



4004-A MEMBER FUNDS - DEFINITIONS

REVISION DATE: 09/30/2020, 8/30/2013

EFFECTIVE DATE: January 15, 1996

REFERENCES: A.R.S. § 36-557(O), A.A.C. R6-6-1204, A.R.S. §36-2901, Supplemental Security Income (SSI), Title XVI, A.A.C. R6-6-1204.

- A. Member Funds System – A system used by the Division of Developmental Disabilities (the Division), to maintain and track member funds.
- B. Fiduciary Capacity – The capacity in which a person will properly and faithfully account for all member funds received by him/her. A person who is trusted to handle member funds is acting in a fiduciary capacity. Fiduciaries may include any employee of the State of Arizona or a private provider under contract.
- C. Individual Service Plan (ISP) Spending Plan - The Planning Team is required to complete the following form, *ISP Spending Plan (DD-221-FF)*, to set the expectation for how the member's money will be spent in the upcoming year.

The Division Support Coordinator and the Division Member Funds Unit are responsible for managing the funds to maintain Arizona Long Term Care Services (ALTCs) and SSI program eligibility. All members for whom the Division is the Representative Payee, and all members living in licensed residential settings, are required to complete a *DD-221-FF* form each year.

- D. Legal Guardian or Conservator – An individual appointed by the court of law responsible for a minor or an incompetent adult. The Social Security Administration (SSA) does not automatically select a legal guardian or conservator as payee for a beneficiary. Instead, SSA will make independent judgments in every case to determine who will best serve the beneficiary as payee. This may or may not be a legal guardian/conservator.
- E. Member Funds - Funds entrusted to an individual or agency for safeguarding and investment. The requirements for this are found in the instrument establishing such funds, and by Division Policy and Internal Instruction Manuals. The source of funds may include any of the following:
- Cash
 - Checks
 - Money orders
 - Petty cash funds
 - Change funds
 - Bank accounts
 - Savings accounts and investments



- ACH/Electronic

- F. Planning Document – The general term for the Individual Support Plan (ISP), Individualized Family Services Plan, or Person-Centered Plan. The Planning Document includes an ISP - Spending Plan, as appropriate.
- G. Personal Spending Money – The discretionary funds and allowances provided to members.
- H. Provider - A provider is any person or entity that contracts with the Division for the provision of covered services to members according to the provisions A.R.S. §36-2901 or any subcontractor of a provider delivering services pursuant to A.R.S. §36-2901. Qualified Vendors are Providers.
- I. Railroad Retirement Annuities and Pensions – The comprehensive benefit program created in the 1930s, for railroad employees who retired and included their families and survivors. For more information on this benefit, contact the Railroad Retirement Board and request form: *IB-2*.
- J. Representative Payee - Individual or organization appointed by Social Security to receive and manage the social security or SSI benefits of another person. A representative payee must use the funds they manage for the exclusive use and benefit and in the member's best interest.

Requirements for a Division Representative Payee:

1. When no one is willing or able to perform the Representative Payee duties, or a member cannot afford the monthly fee to pay for this service, the Division may request that the Social Security Administration appoint them to become the representative for the member. When the Division is the Representative Payee, the Support Coordinator and Member Funds are responsible for managing member funds.
 2. Pursuant to Arizona Revised Statutes (A.R.S.) § 36-557(O), a service provider may serve as a representative payee if requested by the member or the member's guardian and approved by the payer.
- K. Residential Services – the services that include Room and Board, and daily Habilitation may be provided in one of the following settings: Group Home; Developmental Home; Nursing Supported Group Home.

Residential Room and Board is not a reimbursable service under ALTCS; therefore, it is the only residential service that is billable under the Arizona Administrative Code (A.A.C.) R6-6-1204.

- L. Social Security Benefits - Social Security (SSA, Title II) is a social insurance program that protects workers and their families (dependents or survivors) from loss of earnings because of retirement, death, or disability of the wage earner. A worker's spouse or children may become eligible for Social Security upon the worker's attainment of a certain retirement age, disability or death, if the worker becomes disabled or dies. The amount someone receives depends upon the age of the wage earner, the length of time worked



and the amount they earned from which Federal Insurance Contributions Act (FICA) taxes were withheld.

For more information regarding Social Security, visit the Social Security website at www.ssa.gov.

Supplemental Security Income (SSI), Title XVI, is a federal income maintenance program for the aged, blind, and disabled persons with few or no resources. The person must be blind, or disabled, or 65 or older, have limited income, and cannot have over \$2,000 in allowable resources.

- M. Veterans Benefits – Benefits payable to surviving spouses and dependents of military personnel who die while in active military service and to survivors of veterans who died after active service.