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WV Purchasing Division

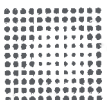
## F/EA SUPPORT TO SELF-DIRECTION MEMBERS

WEST VIRGINIA



CRFP BMS 2300000003  
Technical proposal  
Department of Health  
and Human Services  
Bureau for Medical  
Services

Bid Open: June 8, 2023 1:30 pm  
Crystal Husted 304-558-3970



**MORNING SUN**

Morning Sun Financial Services  
9400 Golden Valley Road  
Golden Valley, MN 55427  
[www.morningsunfs.com](http://www.morningsunfs.com)

# Cover Letter



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May 31, 2023

Crystal Husted  
Department of Administration, Purchasing Division  
2019 Washington Street East  
Charleston, WV 25305-0130

Dear Ms. Husted:

Morning Sun Financial Services appreciates the opportunity to submit this proposal in response to CRFP BMS2300000003 for Fiscal/Employer Agency Support to Self-Direction Members issued by the State of West Virginia's Department of Health and Human Services, the Bureau of Medical Services.

Morning Sun Financial Services is an LLC owned and operated by Dr. Rebecca Thomley and Nicolas Thomley. It is one of a group of social service and management companies based in Minneapolis but serving a national constituency. Although the companies share senior management and some services, Morning Sun is an independent company.

Morning Sun will assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and State laws, regulations, policies, and procedures as detailed throughout its proposal.

We will be guided in assuming contractual responsibilities by **The Morning Sun Self-Directed Services System™**, the proprietary management system that we have developed over 23 years' of performing these services in seven states. The system diagram is included on the following page:



directed services for people in states outside of our home state, Minnesota, and 24 years within Minnesota through our affiliated company, Orion ISO. From mission and strategy, commitment to self-direction, and advocacy on behalf of people with disabilities, through organizational structure, administrative excellence, financial impeccability, and programmatic knowledge to operational and functional fluency, quality improvement, and robust technology, you will find us to meet and exceed your expectations.

**Exceptional Customer Service.** You will see through our proposed program design to meet your requirements, in customer satisfaction surveys and in the words of our participants and the state program executives who have hired us, that we are known to be thoughtful, attentive, considerate, and respectful to participants, their employees, and state personnel, to respond to them quickly and personally, and to be easy and pleasant to work with.

We would welcome the opportunity to serve West Virginia's self-directed members, representatives, and workers in partnership with the Agency.

Sincerely yours,

Nicolas Thomley, CEO  
Morning Sun Financial Services



The System is a model to govern every contract. Some components are translated into a map specific to each state contract. All policies, procedures, and manuals are updated on a regular basis and as needed to reflect changes in state and federal policies/laws and Medicaid policies.

## SYSTEM COMPONENTS

<b>Leadership</b>	<ul style="list-style-type: none"> <li>● Mission and Leadership Philosophy</li> <li>● Business Model: Central plus Local</li> </ul>
<b>Program Management</b>	<ul style="list-style-type: none"> <li>● Policies and Procedures Manual, WV</li> <li>● Transition Plan, WV</li> <li>● Turnover Plan, WV</li> <li>● Quality Assurance Plan</li> <li>● Personnel Policies and Procedures</li> </ul>
<b>Internal Systems</b>	<ul style="list-style-type: none"> <li>● Fiscal Management System (Great Plains Accounting System)</li> <li>● Internal Controls and Document Repository System (M-files)</li> <li>● Orion Associates Technology Incident Response Plan/Disaster Recovery Plan</li> </ul>
<b>Data Security Policies</b>	<ul style="list-style-type: none"> <li>● Acceptable Use</li> <li>● Access Management</li> <li>● Asset Management</li> <li>● Auditing Policy</li> <li>● Change Control</li> <li>● Disaster Recovery</li> <li>● Encryption Management</li> <li>● Incident Management</li> <li>● Information Security</li> <li>● Information Classification</li> <li>● Network Management.</li> <li>● Personnel Security</li> <li>● Physical Security</li> <li>● Risk Management</li> <li>● Security Training</li> <li>● Vendor Management</li> <li>● Vulnerability Management</li> </ul>
<b>Participant Materials</b>	<ul style="list-style-type: none"> <li>● Employer Packet, WV</li> <li>● Employee Packet, WV</li> <li>● Employer Handbook, WV</li> <li>● Vendor Packet, WV</li> </ul>



