Adult Home Help Services

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Description of the Adult Home Help Services Program

- Adult Home Help Services ("AHHS"), formerly known as "Chore Services," is administered through the Michigan Department of Health & Human Services Agency ("DHHS").

- The services covered are those characterized as unskilled and non-specialized activities, including personal care, essential to the care of the consumer and maintenance of the home.
Description of the Adult Home Help Services Program (continued)

- AHHS assists aged, blind, disabled and other functionally limited individuals with necessary daily activities, which they cannot perform without assistance.

- The goal of the AHHS program is to maintain the consumer in his/her home and avoid a placement into an alternative care facility, that is, a nursing home or adult foster care arrangement. Also, to identify and strengthen the consumer’s natural support system whenever possible.
Who Is Eligible?

1. Consumer must have MEDICAID and require home help personal care.
2. Consumer must be living in an unlicensed setting.
What Services Are Available?
Activities Of Daily Living (ADL’s)

- Eating & feeding
- Toileting
- Bathing
- Grooming
- Dressing
- Transferring
- Mobility

Effective 10/1/11: you must qualify for at least one of the ADL’s listed above to be eligible for any of the IADL’s on the next slide.
What Services are Available?
Instrumental Activities of Daily Living (IADL’s)

• Taking medication
• Meal preparation and clean up
• Shopping for food and other necessities of daily living
• Laundry
• Housework
Functional Assessment Definitions and Ranks
Activities of Daily Living (ADL)

• Within each of the previously mentioned twelve AHHS chore services areas, a task is “ranked” from 1 through 5. This means that rankings run from a “1” where the consumer is totally independent and requires no assistance, to a ranking of “5,” which connotes total dependence on another person to complete the task or chore.

• You must have a dependency ranking of “3,” “4,” or “5” to receive assistance through this program.
Functional Assessment Definitions and Ranks
Activities of Daily Living (ADL) - Example:

**Toileting**

Getting on and off toilet or commode and emptying commode, managing clothing and wiping and cleaning body after toileting, using and emptying bedpans, ostomy and/or catheter receptacles and urinals, application of diapers and disposable barrier pads. May include catheter insertion, ostomy irrigation, or bowel program.
Functional Assessment Definitions and Ranks
Activities of Daily Living (ADL) - Example:

1. Independent: manages bowel & bladder with no assistance;

2. Requires reminding or direction (i.e., verbal assistance) only to perform toileting;

3. Requires some minimal human assistance with activities but the constant presence of a provider is not necessary;

4. Does not carry out most activities without much human assistance;

5. Totally dependent on others in all areas of toileting.
It is important to note from the last slide that consumers who fit the ranking definitions of either a “1” or a “2” will not receive any AHHS consideration - the person is fairly independent. Therefore, an assessment of the consumer’s needs will determine the rankings of “3, 4, or 5” for qualification of AHHS/chore payments.
• Depending on the ranking level, the amount of allowable time for chore work is guided by the chart in the next slide.

• Important! The DHHS “Reasonable Time Schedule (RTS)” is a guide or starting point for the DHHS worker and consumer to use; remember, each consumer has differing needs. Only under extenuating circumstances --- and with an appeal to the Michigan DHHS’ Long-Term Care Development Section for “complex care needs” --- will the AHHS program allow for longer-than-usual times for a particular chore. This is not applicable in the areas of meal preparation, shopping and errands, laundry, and housework; each had maximum allowable times established in 2004 by state policy.
Time Chart Guide ("Reasonable Time Schedule")
Activities of Daily Living (ADL) - Monthly

<table>
<thead>
<tr>
<th>Activity</th>
<th>Ranking - 3 (Hours)</th>
<th>Ranking - 4 (Hours)</th>
<th>Ranking - 5 (Hours)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Eat/Feeding</td>
<td>22</td>
<td>25</td>
<td>28</td>
</tr>
<tr>
<td>2. Toileting</td>
<td>11</td>
<td>13</td>
<td>14</td>
</tr>
<tr>
<td>3. Bathing</td>
<td>8</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>4. Grooming</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>5. Dressing</td>
<td>7</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>6. Transferring</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
</tbody>
</table>
## Time Chart Guide ("Reasonable Time Schedule")
### Activities of Daily Living (ADL) - Monthly

