## STUDY OF THE QUALIFIED SERVICE PROVIDER SYSTEM BACKGROUND MEMORANDUM

Section 9 of 2011 Senate Bill No. 2012 (attached as an <u>appendix</u>) provides for a Legislative Management study of the state's qualified service provider (QSP) system. The Human Services Committee has been assigned this responsibility for the 2011-12 interim.

## **QUALIFIED SERVICE PROVIDER**

A QSP is an individual or agency providing care for people to enable them to continue to live in their own homes and communities. A QSP does not need to have a special certificate or license but needs skills necessary to provide care.

There are two types of QSPs:

- An individual QSP needs to prove they have competency in all the standards to provide a specific service. They are self-employed contracts and responsible to withhold or pay any Social Security, federal or state income tax, unemployment insurance, or workers' compensation insurance premiums from the payment received as a QSP.
- An agency QSP needs to assure its staff has the skills necessary to provide a specific service.

A QSP may provide the following services:

- · Adult day care.
- · Adult family foster care.
- Adult residential service.
- Case management.
- Chore service.
- Emergency response system.
- Environmental modification.
- Extended personal care/nurse education.
- Family personal care.
- Home-delivered meals.
- Homemaker service.
- Nonmedical transportation.
- Personal care.
- · Respite care.
- Specialized equipment.
- Supported employment.
- · Transitional living service.

To become enrolled as a QSP, an individual or agency must submit appropriate forms to the Department of Human Services. The department will provide the individual or agency with a provider number, instructions on how to bill for services provided, and rules about providing services as a QSP. The department will also provide the QSP with a form detailing the services the QSP is allowed to perform. The QSP may bill the individual who is provided care or the department for each 15-minute block of time during which services were provided. The QSP may not bill for time or expenses associated with travel. The following is a summary of individual and agency QSP payment rates of the Department of Human Services in recent years:

	Individual Unit (15-Minute) Rate	Agency Unit (15-Minute) Rate
July 2007	\$3.29	\$4.68
July 2008	\$3.45	\$4.91
July 2009	\$3.92	\$5.47
July 2010	\$4.16	\$5.80
July 2011	\$4.28	\$5.97

As of July 20, 2011, the Department of Human Services had 1,516 individual-enrolled and 141 agency-enrolled QSPs.

## PROPOSED STUDY PLAN

The committee may wish to proceed with this study as follows:

- Receive information from the Department of Human Services regarding the state's QSP system, including information regarding the enrollment of a QSP, payment for QSP services, and any suggested changes.
- 2. Receive testimony from interested persons regarding the study of the state's QSP system.
- Develop committee recommendations and prepare any legislation necessary to implement the committee recommendations.
- 4. Prepare a final report for submission to the Legislative Management.

ATTACH: 1