Our management approach derives from our mission, stated as follows:

## Mission

- Our mission is to achieve that which is best for those whom we serve, our employees, and the community.
- We will be committed to client satisfaction, providing management services with professionalism, competency, efficiency, and courtesy.
- We will see broadly and progressively yet will focus on organization and details. We will strive to earn the trust and respect of all whom we serve and to provide them with the best services possible.
- We will be a place where all employees can grow personally and professionally. We will be a company that understands the needs of our employees and their families, while providing an enriching place to work and fostering a team atmosphere.
- We will strive to be a community leader by maintaining high ethical standards, fostering cooperative relationships with other organizations, growing in our commitment and support of volunteerism and diversity.

Throughout this proposal we will address the components of our system in detail as we will call your attention to three key points of value that we offer that we believe will distinguish Morning Sun:

**Local presence.** Our business model, which has been praised by the other states and participants we serve, is to establish a local customer service office staffed by local program coordinators in West Virginia while performing financial administration from our Minnesota office. We will provide in-state, on-site locally delivered services for Maryland participants and the Department of Health and the specific divisions and office involved. It means we are here when you need us, whether for a meeting with your staff or to visit a participant at home to help him or her receive the counsel they need or get the forms filled out properly. We will also provide state-of-the art financial management services with all the knowledge, skill, technology, security, redundancy and disaster management that you require.

**Administrative Excellence.** We have derived our proprietary methodology, *The Morning Sun Self-Directed Services System*<sup>™</sup>, through 17 years of documented outstanding management on behalf of self-



directed services for people in states outside of our home state, Minnesota, and 24 years within Minnesota through our affiliated company, Orion ISO. From mission and strategy, commitment to self-direction, and advocacy on behalf of people with disabilities, through organizational structure, administrative excellence, financial impeccability, and programmatic knowledge to operational and functional fluency, quality improvement, and robust technology, you will find us to meet and exceed your expectations.

**Exceptional Customer Service.** You will see through our proposed program design to meet your requirements, in customer satisfaction surveys and in the words of our participants and the state program executives who have hired us, that we are known to be thoughtful, attentive, considerate, and respectful to participants, their employees, and state personnel, to respond to them quickly and personally, and to be easy and pleasant to work with.

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## 4.2. Project Goals & Mandatory Requirements



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**4.2. Project Goals and Mandatory Requirements:** The Vendor should describe its approach and methodology to providing the service described by meeting the goals/objectives identified below. Vendor's response should include any information about how the proposed approach is superior to other possible approaches.

**4.2.1. Goals and Objectives** -The project goals and objectives are listed below.

4.2.1.1 The Vendor should describe to the Agency how it will provide efficient and cost- effective F/EA FMS as a subagent to the Agency (the Government F/EA FMS agency).

Morning Sun will assume complete responsibility for timely performance of all contractual responsibilities in accordance with federal and State laws, regulations, policies, and procedures as explained throughout our proposal.

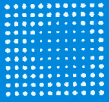
We will be guided in assuming contractual responsibilities by **The Morning Sun Self-Directed Services System™**, the proprietary management system that we have developed over 17 years of performing these services for Agencies in multiple states. Our system diagram is included on the following page. Details of how we approach Leadership, Program Management, Internal Systems, Data Security Policies and Participant Materials are explained throughout our proposal in response to specific items.



