



DIVISION OF DEVELOPMENTAL DISABILITIES
Olympia, Washington

TITLE: CLIENT PARTICIPATION POLICY 6.06

Authority: RCW 71A.12.070 Developmental Disabilities
42 CFR 435.735 Post-Eligibility Treatment of Income and Resources
WAC 275-26-100 DDD Facility Based Residential Support Services
WAC 388-515-1510 CAP & OBRA
WAC 388-15-568 ARC and Adult Family Home
Chapter 388-235 WAC General Assistance Unemployable

PURPOSE

This policy establishes procedures for determining how much individuals living in facility based community residential programs must contribute to the cost of their care. It also describes residential providers' responsibilities to provide information to DDD to determine client participation.

SCOPE

This policy applies to all DDD clients who fall within certain income and resource criteria/standards and reside in group homes, adult residential care (ARC) facilities, adult family homes (AFH) DDD group training homes, and children's foster homes, and are required to contribute to their cost of care.

DEFINITIONS

Client Participation means the amount an individual is required to pay towards the cost of residential care, support and training purchased by the Department of Social and Health Services (DSHS).

CPI means the Washington State standard allowance for clothing, personal maintenance and necessary incidentals (WAC 388-250-1600 and WAC 388-250-1650).

Earned Income includes salaries, commissions, bonuses, severance pay, and other cash or in-kind payments received because of employment; net earnings from self-employment; earned income tax credits; payment for services performed in a sheltered workshop or work activities center; and certain royalties and honoraria (20 CFR 416.1110).

GA-U means the state-funded General Assistance - Unemployable program which provides financial and medical assistance to people who are unemployable due to an incapacitating condition (Chapter 388-235 WAC).

Resource means cash or other liquid assets or any real or personal property that an individual or spouse, if any, owns and could convert to cash to be used for their support and maintenance. WAC describes resources (WAC 388-500-0005) and exclusions (WAC 388-511-1160). See also 20 CFR 416, Subpart L, for definitions of resources and exclusions.

SSI Benefit means Supplemental Security Income (SSI) for the aged, blind, or disabled as described in 20 CFR 416, Subpart D.

SSI Recipient means a person who receives any Supplemental Security Income.

SSI Standard Participation means the SSI area standard minus the CPI.

Unearned Income means income that is not earned income, including annuities, pensions and other periodic payments such as private pensions, Social Security benefits, disability benefits, veterans benefits, worker's compensation, railroad retirement annuities and unemployment insurance benefits; alimony and support payments; dividends, interest, and certain royalties; rents, death benefits; prizes and awards; gifts and inheritances; and support and maintenance in-kind (20 CFR 416.1121).

POLICY

Individuals who live in facility based community residential facilities must contribute to the cost of their care. Client participation must be established and collected based on the person's reported income and resources before state funds are paid.

PROCEDURES

A. Participation Determination Applicable to All Individuals

1. Client participation is calculated as described below, depending on whether an individual is receiving any SSI benefit.

2. At the end of each calendar year, a division memorandum for the next succeeding year will be issued which includes:
 - a. New SSI area payment standards;
 - b. The non-staff rate for group homes when that amount is less than the SSI standard;
 - c. Client participation for the spouses of individuals on the CAP waiver;
 - d. New income standard for the CAP waiver; and
 - e. The participation procedure for individuals living in AFHs who receive Medicaid Personal Care (MPC) services.
3. Providers must obtain client participation payments from the individual at the beginning of each month.

B. Individuals Who Receive SSI

Client participation for a SSI recipient must be the lesser of the SSI area standard minus the state CPI allowance or the following:

1. For persons living in DDD group homes, the group home's non-staff rate; or
2. For persons living in Adult Family Homes (AFH), the published room and board rate (basic rate).

C. Individuals Who Do Not Receive SSI

1. Unearned Income Only
 - a. Participation for a non-SSI recipient who receives only unearned income must be their total unearned income received for the month less:
 - (1) The first \$20.00 per month of their unearned income;
 - (2) The state CPI allowance;

(3) An amount established by DSHS Economic Services Administration (ESA) for the maintenance needs of the person's spouse and/or other dependents; and

(4) Allowable medical or remedial care expenses not covered by third-party payers, including Medicare and Medicaid, as established by DSHS Medical Assistance Administration (MAA).

b. The unearned income allowance and the CPI allowance must be applied in the order listed above.

2. Earned Income Only

a. Participation for a non-SSI recipient who receives only earned income must be their total earned income for the month, less:

(1) The first \$20.00 of earned income;

(2) The next \$65.00 of earned income;

(3) Half of any remaining earned income;

(4) The state CPI allowance;

(5) An amount established by DSHS ESA for the maintenance needs of the person's spouse and/or other dependents;

(6) An amount established by DSHS MAA for allowable medical expenses not covered by third-party payers, including Medicare or Medicaid.

b. The earned income allowance and the CPI allowance must be applied in the order listed above.

