

2.5	Aligning Budget Plan Total with Actual Expenditure	Page 1 of 3
Issue date: 4/2014	Revision date:	Division Staff
Form(s): None		

I. Directive Purpose:

The purpose of this Directive is to set forth a consistent and standardized process for reviewing and reducing a person's budget plan total to align with the person's needs, as demonstrated by the actual expenditure of a person's budget. This Directive sets forth two procedures, one for the initial reduction of underused plans and one for the ongoing monitoring and reduction, if necessary, of underused plans.

II. Policy:

- A. To be included in the review and potential reduction process, a person must have a pattern of underuse of their budget during at least the last two (2) completed plan cycles.
- B. All reductions, due to underuse of a person's budget as set forth in this Directive, require a Notice of Agency Action and a Hearing Request Form to be sent to the person or person's representative, with accompanying hearing rights detailed.
- C. Criteria justifying an underused budget:
 - 1. The person's underuse is due to circumstances that have made it problematic to use needed services, including but not limited to:
 - a. Hospitalization, including placement in the Utah State Hospital;
 - b. Incarceration;
 - c. Temporary Placement in Facility-Based Care, including placement in a Skilled Nursing Facility (SNF) or Intermediate Care Facility (ICF);
 - d. Temporary placement in Utah State Developmental Center (USDC);
 - e. Limited access to service providers; or
 - f. Limited access to direct care employees for families participating in the Self-Administered Services (SAS) Model.
 - 2. Justifications must clearly identify and support:
 - a. Why unused services continue to represent a need for the person; and
 - b. How underuse is being remedied.

III. Procedure:

- A. The Division will send a generic letter to all support coordinators and support coordinator agencies, explaining the intent of the Division and the steps being taken during this process.
- B. The initial process for aligning a person's plan total with the person's needs, as demonstrated by the actual expenditure of a person's budget, is as follows:
 - 1. The Division Research and Business Systems Team will compile a report on the usage of all budgets the Division monitors.
 - 2. The initial budget reductions will focus on those budgets that demonstrate an underuse of \$5000 or more, as determined by an analysis of administrative capacity and tolerance to budget deviations, per plan cycle, for at least the last two (2) completed plan cycles.
 - 3. Once underused budgets have been identified, the Division Finance and Contracts Team will contact support coordinators and support coordinator agencies, by email, regarding each person identified in Paragraph B.2.;
 - a. The email sent will use standardized language that shall, at minimum, contain the following details:
 - i. The person's budget plan total;

- ii. The amount in which the person's budget plan total exceeds the actual plan usage, per plan cycle, for the last two (2) completed plan cycles or longer;
 - iii. The amount to which the Division plans to reduce the person's budget plan total;
 - iv. A statement explaining that if the Division does not hear from the person's support coordinator within 30 days from the date the initial email was sent, either in writing or by email, with justification for why the underused budget should not be reduced, the Division will immediately issue a Notice of Agency Action to the person or their guardian; and
 - v. A statement that the justification must clearly identify and support why the unused services continue to represent a need, and how the underuse is being remedied.
 - b. A Log Note will be generated in USTEPS when this email is sent. The Log Note contents will include a summary of the details contained in the email.
- 4. Support Coordinators shall have 30 calendar days, from the date the initial email was sent to reply in writing or by email, to respond with justification for why the underused budget should or should not be reduced.
 - a. If, after 30 days, the person's support coordinator does not respond with any justification for why the underused budget should not be reduced, then the Division shall immediately issue a Notice of Agency Action detailing the changes to be made and the reasons for the changes.
 - b. If, before the 30 days has passed, the person's support coordinator has contacted the Division in writing or email with justification for why the underused budget should not be reduced, the Division will:
 - i. Send an acknowledgement of the writing or email by email to the support coordinator and support coordinator agency; and
 - ii. Forward the writing or email on to the Division Finance Officer or designee.
- 5. The Division office of Services shall notify the Support Coordinator if the Notice of Agency Action is appealed.
- 6. The Division Finance Officer or designee shall review the justifications given, using the general guidelines and criteria set forth in the Policy section of this Directive.
 - a. If the Division Finance Officer or designee determines that the justifications given by the person's support coordinator are adequate, the Division Finance Officer or designee will notify the person's support coordinator of its findings either in writing or by email, and the Division will take no further action.
 - b. If the Division Finance Officer or designee determines that the justifications given by the person's support coordinator are NOT adequate, the Division Finance Officer or designee will notify the person's support coordinator of its findings and justifications either in writing or by email, and the Division will immediately issue a Notice of Agency Action
- 7. If after 10 days of issuing a Notice of Agency Action, the Division has not received a Hearing Request Form, the Division will:
 - a. Immediately reduce the person's budget plan total in the Pro Forma; and
 - b. Issue a second notification to the person's support coordinator and support coordinator agency that the person's budget plan total must be reduced, as specified by the Division, within 30 calendar days of the notification.
- 8. Following the second notification to the person's support coordinator and support coordinator agency to reduce the person's budget plan total, the Division Finance

and Contracts team will monitor the plan to ensure that the budget was reduced as required.

- a. If the support coordinator has not reduced the person's budget plan total within the 30 days of the second notification, the Division will send the person's support coordinator and support coordinator agency an email stating the following:
 - i. The support coordinator has 15 calendar days to make the requested changes to the person's budget plan total;
 - ii. If after those 15 calendar days, the requested changes are not made, the Division Quality Management team will send a letter of the support coordinator agency requesting corrective action per the SCE contract, Part I, Section E. Subcontracting, Assignment, Amendments, and Dispute Resolution Procedures, 4. Remedies.
- C. Ongoing process for evaluating underused budgets:
1. The process for reducing the underused budgets based on an analysis of administrative capacity and tolerances to budget reductions will be repeated each year as follows:
 - a. Year 2: The Division will focus on budgets that demonstrate an underuse of \$3000 or more;
 - b. Year 3: The Division will focus on budgets that demonstrate an underuse of \$1000 or more;
 - c. Year 4 and ongoing: The Division will complete an analysis to determine an appropriate threshold to target based on its administrative capacity.