The System is a model to govern every contract. Some components are translated into a map specific to each state contract. All policies, procedures, and manuals are updated on a regular basis and as needed to reflect changes in state and federal policies/laws and Medicaid policies.

## SYSTEM COMPONENTS

<b>Leadership</b>	<ul style="list-style-type: none"> <li>● Mission and Leadership Philosophy</li> <li>● Business Model: Central plus Local</li> </ul>
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4.2.1.2 The Vendor should propose systems, policies, procedures, and internal controls to perform the F/EA FMS tasks as a subagent listed in the Scope of Work below. This includes how adjustments would be made to respond to Agency needs, as well as any changes in State or Federal regulations that may occur during the contract period.

Throughout this proposal, in response to each specific item, Morning Sun will explain and illustrate its systems, policies, procedures and internal controls to perform the F/EA FMS tasks as a subagent. We will also discuss how we maintain up-to-date knowledge of State and Federal regulations and any changes that may occur as well as how we make adjustments to changes.

4.2.1.2.1 The Vendor should be the Subagent to the West Virginia Government F/EA FMS agency (the Agency) and should be wholly responsible for completing all Subagent-F/EA FMS and deliverables.

Morning Sun will be the Subagent to the West Virginia Government F/EA FMS agency and will be wholly responsible for completing all Subagent F/EA FMS deliverables. Serving state agencies in the role of F/EA FMS is our only business. All our policies, systems and procedures exist for this purpose, and we are fully prepared to fulfill all expectations and requirements of this contract.

4.2.1.2.2 The Vendor should participate in a Subagent-F/EA FMS Readiness Review, if requested by the Agency; and should provide the findings within thirty (30) calendar days of request.

Morning Sun is familiar with and experienced in the Readiness Review process. We have participated in Readiness Reviews in Ohio, West Virginia, South Carolina and with Applied Self-Direction for our Minnesota contract. We will comply fully with all requirements to demonstrate our readiness to begin operations. We will provide the findings within thirty (30) calendar days of request and meet all requests for changes.

4.2.1.2.3 The Vendor should participate in an annual Subagent-F/EA FMS - Ongoing performance



Review, if requested by the Agency.

Morning Sun will participate in an annual Subagent F/EA FMS ongoing performance review, if requested by the Agency.

4.2.1.2.4 The Vendor should prepare a plan of correction that addresses the findings of the Subagent-F/EA FMS Readiness Review/Ongoing Performance Review and a timeline for implementation, as needed.

As needed, Morning Sun will prepare a plan of correction that address the findings of the Ongoing Performance Review and a timeline for implementation.

4.2.1.2.5 The Vendor should prepare and maintain a Quality Management System to ensure that its systems, policies, procedures, and internal controls for each Subagent - F/EA FMS are performed as required.

Morning Sun has a detailed plan for quality assurance activities. We include it here and on the following pages. This plan will be customized to West Virginia upon contract award.

## MORNING SUN FINANCIAL SERVICES QUALITY ASSURANCE PLAN

### **Policy: Monitor Systems and Support**

Morning Sun Financial Services is committed to providing excellent services to individuals who self-administer their services. We believe that the integrity of self-administered programs includes systems and supports that are of the highest quality. Our commitment to quality includes ongoing documentation and meaningful measures that allow for systems improvement and changes to service delivery. Morning Sun will conduct annual satisfaction surveys of all Members; track complaints and customer feedback; and self-audit Morning Sun systems including employer and employee files, payroll and billing systems. All systems and supports will be analyzed on an on-going basis for performance and quality improvement.

