

MANAGED RISK AGREEMENT

REVISION DATES: 6/9/21, 6/13/18

EFFECTIVE DATE: 4/15/14

INTENDED USERS: Support Coordination and Health Care Services

REFERENCES: Medical Manual Chapter 1600, Managed Risk Agreement Services and/or Placement (DDD 1530A), Managed Risk Agreement Cost Effectiveness (DDD-1530B), Cost Effectiveness Study Toolbox procedure

Purpose

To outline the process used when a Managed Risk Agreement needs to be discussed, developed, and reviewed with the member or the member's responsible person.

Definitions

Managed Risk Agreement - A document that the Support Coordinator or District Nurse shall develop with the member or the responsible person which outlines risks to the member's safety and well-being because of choices or decisions made by the member or the responsible person.

Procedure

When to Discuss and Complete a Managed Risk Agreement Services and/or Placement Form

- A. The Support Coordinator and District Nurse shall collaborate and assess at a Planning Meeting if a member or responsible person makes a decision or choice regarding services, placements, or caregivers that would result in risk to the member's health and safety. If the decision is not to accept an offered service or placement that would result in risk to the member, the Support Coordinator or District Nurse shall assess the reasons for this decision. For example, is the member experiencing difficulties in coordinating their care or do they not fully understand their care needs? The Support Coordinator and District Nurse shall assist in resolving any known barriers and discuss alternative options with the member or responsible person.
 1. The Support Coordinator shall discuss and complete a Managed Risk Agreement with the member or responsible person when any of the following circumstances exist:
 - a. Member or responsible person refuses an offered service (all or in part) or an alternative to an offered service;
 - b. Member or responsible person refuses all offered placement options;
 - c. Member's or responsible person's choices or decisions impact the member's access to available services, placement, or caregivers; or
 - d. A non-DDD member exhibits behavior that puts the ability to provide services to the member at risk.

2. The District Nurse shall discuss and complete a Managed Risk Agreement with the member or responsible person when the following circumstance exists:
 - a. Member who is living at home was assessed by a District Nurse as needing nursing services and the member or responsible person refused (all or in part) the amount of skilled nursing service hours offered.
3. If the member's or responsible person's choice or decision will impact the health and/or safety of the member, but does not relate to the refusal of services, placements, or caregivers, the discussion will be documented in the Risks Assessments section of the Person-Centered Service Plan or the Individualized Family Service Plan.

How to Discuss and Complete A Managed Risk Agreement Services and/or Placement Form

- A. The Support Coordinator or District Nurse shall discuss the items outlined on the Managed Risk Agreement form. The discussion should include alternatives to the assessed services or placement; and how the member or responsible person plans to adequately protect the health and/or safety of the member.
- B. The discussion and documentation in the Managed Risk Agreement should contain information that clearly outlines the following:
 1. The amount and type of service the Division can provide cost effectively.
 2. The placement, service, and caregiver options offered to the member.
 3. The member's choices regarding those options.
 4. The risks associated with the refusal of medically assessed services and placement or a decrease in service amounts or potential gaps in services. The risks should be the most likely risks specific to the member. If there are limited risks, that should also be noted on the form.
 5. Any plans the member or responsible person has to address those risks (e.g., paying privately for services over 100%, using volunteer services, etc.).
- C. At the end of the discussion, the Support Coordinator or District Nurse shall allow the member or responsible person to review the completed Managed Risk Agreement. The member or responsible person shall be asked to acknowledge and agree to the service limitations and risks by signing the Managed Risk Agreement form.
- D. If the member or responsible person refuses to sign the Managed Risk Agreement, the Support Coordinator or District Nurse shall document on the Member or Responsible Person signature line, "Refused to Sign."
- E. The Managed Risk Agreement is a supplemental document to the Person-Centered Service Plan and the Individualized Family Service Plan. If the District Nurse completes the Managed Risk Agreement, the District Nurse shall email the completed

form to the member's Support Coordinator. The Support Coordinator shall attach the Managed Risk Agreement to the Person-Centered Service Plan or the Individualized Family Service Plan.

- F. The staff member who completed the Managed Risk Agreement shall complete the Managed Risk Agreement Section in Focus from the information documented on the Managed Risk Agreement form.

Re-Assessment of The Managed Risk Agreement

- A. The Support Coordinator or District Nurse who had the initial discussion with the member or responsible person shall re-assess the risk to the member and review the Managed Risk Agreement at future Planning Meetings as long as the Managed Risk Agreement is in effect.
- B. At the Planning Meeting, assess if the offered services or placements are still medically necessary and the member's or responsible person's decision or choice regarding those services or placements and any alternative options. If the member or responsible person chooses to accept the services or placement, then the Managed Risk Agreement would no longer be in effect.
- C. The Support Coordinator or District Nurse who had the initial discussion with the member or responsible person shall document on the Managed Risk Agreement form in the Re-Assessment section if there have been any changes to the condition or situation that required the Managed Risk Agreement, what those changes have been, and if the Managed Risk Agreement is still in effect.

