

**Oregon §1115 Demonstration  
Independent Choices**

**FACT SHEET**

<b>Name of Section 1115 Demonstration:</b>	Independent Choices
<b>Date Proposal Submitted:</b>	July 7, 1998
<b>Date Proposal Approved:</b>	November 22, 2000
<b>Request to Amend to add Spouse Providers: Approval of Spouse Providers Amendment:</b>	February 20, 2001
<b>Date Demonstration Implemented:</b>	May 7, 2001
<b>Request to Amend to Offer Program Statewide and to Extend Program:</b>	December 1, 2001
<b>Request for Temporary Extension of Program for 30 days:</b>	July 7, 2006
<b>Approval of Temporary Extension for 30 days:</b>	November 13, 2006
<b>Request for Temporary Extension of Program for 30 days:</b>	November 15, 2006
<b>Approval of Temporary Extension for 30 days:</b>	December 19, 2006
<b>Approval of Request to Amend to Offer Program Statewide and to Extend Program:</b>	December 20, 2006
<b>Scheduled Expiration Date:</b>	January 26, 2007
	January 31, 2008

**SUMMARY**

On July 7, 2006, CMS received Oregon's request to amend and extend the demonstration program. The State sought to offer the demonstration services on a statewide basis, increase the enrollment cap from 300 to 2,600 and have the demonstration designated as an "Independence Plus" program. ("Independence Plus" was the CMS initiative begun in 2002 in response to the President's New Freedom Initiative that promoted self-directed personal care and related services.) The State also sought an extension of the program.

This demonstration allows individuals who are eligible for long term care services to self-direct their personal care and related services and to receive a cash payment to pay the providers of their services. After the initial approval in November 2000, the demonstration operated less than Statewide and in three service areas with up to 100 participants enrolled in each site (Clackamas County, Coos/Curry Counties and Jackson/Josephine Counties). The State selected these 3 sites to allow the State to evaluate the replicability of the model statewide and to evaluate the program in both urban and rural settings.

## **BACKGROUND**

On July 7, 1998, Oregon submitted an application for a section 1115 demonstration called “Independent Choices”. This demonstration was similar in concept to the then “Cash and Counseling” demonstrations in New Jersey, Florida, and Arkansas. The main difference was that Oregon’s program did not employ a randomized or experimental design. In addition, compared to “Cash and Counseling”, this demonstration had less fiscal intermediary intervention, as participants are expected to manage their own employer-related fiscal responsibilities. A monthly allocation is paid directly into the consumer’s Independent Choices checking account. Consumers are responsible for deducting appropriate taxes and calculating employer payroll taxes. Consumers pay their providers directly from their service allotment. A payroll service is available to consumers who do not pass a competency test to perform their fiscal responsibilities, or who simply would like assistance.

## **TARGET POPULATION/ELIGIBILITY**

To be eligible for this demonstration, consumers must:

- be 18 years or older,
- meet Oregon’s financial eligibility for long term care services,
- meet Oregon’s functional impairment criteria within service priority levels,
- be documented to receive services through the State’s home and community based waiver, and
- possess a demonstrated ability individually, or through a representative, to appropriately assess and plan for the adequate provision of services necessary for participant care.

## **NUMBER OF INDIVIDUALS SERVED**

The State was originally approved to permit a total of 300 eligible individuals to participate in this demonstration on a voluntary, first-come, first-serve basis. The 2007 amendment permits up to 2,600 individuals to participate at any time during the demonstration.

## **BENEFIT PACKAGE**

The service package in this demonstration consists of the following: 1) Self-directed, “cashed out” services including homemaker, respite, adult companion, attendant care and chore services; 2) Impacted services that include State Plan services of DME and supplies, hospice, home health and emergency response services and Section 1915 (c) waiver services of transportation, adult day health, home-delivered meals and environmental modifications.

## **COST SHARING**

Not applicable.

## **ENROLLMENT LIMIT/CAP**

Under the 2007 amendment, the State has an enrollment limit of 2,600 participants.

## **DELIVERY SYSTEM**

Case management staff initiate contact with individuals who indicate that they are interested in Independent Choices. Individuals are asked to verify their ability to assess and plan for provision of services by providing evidence of maintenance of a stable living situation and of basic utility needs. A decision not to allow a person to enroll in the program can be appealed through the State's normal hearing process. Participants who wish to continue in the process attend a mandatory training on issues such as finding, hiring and supervising personal care attendants; state and federal tax responsibilities; applicable state law regarding providers; required documentation; development of a budget and other accountability issues. Participants must pass a skills test at the end of the training. Those who do not pass the test may continue in the process, but are assisted by a fiscal intermediary. Participants must then complete the agreement to enroll in the project. Assessments are completed at enrollment and semi-annually thereafter. Participants can be removed from the program voluntarily or involuntarily.

## **QUALITY ASSURANCE AND IMPROVEMENT**

- The State's plan consists of an initial survey on the enrollment process, followed thereafter by quarterly participant and provider surveys. When participants and providers identify potential or actual problems, a corrective action plan is instituted.
- The State also conducts random audits of participant accounts to ensure compliance with the terms and conditions of the demonstration.
- Statements of the bank accounts are forwarded to Audit Unit staff on a monthly basis.
- Consumers who become overdrawn must attend a community budget management training that will be selected by local office staff.
- A network of community resources is available to participants to work with participants on a pro bono basis or at greatly reduced cost.
- A consumer manual provides information, instructions and procedures in the areas of service need assessment, job description development, recruitment and selection of providers, developing provider work agreements and development of an emergency back-up attendant network.
- Criminal background checks are provided, at no cost to the participant.

## **MODIFICATIONS/AMENDMENTS**

On May 7, 2001, CMS approved an amendment to allow payments to family caregivers, including spouses.

On July 7, 2006, CMS received Oregon's request to amend and extend the demonstration program.

On November 15, 2006, CMS approved a temporary 30-day extension of the program until December 31, 2006.

On December 20, 2006, CMS approved a temporary 30-day extension of the program until January 31, 2007.

On January 26, 2007, CMS approved Oregon's July 7, 2006 request to amend and extend the demonstration program. The State was approved to offer the demonstration services on a statewide basis, increase the enrollment cap from 300 to 2,600 and have the demonstration designated as an "Independence Plus" program. The State's program was approved for a 1-year extension until January 31, 2008.

For additional information, please contact the CMS Project Officer – Marguerite Schervish at 410-786-7200 or [Marguerite.Schervish@cms.hhs.gov](mailto:Marguerite.Schervish@cms.hhs.gov).

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