<table>
<thead>
<tr>
<th></th>
<th>Ranking - 3</th>
<th>Ranking - 4</th>
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</thead>
<tbody>
<tr>
<td>7. Mobility</td>
<td>7 hours</td>
<td>8 hours</td>
<td>9 hours</td>
</tr>
<tr>
<td>8. Take Meds.</td>
<td>1 hours</td>
<td>2 hours</td>
<td>3 hours</td>
</tr>
<tr>
<td>9. Meal Prep.</td>
<td>25 hours MAX</td>
<td>25 hours MAX</td>
<td>25 hours MAX</td>
</tr>
<tr>
<td>10. Shopping and Errands</td>
<td>5 hours MAX</td>
<td>5 hours MAX</td>
<td>5 hours MAX</td>
</tr>
<tr>
<td>11. Laundry</td>
<td>7 hours MAX</td>
<td>7 hours MAX</td>
<td>7 hours MAX</td>
</tr>
<tr>
<td>12. Housework</td>
<td>6 hours MAX</td>
<td>6 hours MAX</td>
<td>6 hours MAX</td>
</tr>
</tbody>
</table>
What AHHS Does Not Provide

1. Supervision, teaching or therapy.
2. Medical services.
3. Professional contracting or repair services by certified or licensed provider (e.g., wiring repair requiring an electrician).
4. Public Transportation.
5. Transporting for medical reasons (e.g., visits to doctors, pharmacies, hospitals).
6. Activities normally performed by other members of the residential unit or family without charge.
7. Services provided to persons other than the consumer. If a provider performs activities for other persons, AHHS only pays for that portion attributable to that consumer (e.g., meals, shop, or cleaning, etc.).
Who Provides Services?

• Individuals choose their own providers from available persons, or public or private agencies. All providers must meet minimum qualification requirements and complete a monthly listing of services rendered to the consumer.

• Providers cannot be a “Responsible Relative,” that is, a spouse or a dependent child under age 18. Providers must complete a quarterly “Provider Log” (form DHHS-721) that is turned into the DHHS Adult Services worker for payment; DHHS-721 must be signed by BOTH the consumer and the provider.
How Much Is Paid For Services?

Based on an evaluation of specific services needed, time required, and special circumstances, payment is negotiated between the consumer and the provider. The AHHS payment level that a local DHHS worker may approve is $799.99 or less; the local DHHS Director or a supervisory designee can authorize up to $1,599.99. All exception amounts in excess of $1,600.00 [“Expanded Home Help”] must be approved by the state DHHS office in Lansing.
“Expanded Home Help”

- The possibility exists for receiving a higher payment level of AHHS, or an enhanced hourly rate, but only in very special cases. The former is called “Expanded Home Help” and the latter is known as an “exception” to Adult Home Help Services. In either case, all such requests exceed $799.99/month (see: ASM §120, pages 6-7). When the client’s cost-of-care exceeds $1,599.99 (or more than 179 hours a month) for ANY reason, the adult services specialist must submit a written request for approval to the MDHHS “Long Term Care Policy Section.”
These “exceptions” are essentially for situations where the functional limitations of the person are “so severe” that $799.99 will not allow for the safe provision of the necessary assistance to maintain someone in his/her own home. In other words, the care requirements far exceed normal levels, a specially trained care provider is necessary, the person lives in an isolated area, or lacks any family support. Remember, this higher payment level is NOT for general nursing services or supervision. The DHHS worker must process such “expansion” or “exception” claims within 45 days. If denied, appeal exists.
How Is Payment Made?

- AHHS payment is made jointly to the consumer and the provider and mailed directly to the consumer.

- Remember, that in the AHHS program, the consumer (person requiring the “chores”) is the employer of the provider (person performing the “chores”).

- The payment occurs the first week after the completion of the previous month.
Some individuals with special needs have a monthly Medicaid “deductible” or “spenddown” amount **BEFORE** their Medicaid kicks in. The AHHS program has a **voluntary** “**Personal Care Option**” to meet that “deductible/spenddown” amount each month.