3. Both Earned and Unearned Income

a. Participation for a non-SSI recipient who receives both earned and unearned income must be their total earned income and unearned income for the month, less:

- (1) The first \$20.00 of unearned and earned income. This income exclusion must first be applied against unearned income. Any portion of the exclusion that remains after deducting unearned income must be applied against earned income next;
 - (2) The next \$65.00 of earned income;
 - (3) Half of any remaining earned income;
 - (4) The state CPI allowance;
 - (5) An amount established by DSHS ESA for the maintenance needs of the person's spouse and/or other dependents;
 - (6) An amount established by DSHS MAA for allowable medical expenses not covered by third-party payers, including Medicare and Medicaid).
- b. The income exclusion, earned income deduction and CPI allowance must be applied in the order listed above.

4. GA-U Only

Participation for a GA-U recipient must be their GA-U grant payment plus any other income for the month, minus the state CPI allowance. Contact the ESA Field Services Office to determine the individual's GA-U grant payment.

5. No Income

Participation for a non-SSI recipient who has no earned or unearned income must be zero. The person should be referred to their case/resource manager for GA-U eligibility determination.

D. Resources for Client Participation

1. An individual's non-exempt resources are the person's total resources, minus the exempt resources specified in WAC 388-511-1160.

2. Non-exempt resources in excess of \$2,000.00 for an individual and \$3,000.00 for a couple must be used for participation (WAC 388-511-1110).
3. Non-liquid resources must be available for participation. The individual must dispose of real property within six (6) months and other property within three (3) months. Upon disposition of resources, the net proceeds to the individual from the sale are considered available to repay that portion of payments that would not have been made had the disposition occurred at the beginning of the period for which payment was made.

E. Review of Client Participation

1. Client participation must be reviewed:
 - a. Whenever the person's income changes; and
 - b. At twelve-month intervals for SSI recipients; or
 - c. At six-month intervals for non-SSI recipients receiving earned or unearned income when there is no change in the income amount;
 - d. Each month for non-SSI recipients receiving earned or unearned income when there is a change in the income amount from the prior month;
 - e. Each month for individuals when nonrecurring income is received;
 - f. Each month for individuals having resources above the limits described in Section D.2; and
 - g. When the individual enters or leaves a facility.
2. Participation must be calculated from income reported on the Client Monthly Income Report form (DSHS 14-288). Clients, guardians, representative payees, and the residential provider are responsible for submitting the Client Monthly Income Report to the case/resource manager.
3. The case/resource manager must provide written notification of the participation amount to the individual, their guardian or representative payee, and the residential provider.

4. The case/resource manager must provide written notification to the individual of their right to a fair hearing whenever there is an increase in their participation amount. Notification must be made at least ten (10) calendar days prior to the effective date of the new participation amount.

F. Calculation for Individuals Entering or Leaving a Facility

1. DDD will reimburse the provider for an individual's residential services when the client's participation amount is less than the monthly reimbursement amount.
2. Participation determination must be made when an individual enters or leaves a facility. Depending on when the person enters or leaves, the participation amount may be less than as determined according to Sections B or C.
3. Use the following procedures to determine the participation amount when an individual enters or leaves a facility:
 - a. Determine the total payment amount for the first or last month of service by multiplying the number of days the service is to be provided times the facility's daily rate. The first day of service is the day the client is placed at the facility. The last day of service for payment computations is the day prior to the client's actual departure from the facility.
 - b. If participation as determined according to Sections B or C is greater than the total payment amount for the first or last month, the client's participation will be set at the total payment amount determined above. If determined participation is less than or equal to the total payment amount for the month, the client's participation for the first/last month will be set at the amount determined by Sections B or C.
 - b. If an individual transfers to another DSHS residential program which requires client participation, the remaining portion of participation as determined by Sections B or C must be applied to payment at the second facility. The total participation amount paid to both facilities must not be greater than the monthly participation amount.
 - d. If an individual does not reside at the facility long enough to use the entire amount of service (daily rate times paid days of service) covered by their participation, the facility must refund the unused portion to the person. The case/resource manager must determine the amount to be refunded.

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- (1) If the facility is not able to refund the amount owed at the date of transfer to a second facility, the participation amount owed must be paid to the second facility by DDD.
- (2) The amount owed the person by the first facility must be set up as an overpayment to the first facility.

EXCEPTION TO POLICY

None.

SUPERSESSION

Policy Directive 402
Issued March 5, 1991

Policy Directive 407
Issued January 14, 1986

Approved: /s/ Timothy R. Brown
Director, Division of Developmental Disabilities

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