### **Procedures: Satisfaction Surveys**

1. Morning Sun will conduct an annual satisfaction survey of all Members on the West Virginia waiver programs.



1. The Morning Sun satisfaction survey will be conducted each year in a month agreed upon with the Agency. Typically, surveys will be mailed to all members-representatives, with a due date of two weeks later.
2. Morning Sun will use a satisfaction tool approved by the Agency. The survey, with a cover letter that explains the survey tool and its purposes, will be mailed to all persons receiving services with a self-addressed stamped envelope.
3. Upon receipt of the completed satisfaction surveys, Morning Sun will collate Member data into one report that provides an average overall measurement for each question asked.
4. Morning Sun will list all narrative feedback for each question after the numerical data.
5. Morning Sun will summarize the results of the survey with a Quality Improvement Plan and send the results to each Member by an agreed upon date each year. The letter and plan will be approved by the Agency prior to being sent to the members.

### **Complaints, Concerns and Grievances**

Morning Sun has a policy and process for handling complaints, concerns or grievances made by the Members. Included in our policy is an escalation procedure that includes speaking to senior management and ultimately the chief operating officer. All such complaints will be responded to immediately and per policy. Morning Sun will review any complaints received at our regular team meetings with all the personnel who work on the team.

### **Procedures: Self Audit**

1. The Program Administrator will initiate the self-audit process at the beginning of the month following the end of the fiscal quarter: Self audits will be conducted as follows:
  - 1<sup>st</sup> Quarter (Jan – March) – Due May 15<sup>th</sup>
  - 2<sup>nd</sup> Quarter (April – June) – Due Aug 15<sup>th</sup>
  - 3<sup>rd</sup> Quarter (July – Sept) – Due Nov 15<sup>th</sup>
  - 4<sup>th</sup> Quarter (Oct – Dec) – Due Feb 15<sup>th</sup>
2. Self-audits will include 2% of the Member files at the time of the self-audit.
  - The Program Administrator will send the list of Member files to the Payroll Manager, Billing Manager and Human Resource Director.



1. Each department will evaluate the processes specific to its department, checking the process for each Member. Where the processes intersect, e.g., payroll submitted and paid and billing submitted, the two department managers will share information to ensure that all systems have been reviewed.

*Employer file:*

- All copies of budgets
  - Electronic approvals, addendums, plan revisions
- Key e-mail correspondences with Member, or the State, Documentation of significant issues and events, including phone conversations, e-mails, written correspondences and case note documentation for the file.
  - When a member leaves or ends services, include documentation of why.
- Letters sent to family or employee

Utilization Reports for each year

The Payroll Manager will audit payroll files for the following content:

*For Payroll Agents Employer:*

- Form 2678
  - Form 8821
- Form 2848
  - Form SS-4
- Form UI-001
  - State of West Virginia forms
- Authorization from IRS to act as agent
  - Applications for both Federal EIN number and MN Withholding ID number
- Copy of the member's budget

*For Payroll Agent Employee:*

- New Employee Change Notice



- Tax Info form
- Form W-4 (optional)
  - Direct Deposit form (only if employee has chosen this form of payment)
- Copy of Social Security card
  - Direct Deposit form (only if employee has chosen this form of payment)

Audit will also include verification of accuracy of payroll calculations and payments made to employees.

Human Resources files will be audited for the following content:

*Employees:*

- Application for Employment
  - Employee Change Notice
- W-4 Form
  - Employee Eligibility Verification Form I-9
- Complete Section 1, 2, and CERTIFICATION
  - BCA Background Check Authorization
- Direct Deposit/Electronic Earning Statement Sign Up Form (Optional)

Photocopies of:

- Valid Driver's License
  - Social Security Card
- 2. Audit results are submitted to the Program Administrator with corrective action if needed.
- 3. The Program Administrator will collate the information from the self-audit into a summary report.
- 4. The results of the self-audit will be submitted to the Officers for review at the next Officer meeting.



