

# **SOUTHERN HIGHLANDS COMMUNITY MENTAL HEALTH CENTER**

## **POLICY AND PROCEDURE MANUAL**

**Date of Issue: 11/1/84**

**Section Number 195**

**Date Revised: 10/2/90; 5/13/94; 5/20/99; 12/15/99; 6/22/01; 10/2/07; 2/5/08; 5/6/10; 3/31/16; 6/14/17**

### **Policy 195 – Representative Payee Services**

#### **I. POLICY**

Southern Highlands Community Mental Health Center (SHCMHC) provides a financial management service to persons who need assistance in managing their money. The representative payee service is used, to the extent possible, as a skill training experience for consumers. The service is known as Representative Payee Service, and it can be provided, upon request and with approval of the person or his/her guardian, temporarily until legal authority for the services is obtained (SH-31-A). A copy of the notice from the Social Security income division requesting that Southern Highlands provide representative payee services will be retained in the consumer's electronic file.

#### **II. DISCUSSION**

Representative payee services are provided as part of a comprehensive case management system that is directed to sustain individuals in the community. There are situations in which it is recognized that environmental controls such as representative payee services are key elements in the prevention of the need for institutionalization of persons due to the consequences of personal financial mismanagement. Southern Highlands must be the representative payee for any consumer living in housing established by SHCMHC including, but not limited to, group homes, IDD Waiver housing, etc.

#### **III. PROCEDURES**

A. A payee acts on behalf of the beneficiary. A payee is responsible for everything related to benefits that a capable beneficiary would do for himself or herself. SSA encourages payees to go beyond just managing finances and to be actively involved in the beneficiary's life. The following lists the required duties of a payee.

##### **REQUIRED DUTIES:**

- Determine the beneficiary's needs and use his or her payments to meet those needs;

- Save any money left after meeting the beneficiary's current needs in an interest bearing account or savings bonds for the beneficiary's future needs;
  - Report any changes or events which could affect the beneficiary's eligibility for benefits or payment amount;
  - Keep records of all payments received and how they are spent and/or saved;
  - Provide benefit information to social service agencies or medical facilities that serve the beneficiary;
  - Help the beneficiary get medical treatment when necessary;
  - Notify SSA of any changes in your (the payee's) circumstances that would affect your performance or continuing as payee;
  - Complete written reports accounting for the use of funds; and
  - Return any payments to which the beneficiary is not entitled to SSA.
- B. Personal income shall be received by SHCMHC and placed into a special group checking and/or savings account. Personal income may be in the form of SSI, SSDI, family support, Black Lung benefits, Veterans benefits, employment, supported employment, and other sources.
- C. SHCMHC maintains an individual record of money received and paid to the individual or to others on behalf of the individual.
- D. Southern Highlands will collect fees from Social Security, SSI or any other source of payment from beneficiary's monthly checks as reimbursement for expenses incurred in providing representative payee services unless a written waiver is provided by the Chief Executive Officer. Administrative staff will comply with all regulations established by the SSA or other funding agency in collecting fees. Case managers with consumers receiving representative payee services must, upon initiation of fee collections, include this cost on the consumer's budgets.
- E. Case managers may appeal directly to the Chief Executive Officer to have fees waived for consumers unable to pay established charges. The Chief Executive Officer's waiver of fees will be good for a designated period of time, not to exceed six (6) months, whereupon the consumer's economic status will be reevaluated to determine if the fee can be paid. This requirement includes consumers living in Center sponsored residential sites and are unable to pay full charges for room and board.
- F. Individuals or their guardians have the right to examine their individual accounts upon demand. Staff response to such a demand shall be made within three (3) working days. Your main obligation is to ensure that the current needs of the beneficiary are met. Once that has been done, the beneficiary has the right to have some discretionary spending money, even if you do not approve of all of his or her choices. In the case of drug or alcohol abuse, you may want to give the

beneficiary only small amounts of spending money, or purchase food to give to the beneficiary, rather than giving him or her cash. If you think the beneficiary is spending his or her money on illegal or dangerous items and activities, then you should seek help from your supervisor.

