



PARTICIPANT EMPLOYER AGREEMENT

MRCI-CDS acting as Financial Management Service and Fiscal/Employer Agent for Payroll Model

This Agreement made by and between MRCI , a Minnesota non-profit corporation, and _____, hereinafter called "Client"

RECITALS

- A. MRCI is a Fiscal Employer Agent (F/EA) doing business under a contract with the Minnesota Department of Human Services (DHS) as a Fiscal Management Services (FMS) provider for the Client and is in the business of providing payroll services for individuals who are hired and employed by the Client. These individuals are the employees of the above-named Client and are not employees of MRCI. As a Fiscal Employer Agent, MRCI's procedures comply with Section 3504 of the Internal Revenue Code, Revenue Procedure 70-6 and Regulation 137036-09 and in accordance with Revenue Procedure 2013-39.
- B. For purposes of this document, the term Client refers to the person utilizing FMS or that person's designated representative.
- C. MRCI and Client wish to enter into an agreement to provide services pursuant to the following terms and conditions.

TERMS

The parties agree as follows:

- 1. Term. This Agreement will commence on _____ and will continue until terminated as hereinafter provided. In accordance with the FMS contract, this agreement will be reviewed and signed by the Client annually or as needed.
- 2. The Client acknowledges:
 - a. Services cannot begin or continue until MRCI has received a copy of the completed, approved and signed Community Support Plan (CSP); **and**
 - b. Services cannot begin or continue until MRCI has a copy of the DHS Service Authorization for the period for which the payroll is to be paid; **and**
 - c. Payroll services cannot begin until all employment related forms for workers are completed and sent to MRCI. MRCI is unable to pay any worker for any hours recorded before all of the employment forms have been received and processed by MRCI, including the successful completion of a DHS background study. MRCI will not backdate any worker's hire date.

3. Administrative Support:

- a. MRCI will provide the Client with a partially completed IRS Form SS-4 and will assist the Client in obtaining an FEIN.
- b. MRCI will provide the Client with partially completed Federal and State forms: IRS Form 2678; MN Revenue forms REV184, REV184a, ABR and other applicable forms.
- c. MRCI is liable *per client contract* for employer taxes even before the IRS approves Form 2678 (the form that names MRCI-CDS as the agent of the employer).
- d. MRCI will provide the Client with all of the forms needed to hire workers.
- e. MRCI will assist the Client in obtaining Workers' Compensation for the workers, as needed.
- f. MRCI will maintain copies of all relevant documents and correspondence per IRS and other document record-retention rules.
- g. MRCI will obtain Client's authorizations and community support plans from the Lead Agency and maintain these documents in Client's files.
- h. MRCI will establish and maintain current and archived files for Client and client-employed support workers, in a confidential and secure manner.
- i. MRCI's fee will be charged monthly while the Client's budget is open; regardless of budget spending during that month.
- j. MRCI will issue a paycheck to the worker only with the appropriate time records and signatures. MRCI will bill the State of Minnesota for the cost of the service worker wages plus taxes and F/EA administrative fees.
- k. MRCI will process all judgments, garnishments, tax levies or any related holds on the worker's pay as may be required by local, state and/or federal laws.
- l. MRCI will assist the Client in the computation, withholding, filing and depositing of employment-related taxes and forms.

4. Client Responsibilities:

- a. The Client will be the employer and abide by all State and Federal laws governing employers;
- b. The Client will hire persons who can adequately perform the tasks and care that the Client needs;
- c. The Client will provide orientation and training to the worker in the individual needs, cares and preferences of the Client to whom she/he is providing services;
- d. The Client will set the rate of pay for the client-employed support service worker as allowed in the approved, current Community Support Plan;
- e. The Client will schedule the worker per the hours approved in the Community Support Plan;
- f. The Client will schedule the worker and manage the use of the workers' hours to ensure that the allocated hours/dollars in the Community Support Plan are not over-used. The Client is responsible for misuse or overuse of the allocated hours/dollars;
- g. The Client will assume responsibility for scheduling a worker for total hours not to exceed overtime and are paid at time and half the worker's base rate. What MRCI cannot recover from billing the State of Minnesota, will **be billed to the Client**. The amount charged to the Client may include an administrative fee;

- h. The Client will monitor, ensure accuracy and verify time worked by the worker, sign verified time cards in a timely manner and submit to MRCI by the due date;
- i. Client will have an email address on file with MRCI and will agree to use email for communication with MRCI. MRCI will utilize your email account to send important information regarding services. This includes but is not limited to annual renewals, spending reports, announcements, newsletters, satisfaction surveys and important information regarding your services.