## **Policy: Track Member Utilization**

Morning Sun, as the contracted Financial Management Services vendor, tracks and reports all payroll and expense reimbursements that have been paid out of each Member's budget. Utilization tracking reports are generated that compare allocated/budgeted numbers to the paid contract-to-date payroll and other expenses. Current, up-to-date tracking reports are always available for viewing through the Morning Sun website

### **Procedures: Utilization Reports:**

#### **1. Budget Tracking:**

- a) Once the accounting department has completed all relevant entries for the month, the Morning Sun Reports Analyst runs various internal reports that compare a member's actual expenses against their budget. The *Overspending Staffing report* is run to indicate if there are any overages in staffing spending-to-date compared to budget. These reports are available and run by the 15<sup>th</sup> of the month.
- b) The reports are available to the Agency by the 15<sup>th</sup> of the month. They review the reports to double check for accuracy and determine if any additional action is necessary such as alerting the Member of excess spending-to-date.
- c) Once we have reviewed the Utilization Report, the reports are mailed or emailed to the Employer and to the Agency. Instructions for reviewing the Utilization reports are included each time the report is sent.
- d) If the Member is spending at a rate that will deplete their funds, the Program Administrator will contact the Member and the Agency to let them know and to create a plan for reducing hours.
- e) If the Member needs additional support due to increased needs, that information will be documented, and we will let the Agency know of the need.

#### **2. Report Viewing and Distribution**

- a) Employers and case managers can access monthly tracking reports via the Morning Sun Financial Services website at any time. The data that is viewed on web





generated reports is current data. A secure password protected login is set up for each Member allowing them to enter this section of the website and view their report.

- b) For employers who do not have access to the internet, a copy of the monthly tracking report is mailed on the 15<sup>th</sup> of each month for the prior month's activity.
- c) The website reporting function is managed by the Morning Sun Financial Services Reports Analyst position.

### **3. Outside Reporting and Auditing**

- a) Monthly, quarterly and/or annual data will be supplied to all state agencies that request such reporting, as required by the contract.
- b) Financial data is available for review or audit by the State when requested.
- c) Toni Thulen, Chief Financial Officer and Cheryl Vennerstrom, Chief Operating Officer will oversee all monthly, quarterly and annual reports prepared by Morning Sun for the Department.

### **4. Backup Plan for Payment Processing**

- a) Morning Sun has a backup plan for payment processing in the event that the computerized system goes down for any period of time. The plan ensures that payments are not delayed. See attached Disaster Recovery Policy and Procedure.

### **5. System to Prevent Overpayments**

- a) Morning Sun has a monitoring system for utilization as well as an accounting system that won't allow overpayment during payroll processing. See attached Morning Sun Internal Payroll Processing policies and procedures.

### **6. System to Ensure All Time Entries are Approved**

- a) Morning Sun ensures all time entries are approved and contain both the employer's and employee's approval. See attached Morning Sun Internal Payroll Processing policies and procedures.

### **7. Comply with all Laws and Regulations**



Morning Sun will comply with all laws and regulations including required federal and state filing and activities related to being a fiscal agent. See attached Morning Sun Payroll Tax Reporting policy and procedure.

**8. Process for Judgments, Garnishments, Tax Levies or any related holds on an employee's funds as required by local, state or federal laws.**

- a) Morning Sun will ensure that all judgments, garnishments, tax levies and any related holds are processed. See attached Morning Sun Payroll Tax Reporting policy and procedure.

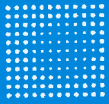
**Policy: Contract Performance Metrics**

Each state or entity with which we contract has defined metrics that we use to manage contract performance. In addition, we track several metrics and use that data to improve the overall service experience.

**Procedure: Reports, Measures and Data Collection.**

Morning Sun sets up the data collection required for each contract. Our senior managers in charge of each function: Payroll, Budgets, Billing, Human Resources or Customer Service are responsible for collecting and analyzing the data on a monthly basis. These reports are made and submitted to the States by the due date requested. Some of these metrics include:

- on-time payments for completed time entries
  - late timesheet submissions
- exception payments processed
  - Member and employee enrollment packet turnaround time
- number of enrollment packets sent
  - online packet completion
- employee and employer onboarding completion
  - budget/utilization report delivery
- complaints/grievances
  - customer satisfaction



