attached to an incorrect social security number.

Complete the following steps when a provider reports inaccurate earnings on their W-2:

- Verify the provider's period of employment with both the client and the provider
- Determine the total amount of gross wages that were **issued** in the calendar year.
 - Exclude warrants that were returned to Treasury and canceled. Outstanding warrants from the previous calendar year must be canceled or rewritten so earnings are determined accurately.
 - Exclude overpayments recouped by the MDHHS Medicaid Collections unit (MCU).
 - If there is a dispute over total earnings, the adult services specialist must order copies of the warrant(s) from Treasury to verify signatures.
 - If an overpayment is determined, follow recoupment procedures noted in ASM 165, Overpayment and Recoupment Process.
 - If fraud is determined, make a referral to the Office of Inspector General (OIG).
- Request a W-2 correction to MDHHS Provider Support via email at ProviderSupport@michigan.gov. Insert Home Help W-2 Correction in the subject line of the email.
- Furnish Provider Support with the following:
 - Provider name and social security number.
 - Provider's current address.
 - Client's name and recipient ID number.

- Client's current address.
- A summary describing the error, the time period when the error occurred and the correct gross wages earned.

Complete the following steps when it is discovered a provider's earnings were attached to an incorrect social security number:

- Determine the time period earnings were attached to the incorrect social security number.
- Determine the total amount of gross wages that were issued in the calendar year (s).
 - Exclude warrants returned to Treasury and canceled. Outstanding warrants from the previous tax year in issue status must be canceled or rewritten so earnings are determined accurately.
 - Exclude overpayments recouped by MDHHS Medicaid Collection unit (MCU).
- Request a W-2 correction to MDHHS Provider Support via email at ProviderSupport@michigan.gov. Insert 'Home Help W-2 Correction' in the subject line of the email.
- Furnish MDHHS Provider Support with the following:
 - Correct provider name and social security number.
 - Correct provider address.
 - Incorrect social security number and if available, provider name.
 - Incorrect provider address, if available.
 - Client's name and recipient ID number.
 - Client's current address.
 - A summary describing the error, the time period when the error occurred and the correct gross wages earned.

Payments made to agency providers for the provision of home help services and Adult Foster Care/Home for the Aged providers for the provision of personal care services qualify as income that must be reported to the IRS. A 1099 is issued to agencies and AFC/HA providers when earnings are above \$600 in a calendar year.

Providers (individual or business) who received payment for providing adult protective services will also receive a 1099.

**26) Procedural
updates for
warrant rewrites**

If an agency provider reports non-receipt of a 1099 or requires a 1099 correction, refer to the Provider Support hotline number at 1-800-979-4662.

Reason: Manual revisions and procedural updates.

ASM 160

Language and procedures that reference the DHS-2362, Services Warrant Rewrite/Disposition Request, was removed from ASM 160 as this form is no longer accepted by the Medicaid Payments Unit.

References to the Medicaid Collections Unit were changed to the Medicaid Payments Unit. Mailing address, email address and fax number updated.

References to local fiscal unit changed to local office designee (LOD).

Instructions for completing the DCH-2362A, Adult Services Warrant Rewrite/Disposition Request, have been placed at the end of the item.

Home help provider information must be up-to-date in the Community Health Automated Medicaid Processing System (CHAMPS).

For single party warrants:

- Changes to the provider's primary pay to address must be updated in CHAMPS before a warrant can be rewritten. The primary pay to address is the location the warrant is mailed if single party.
- The primary pay to address for providers can only be updated in CHAMPS by the MDHHS Provider Enrollment (PE) Unit. Providers must submit a written request to:

MDHHS Provider Enrollment Unit
P. O. Box 30437
Lansing, MI 48909

- The adult services specialist has the ability to view provider contact information in ASCAP.

Agency or business providers:

- The provider information in CHAMPS and Vendor Registration (MAIN) must match.
- When there is a change in address, agencies must update their information online with Vendor Registration using Contract and Payment Express (C&PE) at www.michigan.gov/CPEexpress; **and**
- Send a written request to the MDHHS Provider Enrollment unit to update the primary pay to address in CHAMPS.

Adult services specialists are not to accept returned warrants. Warrants must be returned to the Department of Treasury at the following address:

Department of Treasury
Office of Financial Services
P. O. Box 30788
Lansing, Michigan 48909

A history of adult services warrants can be viewed in ASCAP by clicking the Authorization History ICON and selecting the DCH Payroll function button. The Adult Services Authorized Payment system (ASAP) maintains a payment history dating back to April 2006

Adult services program warrants received by the local office must be voided per the accounting procedural manual and returned to the Department of Treasury.