Managed Risk Agreement for Cost Effectiveness

A Managed Risk Agreement for Cost Effectiveness (DDD-1530B) shall be completed when the member or the responsible person does not accept alternative services and/or placement options when the Division is not able to authorize all the assessed service hours because the costs of those services exceed the member's approved institutional rate. Whether or not the costs exceed the member's approved institutional rate is determined through the completion of a Cost Effectiveness Study (CES) as outlined in AMPM Policy 1620-C.

- A. The District Nurse shall complete the Managed Risk Agreement for Cost Effectiveness form when costs exceeding the institutional rate include nursing services.
- B. The Support Coordinator shall complete the Managed Risk Agreement for Cost Effectiveness form when costs exceeding the institutional rate do not include nursing services.
- C. For more information regarding the Managed Risk Agreement for Cost Effectiveness refer to the Cost Effectiveness Study Toolbox procedure.

Examples of Situations in Which a Managed Risk Agreement Should Be Executed

Job Aid for Support Coordinators

Below is a list of examples when a Managed Risk Agreement (DDD-1530A or DDD-1530B) should be executed. This does not include all possible situations and is only intended for use as a tool.

- A. A member lives with his elderly parents/guardians who are becoming unable to provide all the personal care the member needs. The assessment shows that the member is not at immediate risk, however, group home placement was identified as a need. Knowing these placements take time, the Support Coordinator offered alternative in-home services to alleviate some of the care the parents were providing. The parents refuse in-home support services because they do not want caregivers in their home. Three providers responded to the vendor call for a group home; however, after visiting each placement, the parents refused all options. They declined one of the group homes because it had tile floors and they felt carpeting would make the placement feel more like home. They refused the other placement because of the gender of the staff. The third option was declined because they wanted a certain type of vehicle.

The Support Coordinator discussed the alternatives offered and potential risks of the member remaining at home without services, as well as the risk of continuing to decline available options.

A Managed Risk Agreement (DDD-1530A) should be completed due to the member or responsible person refusing all offered service options.

- B. A member lives at home with her parents. She receives attendant care, habilitation, and respite services from a single direct care worker for the past five years. The member and her family had a good relationship with this direct care worker and have not used anyone else. However, their direct care worker moved away and could no longer provide services to the member. The provider agency immediately offered other direct care workers. The family refused all of the options because they said they were not a good fit.

The Planning Team discussed alternative solutions and the risks the member may face without continued support. The family refused all of the alternatives offered and chose to go without using services until they found a direct care worker they liked.

A Managed Risk Agreement (DDD-1530A) should be completed due to the member or responsible person refusing an offered service (all or in part) or an alternative to an offered service.

- C. A District Nurse assessed a member as needing nursing. The member refused the nursing services because they wanted to keep the hours of attendant care. The Nurse explained that the level of care needed for the member requires the skill of a nurse.

A Managed Risk Agreement (DDD-1530A) should be completed due to the member or responsible person refusing an offered service (all or in part) or an alternative to an

offered service.

- D. The member is assessed as needing an amount of skilled nursing and nursing respite that exceeds cost effectiveness. A nursing supported group home was offered as an alternative service but was refused by the responsible person. The Division offered to provide the number of hours of nursing that can be provided cost effectively, however, the responsible person requests the full amount of skilled nursing and nursing respite, and does not agree to accepting only the hours that can be provided cost effectively. The District Nurse will draft a Notice of Adverse Benefit Determination (NOA). The NOA must explain the amount of service the Division is denying due to cost.

A Managed Risk Agreement (DDD-1530B) should be completed due to the member or responsible person refusing an offered service (all or in part) or an alternative to an offered service.

- E. A 16-year-old member with the diagnosis of autism lives at home. The Support Coordinator assessed and authorized 40 hours a week of habilitation and 600 hours/year of respite. During the past 90 days, the family has "fired" ten direct care workers for a variety of reasons. Several other direct care workers have refused to return to the home after 1-2 shifts stating the parent/guardian is constantly yelling at them and calling them profane names. The parents' behavior also causes the member to have negative behaviors towards the staff. After receiving a complaint from the family regarding the quality and ability to keep direct care workers, the Support Coordinator reached out to the agency to discuss the concerns, and the agency cites the reasons stated above.

A Managed Risk Agreement (DDD-1530A) should be completed due to someone other than the member, who is living in her/his home or her/his natural supports that visit the home, exhibits behavior that puts the ability to provide services to the member at risk.

- F. A member lives at home with his parents. A District Nurse assessed the member as needing nursing and nursing respite. The guardian refused HNR because they want to keep their family respite provider. They state that the respite provider (family member) will do the tasks "off the clock." Or in the scenario where the provider is an agency, the guardian states they are always home when the respite provider is there, so there is no risk of them performing the skilled task.

A Managed Risk Agreement (DDD-1530A) should be completed when a member who is living at home was assessed by a District Nurse as needing nursing services and the member or responsible person refused (all or in part) the amount of skilled nursing service hours offered.

