



COMMONWEALTH OF PENNSYLVANIA  
**DEPARTMENT OF PUBLIC WELFARE**

P.O. BOX 2675  
HARRISBURG, PENNSYLVANIA 17105-2675

**KEVIN T. CASEY**

Deputy Secretary  
Office of Developmental Programs

TELEPHONE NUMBER: (717) 787-3700  
FAX: (717) 787-6583

April 28, 2008

Dear Administrator or Director:

Please find enclosed the bulletin entitled "*Agency With Choice Financial Management Services (AWC FMS)*". The previous terminology of Intermediary Service Organization has been replaced by Financial Management Services to be consistent with the Centers for Medicare and Medicaid Services (CMS).

The Office of Developmental Programs (ODP) recognizes the complexity of this service delivery model and will be conducting training for stakeholders in the following months on issues relating to this policy bulletin. We have worked closely with the Department of Public Welfare Office of General Counsel, CMS, the Pennsylvania Departments of Labor and Industry and Health, the Internal Revenue Service, and Susan Flanagan, an expert in Financial Management Services, in order to accurately reflect the requirements and responsibilities as it relates to this service delivery model. We recognize that there are existing Department of Health regulations that are being revised, that once finalized may require us to revise our policy bulletins and possibly our Waivers. Currently our Waivers and this bulletin adhere to the existing Department of Health regulations.

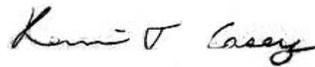
All Internal Revenue Service requirements; Labor and Industry standards; and applicable local, state, and federal laws must be adhered to. In addition, Administrative Entities must adhere to the identified timelines and requirements for contracting with Agency with Choice providers that are outlined in the bulletin. Administrative Entities and Agency with Choice providers will be responsible to update existing procedures with any changes to local, state, and Federal laws as they occur.

The bulletin refers to a *Pennsylvania Guide to Participant Directed Services (PA Guide to PDS)* which is currently being drafted and will soon be distributed for a 30-day public comment period. The purpose of the PA Guide to PDS is to provide all stakeholders with consistent information on Participant Directed Services, Financial Management Services, and the difference between the Agency with Choice and Vendor Fiscal options. In addition, the PA Guide to PDS includes all of the ODP standard forms, agreements, and readiness reviews associated with these two models.

Additionally, the draft bulletin on Vendor Fiscal/Employer Agent Financial Management Services was distributed for a 30-day public comment period on April 17, 2008. Both bulletins and the PA Guide to PDS are to be effective July 1, 2008. ODP-sponsored training on both bulletins and the PA Guide to PDS will occur prior to July 1, 2008. The *Guidelines for Operating a Vendor Fiscal/Employer Agent and Agency With Choice Intermediary Service Organization* issued by ODP on May 6, 2003, are now obsolete.

Please share this bulletin with your staff, providers, colleagues, and other stakeholders. Questions and feedback regarding this bulletin should be directed to the appropriate Regional Program Manager.

Sincerely,

A handwritten signature in cursive script that reads "Kevin T. Casey".

Kevin T. Casey

Enclosures