The individual’s out-of-pocket payment to his/her AHHS provider is budgeted as a “medical expense” to meet a Medicaid “deductible/spenddown.” The AHHS payment is reduced by the amount paid by the individual, and the AHHS payment to the provider is the difference between the Medicaid “deductible/spenddown” and the total care cost of the AHHS.
Example:

In April of 2020, Ms. Smith has a Medicaid “deductible/spenddown” amount of $1,254.00 per month. The total cost-of-care determined by her AHHS Adult Services Worker is $1,585.42. The net AHHS payment to her provider for April 2020 would be $331.42.

By using this “Personal Care Option,” Ms. Smith is able to have full Medicaid benefits for the entire month, does not have to submit monthly paid medical bills to her DHHS AHHS worker, or give up or delay any community mental health services.
Are AHHS Payments Taxable? (Part I)

♦ After 22 years, AHHS payments are no longer considered taxable income for parent-caregiver providers of such services. The IRS changed its position on 1/3/14 by issuing Notice 2014-7. It addressed the income tax treatment of certain payments to an individual care provider under a state Home and Community-Based Waiver (Medicaid Waiver) program. The notice provides that the IRS will treat “qualified Medicaid Waiver payments” as “difficulty-of-care” payments excludable from gross income under §131 IRC.

♦ In Bannon v. Commissioner of Internal Revenue, 99 T.C. No. 3, Docket No. 26900-90 (July 20, 1992), Dorothy Bannon (a parent) lost her bid to have AHHS payments declared non-taxable income.
Are AHHS Payments Taxable? (Part II)

♦ Although IRS Notice 2014-7 primarily involves the Medicaid Waiver program, it also clearly states that the IRS would no longer apply §131 to the 1992 *Bannon* case decision.

♦ Parents also may not be liable for the F.I.C.A. (“Social Security Tax”) payments. Please consult a tax professional for details.

♦ Starting with calendar year 2010, the state began issuing either an IRS form 1099 or an IRS form W-2 to all providers, which would include an agency, a parent or an individual. A parent may choose to have FICA withheld from their check by notifying their DHHS Adult Services worker of this request; the system is not setup to automatically withhold FICA from a parent provider.
Are AHHS Payments Taxable? (Part III)

♦ Until further direction is provided, this is how parent/caregivers must account on their IRS form 1040 for the funds stated on a Michigan W-2 received each year for the AHHS payments from the DHHS:

   – On IRS **Form 1040** line 1 (“Wages, salaries, tips, etc.”), enter the W-2 amount;
   – On IRS **Schedule 1**, line 8 (“Other Income”) write on the dotted line: *"Notice 2014-7"* --- then enter the W-2 amount with a minus (“-“) sign in front of it.

♦ If you received such payments (including AHHS) described in IRS Notice 2014-7 in an earlier year, you may file an amended return via IRS Form 1040X to exclude the payments from gross income. Generally, for a credit or refund, you must file an amended return within 3 years (including extensions) [4 years for Michigan returns] after the date you filed your original return or within 2 years after the date you paid the tax, whichever is later.
How Are Services Obtained?

• Application (form DHHS-390) is made through the local DHHS office [remember, the consumer must have already established MEDICAID eligibility]. A DHHS Adult Services Specialist contacts the consumer, and conducts a thorough needs assessment using the previously-discussed 1-5 scale.

• Next, the DHHS worker develops a service plan jointly with the consumer, assists with locating providers, and authorizes services as appropriate. A physician certification (form DHHS-54A) is required documenting the consumer’s need for services. Only in an “Expanded Home Help” case involving “complex care” or where the payment will exceed $1300 is there also a review by a registered nurse from the DHHS.
How Are Services Obtained?
(continued - II)

• Before applying for AHHS it is suggested that the consumer, the family and/or caregiver thoroughly review the ADL/IADL definitions and ranks, along with the timesheet scale. Remember that rankings of “1” or “2” will NOT result in any AHHS payment, since a person in either of those two levels is fairly independent.

