LAKESHORE REGIONAL ENTITY  
Fiscal Intermediary

1. Definition or Description of Service  
   a. A fiscal intermediary is an independent legal entity – organization or individual - that acts as the fiscal agent of the CMHSP for the purpose of assuring fiduciary accountability for the funds authorized to purchase specific services identified in the consumer's individual plan of service (IPOS). The fiscal intermediary receives funds from the CMHSP and makes payments authorized by the consumer's parent or guardian, as the consumer’s representative. The fiscal intermediary acts as an employer agent when the consumer's representative directly employs staff or other service providers.  
   b. Fiscal Intermediary services are to meet the Individual’s goals of community participation and integration, independence or productivity while controlling his/her individual budget and choosing staff who will provide the services and supports identified in the authorized IPOS. The fiscal intermediary helps the Individual manage and distribute funds contained in the individual budget.  
   c. The fiscal intermediary may also perform other supportive functions that enable the individual to self-direct needed services and supports. These functions may include selecting, contracting with or employing and directing providers of services, verification of provider qualifications (including reference and background checks), and assisting the individual to understand billing and documentation requirements.  
   d. The role of the fiscal intermediary is that of an agent of the PIHP/CMHSP, for the purpose of assuring for each assigned individual’s maximum control over services and supports, within the framework of the individual’s IPOS and his or her individual budget.

2. Practice Principles  
   a. The Provider agrees to the principles of Choice and Self-Determination as part of its mission. The Provider further assures the CMHSP that Individual choice will be primary in their service provision and Individual choice in Provider selection will be respected.  
   b. The Provider is encouraged to offer evidence based and promising practices as part of the Medicaid covered specialty services where applicable. Providers shall assure that these practices are provided by staff who have been appropriately trained in the model(s) and are provided to the population for which the model was intended.  
   c. The Provider will be in compliance with the principles of person-centered planning as outlined in the MDHHS Mental Health and Person-Centered Planning Policy and Practice Guideline.  
   d. MDHHS encourages the use of natural supports to assist in meeting an individual's needs to the extent that the family or friends who provide the natural supports are willing and able to provide this assistance. The use of natural supports must be documented in the individual's individual plan of service.

3. Credentialing Requirements  
   a. The Provider must be able to fulfill the Fiscal Intermediary Functions as identified in the Michigan Department of Health and Human Services Fiscal Intermediary Technical Requirement and the current Self-Determination Implementation Technical Advisory, which is part of the PIHP/CMHSP contract. Functions include, but are not limited to Financial Accountability, Employer Agent, Employee Verification, and Information/Guidance functions.  
   b. The Provider cannot be a provider of services to Individuals to whom it also provides Fiscal Intermediary services. The Provider cannot be a guardian or trust holder of any Consumer-participant or have any other fiduciary relationship with a Consumer-participant. Provider must be independent and free from conflicts of interest.
c. The Provider will assure that licensed professional staff licensed and/or registered in the State of Michigan to provide services at the level authorized by the CMHSP. Licensed professionals shall act within the scope of practice defined by their license.

d. The Provider shall maintain a copy of training records for each staff person for review if requested by the CMHSP, the LRE, or an external review team.

e. Providers of services must be:
   i. Be at least 18 years of age.
   ii. Have a documented understanding and skill in implementing the individual plan of services and report on activities performed.
   iii. Be in good standing with the law as outlined in the MDHHS/PIHP contract.

4. Service Requirements

a. The Provider’s supports and services will be based upon the individual’s Plan of Service, and in coordination with any additional plans of the individual (e.g. nursing, occupational therapy, physical therapy, behavior support plans). Said documents are to be present (hard copy or electronically) at the service site, and accessible to the Provider’s staff responsible for delivering the supports and services.

b. The Provider shall provide services in the least restrictive and most integrated settings, unless the less restrictive levels of treatment, service or support have been unsuccessful or cannot be safely provided for that individual.

c. The Provider shall ensure coordination of care occurs between the Individual(s) primary health care physician and Medicaid Health Plan (as appropriate). Coordination of care shall include the full array of primary and acute physical health services, behavioral health care, natural or community supports to provide effective treatment, and as specified in an Individual’s plan of service.

d. The Provider shall complete service documentation and records that meet the PIHP/CMHSP’s requirements for reimbursement. The Provider’s services and documentation/records shall comply with the standards of the PIHP, CMHSP, accreditation bodies, MDHHS, any applicable licensing Department or Agency of the State of Michigan, Medicaid and Medicare regulations and/or any third party payers.

e. The individual’s record must contain sufficient information to document the provision of services, including the nature of the service, the date, and the location of contacts, including whether the contacts were face-to-face. The frequency and scope of contacts must take into consideration the health and safety needs of the individual.

f. The CMHSP shall assign the role of the Provider to be an agent, via contract with the CMHSP, for the purpose of assuring each individual maximum control over the selection of providers of goods and services within the framework of the individual’s Individual Plan of Services and Supports and the designated portion of the budget.

g. The Provider shall designate a liaison person, who shall be the primary contact person with the responsibility for monitoring and ensuring that the terms of the Agreement are fulfilled.

h. The Provider shall assist each individual with assuring all necessary employment readiness documentation is in place including, but not limited to, all application paperwork and agreements required by the CMHSP and especially a 42 CFR 431.107 Agreement between each service provider and the CMHSP, and maintain copies of all of these documents.

i. The Provider shall disburse funds to vendors and providers after obtaining provider contracts and employment agreements. Provider shall not disburse funds to any vendors or providers who are not compliant with training requirements.
5. **Training Requirements**  
   a. See Attachment I: Training Requirements for specific training requirements and frequency of trainings.

6. **Criteria/Access Requirements/Authorization Procedures**  
   a. Individual and/or his/her allies must understand and agree to abide by a signed Self-Determination Agreement with the CMHSP.
   b. The [Lakeshore Region Guide to Services](https://www.lsre.org) provides a summary of service eligibility, access to services, and service authorization. This document is located on the Lakeshore Regional Entity website at [www.lsre.org](http://www.lsre.org). Additional information related to policies, procedures and Provider Manuals may be found by accessing the specific CMHSP websites.

7. **Relevant Forms**  
   a. CMHSP Budget Form.