Lost or Not Received Warrants

If a warrant is lost or not received, the adult services specialist will do the following:

- Verify the payment authorization was entered on ASCAP.
- Verify client's Medicaid eligibility status on the Bridges Eligibility screen in ASCAP. If Medicaid is not active for the time period in question, a warrant will not be generated.
- For AFC/HA payments, verify the status of the claim by selecting the ASAP Claims tab under the DCH Payroll button in ASCAP.

- Verify provider eligibility status was not end dated in CHAMPS. (Provider deceased or provider status end dated in error).
- **Waits 5-7 mail delivery days** from warrant date prior to pursuing the completion of the 1778 by the client/payee.
- Records his/her name and email address on the bottom of the 1778 in the event the MDHHS Medicaid Payments unit needs to contact the adult services specialist.

Treasury only requires one copy of the 1778 to be signed; sealed and notarized by a notary public (it is acceptable to make additional photo copies).

If the warrant was lost, instructs the payee (s) that if the warrant is found **after** the 1778 is processed, the warrant must not be cashed. The warrant must be voided and returned to Treasury.

Note: Prior to voiding the warrant and returning it to Treasury, the adult services specialist should contact the Medicaid Payments Unit to see if the 'stop payment' can be lifted. If the stop payment is lifted, the warrant may be cashed. If the stop payment cannot be lifted, the warrant must be voided and returned to Treasury so it can be rewritten.

Language was removed instructing the adult services specialist not to complete a 1778 if the warrant was lost **after** endorsement. Completing the 1778 for a lost warrant after endorsement is permitted.

Stolen/Forged Warrants

If a warrant disposition indicates paid and the payee claims they did not receive or cash a warrant, the payee(s) must complete the 1354, Affidavit Claiming a Forged Endorsement on a State Treasurer's Warrant.

The 1778, Affidavit Claiming Lost, Destroyed, Not Received, or Stolen State Treasurer's Warrant, is no longer required for suspected forged warrants.

The adult specialist must complete the following actions:

- Reviews warrant information under the DCH Payroll function in ASCAP, to ensure the warrant has not been pulled by Treasury (see ASM 161 for Treasury codes).

- Requests a copy of the warrant using Treasury form 1363, Request for Copy of Original Warrant, from MDHHS Medicaid Payments unit or directly from Treasury.
- When the copy of the warrant is received, schedules an appointment with the payee (s) in the local office to view the endorsements on back of the warrant.
 - If a client or provider refuses to sign the affidavit on a dual party warrant, the warrant cannot be rewritten. This now becomes a civil matter and possible fraud referral to OIG.
 - If one of the payees of a dual party warrant endorses the warrant it will not be rewritten.
- Retains a copy of the signed 1354 and copy of the cashed warrant in the case record, and gives a copy of the affidavit to the client/provider.
- Forwards the remaining **four** original copies of the 1354 and copy of warrant to the local office designee.

The local office designee will complete the following actions:

- Logs receipt of the 1354 and copy of cashed warrant according to accounting procedures.
- Forwards the **four original copies** of the 1354 to MDHHS Medicaid Payments Unit via ID mail to:

MDHHS Bureau of Finance
Expenditure Review/Medicaid Payments Unit
Grand Tower Building
235 S Grand Avenue, Suite 1005
Lansing, MI 48933

The Medicaid Payments Unit will review the 1354 for accuracy. If affidavit is inaccurate or incomplete, it will not be processed and the Medicaid Payments Unit will notify the adult specialist assigned to the case.

There is a statute of limitation on forgery claims, therefore, these claims are time sensitive. Financial institutions do not have to honor a forgery claim if it is three years past the date of the warrant.

Social security or federal tax ID numbers can only be changed in CHAMPS by the Provider Enrollment unit.

Mutilated/Destroyed Warrants

If the remains of a mutilated warrant identifies the warrant number, the warrant must be returned to Treasury. The completion of the 1778, Affidavit Claiming Lost, Destroyed, Not Received, or Stolen State Treasurer's Warrant is not necessary. Once the warrant is returned to Treasury and cancelled, ASAP will generate a DCH-2362A and forward to the local office designee.

If the remains of the mutilated warrant does not identify the warrant number, a 1778 must be completed. Follow the procedures for the completion of the 1778 listed under the Lost/Not Received Warrant section in this manual item.

Reference to the Office of Legal Affairs changed to Bureau of Legal Affairs. New address provided.

Reason: Revisions in policies and procedures.

27) Overpayment types

ASM 165

References to willful or non-willful were replaced with intentional or unintentional.

A client error occurs when the client receives more benefits than they were entitled to because the client provided incorrect or incomplete information to the department.