- G. Southern Highlands staff may suspend or revoke a consumer's participation in representative payee services for non-compliance with Center regulations, excessive requests for financial services (more than twice per week), unauthorized family or collateral contacts with staff requesting unrealistic economic assistance. In the event staff requests suspension or revocation, documentation of the reasons, verification the consumer has been referred to another agency or entity to provide financial assistance and written approval by the Chief Executive Officer must be maintained in the clinical record with copies to the consumer and/or guardian.
- H. Any consumer receiving representative payee must have an annual review of their continued need for this service. The annual consumer reviews, including budget, must provide verification no other person or legal authority is available to provide representative payee services.
- I. Individuals may terminate their participation in the SHCMHC representative payee service upon written request by the individual or his/her guardian. The consumer/guardian must also request legal notice be sent to SHCMHC from the Social Security Administration, Veterans Administration, Compensation, etc., that representative payee services by this agency are being transferred or terminated. Checks received by SHCMHC after termination may be returned, uncashed, to the source from which originated. If the check is deposited, the case manager in conjunction with the Business Office will make appropriate arrangements to have the funds transferred to the new payee or returned to the payor. If this individual is living in housing established by SHCMHC, participation in that program may not be revoked.
- J. CONSUMERS LIVING IN CENTER SPONSORED RESIDENTIAL SITES

The room and board charges will be paid to SHCMHC each month. The daily charge for room and board is based on the West Virginia Department of Health and Human Resources guidelines. A check will be written from the consumer's account at the first of each month for that month's room and board. The monthly amount will be the daily rate times the number of days in the month.

## ALL CONSUMERS

At least once a year or as circumstances change, the case manager along with the consumer will develop a monthly budget, which must be approved by their respective supervisors. All aspects of the consumer's life must be considered, including burial expenses and eligibility for continuation of Human Services benefits (i.e., medical card or loss of income). Any changes in income or expenses would mean a budget revision. For any non-recurring bill received in excess of \$100.00, the Business Office will notify the case manager's supervisor for approval of payment.

- L. All monthly payments will be made at the beginning of each month or when due (i.e., rent, utilities, insurance, etc.). Leases or signed documents for monthly payments will be maintained in the consumer's electronic record. Checks for representative payee expenses will be made payable to the professionals unless otherwise indicated in the individual's treatment plan. Requests that exceed \$100.00 that do not meet the above criteria will require receipts substantiating how the money was spent. At the end of each month, a determination will be made if a portion of the consumer's money should be transferred to an interest bearing savings account. Any funds requested on a one-time basis must be done in writing by the case manager. **All invoices must be to accounting by 9:00 am Monday morning in order for the American Express card limits to be adjusted for the week or a check prepared.**
- M. The case manager will be responsible to ensure that all known income is deposited in the Southern Highlands CMHC Representative Payee account. All annual income forms such as W-2's, 1099's from all sources, and personal tax information must be gathered for those consumers who earn more than \$600.00, and a tax return filed as they may qualify to receive Earned Income Credit benefit.
- N. A minimum of three persons will be authorized to sign checks; however, two signatures will be required for any check written. In no case will the person preparing the check be the authorized signature.
- O. The bank statement will be reconciled to the checkbook on a monthly basis. By the 15<sup>th</sup> of each month, the Service Coordinator will receive a copy of the receipts and disbursements for the preceding month for each consumer. At each Individual Treatment Team meeting for each Waiver consumer, the Service Coordinator will present a report of the consumer's account. As verification that the consumer is receiving copies of his account, the mailing list of consumer accounts will have the following statement "I certify this was mailed on (insert date)" and will be signed and dated by the Accounts Payable Clerk and initialed

by a Supervisor. The supervisor of the consumer's case manager will review the ledger/audit report prior to the case manager's review with the consumer.

- P. No budgeted expenditures established in representative payee financial plans (budgets) are to be exceeded by the Accounts Payable Clerk without the permission of that staff person's supervisor. No expenditures with the exception of known necessities (i.e., utility bills) will be made unless the consumer has the funds available. The Chief Executive Officer can make an exception when necessary.

## **SOUTHERN HIGHLANDS COMMUNITY MENTAL HEALTH CENTER**

### **REPRESENTATIVE PAYEE SERVICES-CONSUMER INFORMATION & AGREEMENT**

Southern Highlands Community Mental Health Center (SHCMHC) provides a financial management service to persons who need assistance in managing their money. The Representative Payee Service is used, to the extent possible, as a skill training experience for you. The services is known as Representative Payee Service, and it can be provided, upon request, and with the approval of you or your guardian.

1. Personal income shall be received by SHCMHC and placed in a special group checking and/or savings account. Personal income may be in the form of SSI, SSDI, family support, and other sources.
2. SHCMHC will maintain an individual record of money received and paid to you or to others on your behalf.
3. You or your guardian have the right to examine your individual account upon demand. Staff response to such a demand shall be made within three (3) working days.
4. You may terminate your participation in the SHCMHC representative payee service upon written request by you or your guardian. Checks received by SHCMHC after termination may be returned, uncashed, to the source from which originated. If you are currently living in housing established by SHCMHC, your participation in the representative payee services program may not be revoked. Individuals living in residential housing established by SHCMHC is required to participate in the representative payee program.
5. All monthly payments will be made at the beginning of each month, (i.e., rent, utilities, insurance, etc.). Supporting documentation will be submitted by you and will be maintained by the staff person providing that service.