

 <p style="text-align: center;"><b>POLICIES AND PROCEDURES</b></p> <p style="text-align: center;">State of Tennessee Department of Intellectual and Developmental Disabilities</p>	<b>Policy #: 80.5.1</b>	<b>Page 1 of 4</b>
	<b>Effective Date: March 31, 2015</b>	
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<b>Approved by:</b> <i>Debra K Payne</i> <b>Debra K. Payne, Commissioner</b>	<b>Last Review or Revision: March 3, 2015</b>	
<b>Subject: ESTABLISHMENT FUNDS</b>		

- I. **AUTHORITY:** Tennessee Code Annotated (TCA) 4-3-2708, TCA 33-1-302, TCA 33-1-303 and the Home and Community Based Waiver.
- II. **PURPOSE:** The purpose of this policy is to provide clarification about requests for establishment funds and disposition of items purchased with establishment funds.
- III. **APPLICATION:** This policy applies to staff of the Department of Intellectual and Developmental Disabilities (hereinafter "Department" or "DIDD") responsible for authorizing establishment funds to establish residential services or for interpreting policy involving establishment funds.
- IV. **DEFINITIONS:**
  - A. **Class Member** for the purpose of this policy shall mean an individual who meets the requirements in the definition of the class specified in People First of Tennessee, et al. v. Clover Bottom Developmental Center.
  - B. **Establishment funds** shall mean state funding provided by DIDD to persons supported to purchase basic furniture, appliances, household items, or related services necessary to initially establish a residence.
  - C. **Home and Community Based Services (HCBS) waiver or waiver** shall mean a waiver approved for Tennessee by the Centers for Medicare and Medicaid Services to provide services to a specified number of Medicaid eligible individuals who have an intellectual disability and who meet criteria for Medicaid criteria for reimbursement in an Intermediate Care Facility for People with Intellectual Disabilities (ICF/IID). The HCBS waivers for people with Intellectual Disabilities in Tennessee are operated by the Department of Intellectual and Developmental Disabilities with oversight from TennCare, the state Medicaid agency.
- V. **POLICY:** People who have resided in an institution typically do not have the resources necessary to establish a home in the community. This policy provides the process for obtaining additional funding for household items. Establishment funds may not be accessed if the person is eligible for funding through the Money Follows the Person grant (MFP).
- VI. **PROCEDURES:**
  - A. To be eligible to receive establishment funds, the person supported must:
    1. Not be eligible for funds through the Money Follows the Person program AND

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2. Be a resident of any program at the Harold Jordan Center OR
  3. Be a resident at a developmental center operated by DIDD OR
  4. Be a Class Member who is a resident of a psychiatric hospital, psychiatric residential treatment facility, ICF/IID, or nursing home and who has resided there for the past 90 days. AND
  5. Be transitioning to an HCBS waiver to receive one of the following waiver services:
    - a. Supported Living.
    - b. Medical Residential Services, provided that the place of residence is being rented or leased by the person supported and that the provider is licensed as a supported living provider.
    - c. Semi-Independent Living Services. AND
  6. Lack the resources to purchase the items or services necessary to establish a home.
- B. Each application for establishment funds shall be reviewed to verify that the person is not eligible for the Money Follows the Person program and this justification shall be documented.
- C. People who are receiving residential habilitation or family model residential services are not eligible for establishment funds.
- D. Establishment funds are only approved for the establishment of an initial home. If a person supported chooses to relocate from one supported living home, semi-independent living residence, or medical residential home establishment funds shall not be approved for an additional home or to replace damaged items.
- E. Establishment funds are approved for a specific person supported. Items purchased with establishment funds shall be the property of the person for whom the funds were approved.
- F. Requests for establishment funds shall:
1. Be limited to a one-time grant or award of no more than \$2,500.00.
  2. Be submitted in writing to the DIDD Regional Director or designee.
  3. Include an itemized list of the items to be purchased with the establishment funds and the anticipated price of each requested item over \$50.00.
  4. Less expensive items with an individual item cost of less than \$50.00 may be grouped and listed with an aggregate cost for the group; that aggregate cost shall not exceed \$100.00.

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- G. Items which may be purchased with establishment funds include but are limited to:
1. Basic essential furniture (e.g., couch, chair, bed, dresser; chest, and table).
  2. Basic appliances (e.g., washer, dryer, refrigerator, microwave, and toaster).
  3. Eating utensils, cookware, and kitchenware for meal preparation.
  4. Electronic equipment (e.g., telephone, television, radio).
  5. Bed, bath, and laundry items (e.g., sheets, pillows, pillow cases, towels, bath cloths, shower curtains, and laundry baskets).
  6. The initial stock of food and food products, laundry and cleaning supplies, and bath and personal hygiene products at the time the residence is first established.
  7. Security and utility deposits as necessary.
  8. Moving expenses (e.g., truck rental and fuel for moving; labor).
  9. Other miscellaneous items reasonably needed to establish an initial residence.
- H. Establishment funds shall not be used or approved to purchase:
1. Clothing.
  2. Entertainment and educational items (with the exception of a television or radio) such as the following:
    - a. DVD/VCR players and DVDs/CDs/VCR tapes, and tape recorders.
    - b. Computers, computer software, printers, and other computer hardware and software.
    - c. Sports, or exercise equipment or recreational equipment (e.g., bicycles).
  3. An item jointly owned with another person supported.
- I. When a person purchases furniture, appliances, or other household items with establishment funds, the provider shall:
1. Maintain a written inventory of the items purchased.
  2. Be responsible for updating the written inventory when an item is destroyed or no longer usable.
  3. Maintain the inventory for a minimum of two years or as long as the person supported remains in the provider's services, whichever is longer.

- J. If there is a change in the residential service provider, the person supported has the right to retain items purchased with establishment funds. The transferring provider has the following responsibilities:
1. To provide a copy of the inventory of the individual's personal property to the new provider and to the person supported or the person's conservator or legal representative.
  2. To maintain a copy of the inventory.
- K. If the person supported no longer has a need for items purchased with establishment funds, the person may retain or dispose of the items as chosen by the person supported or by the person's conservator or legal representative.
- L. When a person purchases furniture, appliances, or other household items with establishment funds, the provider shall:
1. Maintain a written inventory of the items purchased.
  2. Be responsible for updating the written inventory when an item is destroyed or no longer usable.
  3. Maintain the inventory for a minimum of two years or as long as the person supported remains in the provider's services, whichever is longer.
- M. Upon the death of a person supported, any items purchased with establishment funds become the property of the person's legal heirs. The heirs may retain or dispose of the items. If there are no legal heirs or if the legal heirs do not want the items, DIDD shall retain the right to dispose of the property.

VII. **CQL STANDARDS:** None

VIII. **REVISION HISTORY:** March 3, 2015

IX. **TENNCARE APPROVAL:** N/A

X. **ATTACHMENTS:** N/A