

Center for Medicaid and State Operations/Survey and Certification Group

Ref: S&C-09-XX

DATE:

TO: State Survey Agency Directors

FROM: Director
Survey and Certification Group

SUBJECT: Intermediate Care Facilities for the Mentally Retarded (ICF/MR) - Clarification of Protection of Client's Rights at 42 CFR §483.420(a)(4)

Memorandum Summary

- Surveyors have been instructed by CMS to cite a deficiency in the ICF/MR if a Money Management program was not in place for each individual.
- The regulations at 42 CFR 483.420(a)(4) state that individuals in the ICF/MR must be allowed to manage their financial affairs and be taught to do so to the extent of their capabilities.
- The determination as to the appropriateness of a formal money management program for an ICF/MR resident must be based upon the results of a comprehensive functional assessment and a consensus by the interdisciplinary team.

Background

Surveyors have been instructed by CMS to cite a deficiency in an ICF/MR if a Money Management program was not in place for each individual. For any instance where a resident does not have a formal program in place, regardless of the determination of appropriateness by the team, a citation is written at 42CFR 483.420(a)(4).

Discussion

42 CFR 483.420(a)(4) states that the facility must, "Allow individual clients to manage their financial affairs and to teach them to do so to the extent of their capabilities." The regulation is clear that in those cases where a resident already possesses the skills necessary to independently manage their own financial affairs, the facility will allow the resident to continue to do so. However, formal training in financial management must be provided for all other residents to the *extent of their capabilities*. The regulation places the responsibility for determining the extent of the resident's capabilities in this matter upon the assessment and interdisciplinary team processes within the facility.

The facility interdisciplinary team (IDT) will utilize the comprehensive functional assessment (CFA) to evaluate the ability of each individual to participate in such a program. The evaluation must include documentation to confirm that the IDT considered all of the objective data within the assessment, especially the identification of transferable skills in reaching the determination. Assessment findings should include at a minimum:

1. Transferable skills such as fine motor coordination;
2. The ability to make choices;
3. The ability to identify preferences;
4. Cognitive abilities including tracking, attention span, communication, and the individual's understanding of cause and effect. (The individual's understanding of cause and effect is significant in the determination.)

During resident observations the surveyor should note any individual who is of the chronological age to utilize money management and appears to have the skills necessary to be on a formal money management program. Through observation and interview determine the extent of any financial management program in which the individual is involved. Review the individual's CFA to confirm that the program is consistent with the findings of the assessment. The IPP must include measurable, individualized objectives to meet the various training goals consistent with the findings of the CFA and the IDT determination. Documentation of the programs and strategies utilized to meet objectives should be detailed, understandable and readily available for review and updating as necessary, in order to ensure an individual's progress toward self-determination, choice, and independence.

If the individual is not on a formal money management program, the surveyor must review the IDT documentation to determine whether the team addressed the results of the CFA and the identification of transferable skills, the ability to make choices, and the ability to identify preferences. If the documentation is not present or is not complete, a citation may be written.

Money management can include a broad spectrum of programs with varying levels of participation by the individual ranging from the use of choice in money expenditures to understanding of the concept of money and ultimately to actual money handling and budgeting. The IDT must not conclude that a money management program is inappropriate based solely upon the level of retardation or physical disability of the individual.

The extent of the individual's capability to participate in a formal money management program must be reassessed on an annual basis by the IDT. The annual review should always include an update to the CFA and take into consideration any changes in the individual's circumstances since the last IDT meeting.

Conclusion

The need for a formal money management program must be addressed in every individual's IPP by the IDT on an annual basis.

The determination of the appropriateness of a formal money management program is made by the IDT and must be based upon a CFA. The IDT discussions resulting in that determination must be clearly documented in the individual's IPP.

Surveyors will question and cite any IDT team decision that a formal money management program is not appropriate when the resident clearly exhibits and the CFA supports the skills needed to implement such a program.

If you have any additional questions, you may contact Kelley Tinsley, either by phone at 410-786-6664 or via e-mail at Kelley.Tinsley@cms.hhs.com.

Effective Date: This clarification is effective immediately. Please ensure that all appropriate staff are fully informed within 30 days of the date of this memorandum.

/s/
Thomas E. Hamilton

cc: Survey and Certification Regional Office Management

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