5. Grievance Policy:

If at any time in your use of, or in your association with, MRCI's Client Directed Services (CDS) department, you are dissatisfied with the services being provided to you, you or your authorized representative should contact MRCI's CDS representative. If you are not satisfied with the outcome, you should put your concern **in writing**. The address is:

MRCI- CDS
1961 Premier Drive, Suite 318
Mankato, MN 56001

Fax: 1-888-800-7336

The CDS representative will speak with you to discuss the issue within ten (10) working days of receiving the grievance and will respond to your grievance within ten (10) working days following the meeting. If the grievance has not been resolved to your satisfaction, you may contact the Director of Client Directed Services at 800-829-7110. You will receive a written response to your meeting with the Director of CDS within ten (10) days following the meeting. If the grievance still has not been resolved to your satisfaction, the grievance may be submitted to MRCI's Chief Executive Officer (CEO), **in writing – phone calls will not be accepted**. The CEO will contact you to address the issue within ten (10) working days of receipt of the grievance. You will receive an answer from the CEO within ten (10) working days following the discussion or hearing.

The MRCI Board of Directors has delegated the authority to the Chief Executive Officer to make decisions concerning grievances and is considered to be the highest level of authority at MRCI.

This grievance policy does not preclude recourse to protection under state or federal civil rights act; nor does it prevent the utilization of consumer advocates.

6. Spenddowns and Waiver Obligations:

- a. If the client is responsible for a portion or all of their service costs through a Spenddown or Waiver Obligation, MRCI requires that payment of the Spenddown or Waiver Obligation be made in full each month. Nonpayment of these obligations will result in termination of services.

7. Medical Assistance:

- a. It is the responsibility of the Client to maintain the Client's Medical Assistance status as active and open. Further, the Client is responsible for the payment of payroll, payroll-related fees and all other expenses that are incurred during a time when Medical Assistance is closed and for which MRCI is unable to bill the State of Minnesota. The charge to the Client may include an administrative fee.

8. Repayment of Services

- a. If the client is responsible to pay for a portion of service costs relating to a spend down, waiver obligation or family deductible, the client will remit payment or contact MRCI to set up a payment plan for these costs within 30 days. If invoices go unpaid, services may be terminated.
- b. If the client is responsible for a portion of services for which MRCI is unable to bill the Department of Human Services or the State of Minnesota relating to closure of medical assistance, budget overspending or other charges, client will remit payment or contact MRCI to set up a payment plan within 30 days. If invoices go unpaid, services may be terminated.

9. Terminating MRCI's Agent Status and Client's Employer Status:

- a. MRCI will assist Client in terminating Employer status as needed;
- b. MRCI will maintain copies of all relevant documents and correspondence per IRS and all other document record retention rules.
- c. Due to payroll taxes being completed quarterly, MRCI cannot revoke the IRS Form 2678 until taxes are paid for the most recent quarter in which there was payroll.

10. Termination of Agreement:

This Agreement may be terminated as follows:

- a. By MRCI in the event:
 1. The Client is in default under any provision of this Agreement and the Client does not correct the default within such ten (10) day period or at quarter end, whichever is appropriate; or
 2. Immediately if the State of Minnesota terminates the FMS program and/or the Client Directed Community Supports program and/or the F/EA program; or
 3. Immediately if there is evidence of fraud on behalf of the Client; or
 4. Immediately if the Client is no longer eligible for Client Directed Community Supports; or
 5. Immediately if it is determined that the client is unable or unwilling to follow MRCI's policies and procedures.
- b. By the Client at any time: MRCI respectfully requests a ten (10) day notice from the Client, if at all possible.

11. Miscellaneous:

- a. The Client agrees to allow MRCI to share protected health (PHI) for the purposes of programming, payment for services or to support other health care operations. This means MRCI can discuss the Client's care with their County Case Manager, Public Health Nurse or others who care for them. MRCI can also share the Client's PHI to receive payment for services from Medical Assistance or other payment sources.
- b. This Agreement may not be modified except in a written document signed by an authorized representative of MRCI and the Client, and shall be construed and interpreted according to the laws of the State of Minnesota.
- c. This Agreement shall be binding upon the parties and their successors.
- d. All notices shall be in writing and shall be deemed given on the day delivered personally or by facsimile transmission, or on the second business day following the day on which mailed by registered or certified mail (return receipt requested), postage prepaid to the party at its most recent address.

The Client shall not assign this Agreement to a Representative without the express written consent of MRCI, and any attempt to assign this Agreement without the consent of MRCI shall be void. MRCI must be made aware of any change in Representative. ***I have read and understand the above document. I agree to abide by the policies and procedures of MRCI regarding the Client's role and responsibilities as the common-law employer.***

The parties have executed this Agreement on the date and year first above written.

Signatures:

The Client (or Representative)

MRCI

(Signature)

By: _____

(Please print name)

Title: _____

Date