A client error also exists when the client's timely request for a hearing results in deletion of a negative action issued by the department and one of the following occurs:

- The hearing request is later withdrawn.
- The Michigan Administrative Hearing Services (MAHS) denies the hearing request.
- The client or authorized representative fails to appear for the hearing and MAHS gives the department written instructions to proceed with the negative action.
- The hearing decision upholds the department's actions.

28) Prevention of Overpayments

Client error can be deemed as intentional or unintentional.

Reason: Policy clarification

ASM 165

During the initial assessment and subsequent case reviews, the adult services specialist must inform the client and provider of their reporting responsibilities and act on the information reported back to the department prior to an overpayment occurring. The client and/or provider should be reminded of the following:

- Home help recipients are required to give complete and accurate information about their circumstances.
- Recipients and providers of home help are required to notify the adult services specialist within **10 business days** of any changes including but not limited to hospitalization, nursing home or adult foster care/home for the aged admissions.
- The recipient and/or provider agree to repay or return any payments issued in error to the State of Michigan for home help services not rendered.
- A timely hearing request can suspend a proposed reduction in the approved cost of care. However, the client must repay the overpayment if either:
 - The hearing request is later withdrawn.
 - The Michigan Administrative Hearings System (MAHS) denies the hearing request.
 - The client or authorized representative for the hearing fails to appear for the hearing and MAHS give the department written instructions to proceed with the negative action.
 - The hearing decision upholds the department's actions.

All home help providers agree to a series of terms and conditions upon enrollment in the Community Health Automated Medicaid Processing System (CHAMPS). Individual home help providers agree to terms and conditions when submitting their electronic services verification (ESV) in CHAMPS.

Individual home help providers who submit monthly paper services verifications (PSV) receive a cover letter with a list of terms and conditions. By signing the PSV, the provider understands and agrees to the terms and conditions.

Reason: Policy revisions.

**29) Update
instructions for the
DHS 566,
Recoupment letter
for Home Help**

ASM 165

Language was updated to reflect the electronic creation and submission of the DHS-566, Recoupment Letter for Home Help.

Reason: The recoupment letter is completed electronically through the ASCAP system.

**30) Recoupment
for APS Payments**

ASM 165

The adult services specialist must utilize the DHS-566 when recouping an overpayment for Adult Protective Services. The specialist must access the DHS-566 from the online Forms Library and complete it manually crossing out home help and inputting APS.

Reason: Current system does not allow the DHS 566 to be completed for APS recoupments.

**31) Overpayments
returned to
Medicaid
Collections Units**

ASM 165

There are occasions when a client or provider will return an overpayment directly to the Medicaid Collections unit (MCU) prior to notifying the adult services specialist of the error. In these instances, MCU will require the adult services specialist to complete a recoupment letter for the overpayment amount returned to the state.

Reason: Policy clarification.

**32) Withdrawal of
recoupments****ASM 165**

The specialist must provide the following information when requesting a recoupment be rescinded:

- Client name
- Client recipient ID number
- Provider name
- Provider ID number
- Amount of recoupment
- Reason for rescinding the recoupment.

Reason: Procedural revisions.

**33) References to
fraud-intentional
program violation
removed****ASM 165**

References related to fraud or intentional program violation were removed from ASM 165 and added to a new manual item, ASM 166, Fraud-Intentional Program Violation.

Reason: Separation of subject matter.

**34) New manual
item created on the
topic of fraud-
intentional
program violation****ASM 166**

New manual item created that provides information related to fraud-intentional violation for home help recipients and provider.

Reason: Policy clarification.

**35) Changes in the
requirement of the
DHS-54A****ASM 115 and ASM 155**

The medical needs form is only required for home help recipients at the initial opening of a case, unless one of the following exists:

- The specialist assesses a decline in the client's health which significantly increases their need for services.
- The specialist assesses an improvement in the client's ability for self-care, resulting in a decrease or elimination of services and the client states their care needs have not changed.
- The current medical needs form has a specified time frame for needed services and that time frame has elapsed.

At each case review, the specialist must document in the general narrative if a medical needs form is or is not needed.

Reason: Change in policy.

**36) Removal of
references to
annual
redeterminations**

ASM 155

The references to annual redeterminations in this item was removed. The requirements for both the annual redetermination and six month review are the same.

**MANUAL
MAINTENANCE
INSTRUCTIONS**

Added Items ...

[ASM 126](#)

[ASM 146](#)

[ASM 166](#)

Changed Items ...

[ASM 101](#)

[ASM 115](#)

[ASM 120](#)

[ASM 125](#)

[ASM 135](#)

[ASM 140](#)

[ASM 145](#)

[ASM 155](#)

[ASM 160](#)

[ASM 165](#)