• Keep a diary of daily services provided and also list services that are provided on an irregular basis --- as long as such services are covered under the Adult Home Help program.

• Advanced planning can prove quite useful when the DHHS services worker visits the home to do the needs assessment.

• If asked, providers should indicate that they expect the minimum established rate in their county for the work they do - - - - more if a special skill or task is involved short of a certification or license.
Finally, the DHHS worker may ask a family if they would provide or continue to provide services if they were not paid. Families need to know that if they answer in the affirmative (i.e., “Yes”), the DHHS probably will not pay for the AHHS even though the consumer is clearly eligible. So, families who wish to receive compensation for this valuable and important work should tell the DHHS worker (if they are asked) that they cannot continue services without compensation.
Individual (not agency) Home Help payment rates **differ** in four counties. Rates are effective 1/1/2020: Public Act 676 of 2019 [see also: DHHS Adult Services Manual ("ASM") - 138]

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Due to the COVID-19 emergency, new permanent rates became effective 4/1/2020 in all but four counties. [see also: MSA letters “20-26, -45, and -66;” and the DHHS Adult Services Manual (“ASM”) - 138 dated 1/1/2021]

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Home Help Provider Rates
Temporary COVID-19 Increase

- Due to the COVID-19 emergency, all individual caregivers earned a temporary, extra $2.00 per hour in premium pay. This hourly rate increase was for dates of service from April 1, 2020 through December 31, 2020.

- On December 31, 2020, the premium pay ended.

AHHS For Minor Children

- The same type of funding may be available for children if the following set of circumstances exist:
1. If a child in need of services is a recipient of SSI or MEDICAID, there is no income test for the responsible relative(s). The child is automatically eligible.

2. Payment can only be authorized for personal care services, not for supervision. The child’s condition must be such that care requirements exceed the “age-appropriate” demands that would normally be placed on the parent(s). An example of this would be: changing diapers for an infant is considered an age-appropriate responsibility of parents, but changing diapers for a 10-year-old with a disability is personal care under this program.
3. Parents cannot be personal care providers. Adult siblings, however, can be providers; also, grandparents, and so on.

4. If the need for specific Adult Home Help care services is based on the parent’s need to be away from the actual home (e.g., for education and training), then such services can only be authorized during the actual hours that the parent must be away. Remember, AHHS only pays for hands-on care and NOT for supervision time!

5. There are also provisions covering parents who are physically disabled and unable to care for their child. Again, only for hands-on care --- supervision is NOT a covered service.
• If any of the services in this program are DENIED, REDUCED, SUSPENDED or TERMINATED, then the consumer has a right to a due process hearing conducted by an Administrative Law Judge (ALJ).
Appeals (continued - II)

• All case actions/decisions by the DHHS must include a written notice of the action to be taken (reduction, denial, etc.) and the reasons for it. The notice must also inform the consumer of their right to hearing and how to file for one. The consumer or designee has 90 calendar days from the date of the written notice to request a hearing.
A hearing request is made with the local DHHS office’s “Hearings Coordinator.” The form must be in writing and delivered either by mail or in-person at the DHHS. The Michigan DHHS Administrative Tribunal has 65 days to schedule and conduct a hearing, render a decision and mail it to the consumer and the local DHHS office.
• Effective March 1, 2004, exceptions to the AHHS policies will be allowed only for “complex care needs.” The local DHHS office no longer has the ability to go outside of the bounds of the regulations. All exceptions for “complex care needs” must be appealed through the local DHHS Adult Services worker to the Michigan DHHS’ Long-Term Care Systems Development Section.
The next step is Circuit Court, but this can get expensive! Also, the entire case will not be heard all over again ... the judge will be looking for legal mistakes or “agency (DHHS) abuse of discretion.”
A way to avoid the ALJ hearing would be to consider attending a “pre-hearing conference” with a local DHHS supervisor. This will be offered; you don’t have to accept. It usually is best to resolve differences at the lowest possible level; you can always go to hearing or withdraw your request.
Questions?

Please call The Arc of Oakland County to set up an appointment or to become a member.

Thank you for your attention.

The Arc of Oakland County
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