

MEMORANDUM

To: Developmental Disabilities Service Directors  
From: Clare McFadden, Director, DDSD *cm*  
Re: Signatures required on Individual Service Agreements (ISA)  
Date: July 31, 2018

In 2015, the Quality Review Team determined that there was a significant issue with agencies billing for services without having a current ISA with all the required signatures in place. On July 29, 2015, the DDSD Director issued a memo with Interim Guidance on ISA regarding the Medicaid Rule requiring that all people have a current, signed ISA in order to submit claims for services (see attached). Subsequent to the memo a variance process was established that allows agencies to request a variance to having the signatures for a short period of time in certain unforeseen circumstances. In August 2016, the ISA guidelines were updated to provide clarity regarding the requirements related to timeliness and required signatures of ISA.

The 2015 memo clearly indicated that agencies *may* be subject to recoupment of payment for days of services when a current signed ISA was not in place. There has been a significant effort on the part of agencies to address the problem and improvement has been noted. However, instances of unsigned ISAs have continued.

We are emphasizing the need for compliance with this requirement for two reasons. One is that it is a Federal requirement for Home and Community Based Services. More importantly, the ISA is a key part of the person-centered planning process and in effect serves as the “contract” between the agency, the person and other members of the person’s support team regarding how the person will be supported to meet his/her goals. We strongly recommend that agencies review their processes for ensuring each person has a current signed ISA.

This memo provides notice to providers that starting on 9/1/18, agencies will be *required* to repay any claims for days for which there is not a current ISA with all the required signatures consistent with the ISA guidelines. Agencies should monitor their claims for compliance with this requirement. The lack of a current, signed ISA will be considered an improper payment. The Division will require repayment whenever these billing errors are found during Quality Service Reviews, Financial Audits conducted by the Division’s Senior Auditor and Program Consultant, or during the course of any other routine activities.

July 31, 2018

We appreciated your efforts to ensure all people in service have signed person-centered ISAs. Feel free to contact Chris O'Neill, Quality Management Team Leader regarding the requirements in the ISA guidelines related to signatures or the variance process.

Cc: Monica Hutt, DAIL Commissioner  
Chris O'Neill, Quality Management Team Leader  
Jennifer Perkins, Senior Auditor and Program Consultant