- new/withdrawn Members
  - average number of employees per employer
- number of employees who were relatives of the Member
  - number of employees who were spouses of the Member
- number of employees who were terminated
- fraud/waste/abuse reports
- Members billed
  - online utilization
- tax withholding and reporting compliance
  - processing accuracy
- monthly Member over/under spending of authorized funds
  - employee overtime/travel time
- union contract compliance
  - website uptime

### **Policy: Training**

**Staff training:** Morning Sun has a robust training plan for new Morning Sun employees including training on self-direction, person-centered thinking, customer service, fraud, waste and abuse and maltreatment reporting.

**Staff evaluation:** Morning Sun provides annual evaluations of our employees' performance.

### **Procedures:**

1. Training is provided by the new employee's supervisor and includes all the tasks and activities relative to their job functions.
2. Training is provided in group and team meetings.
3. Employees receive regular feedback on their job performance including weekly meetings and group meetings with their supervisors.



4. Job functions are concretely defined, and performance is reviewed on an annual basis.

Morning Sun's Quality and Compliance procedures exist to assure you that we carefully monitor our team's performance in every instance.

- 4.2.1.2.6. The Vendor should prepare a Transition Plan that addresses when/if the Vendor is ending its contract with the Agency and no longer will provide Subagent - F/EA FMS to the Agency and the functions/forms to be closed out by the Vendor and are transitioning to a new Vendor, giving the Agency at least sixty (60) calendar days' notice.

Morning Sun is experienced at transferring project data to a new supplier and will fulfill all timeline requirements, including giving the Agency at least sixty (60) days' notice. Our standard Transition Plan is included below. It will be modified as requested to meet the Agency's requirements.

## **Morning Sun Financial Services Turnover Plan**

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Cheryl Vennerstrom, COO, will serve as the organization's Transition Consultant. The transition plan will be reviewed as the Agency may request and amended if needed prior to the end of the contract. Upon notice of the termination of the contract for services, Morning Sun will generate notifications for Participants, Workers, Authorized Representatives and Case Managers informing them that Morning Sun will be ending services. These notifications will be sent to the Agency for approval prior to being sent. Upon approval from the Agency, Morning Sun will issue these notifications. This will occur at least 30 days prior to the termination of this contract.

Morning Sun will stop accepting referrals for new participants at least 60 days prior to the end of the contract unless there is an emergency need for startup prior to the new vendor's availability. The information and data below will be provided to the Agency or a new contractor, upon the Agency's direction. The information will be provided timely and in a secure HIPAA compliant manner to ensure as little disruption as possible to services.

Morning Sun will establish a system that ensures that Morning Sun will determine when an employer is no longer a permanent employer. We will file and pay final SIT and SUTA on their behalf and pass on their



account numbers as appropriate. Morning Sun will take the necessary steps to revoke the IRS Form 2678 and IRS 8821 as soon as federal filings and payments have been completed. A copy of all requests to retire the employer's accounts with vendors and all related correspondence will be maintained in the participant's file. A final reconciliation will be provided within 45 days of notification of deactivation by the Agency.

Morning Sun will provide transition information to the Agency or to the next financial management services supplier as directed by the Agency. The following information will be provided in whatever format the Agency chooses.

Morning Sun will provide the following for those using the fiscal employer agent model:

- - A copy of the current service authorization
- - Participant demographics including:
  - Name
  - Mailing address
  - Phone number(s)
  - Physical address if different than mailing
  - Where applicable: participant's representative name, address, and phone number(s)
- - Participant's individual EIN # for tax filing purposes, Name and address associated with the EIN #. A copy of IRS Form 8822 if applicable
- - Participant's State Tax Account #
- - Participant's UC Tax Account Numbers
- - Municipality accounts (if applicable)
- - Access accounts and passwords to those accounts
- - Current employee file including:
  - § W-4
  - · I-9
  - · SS Card or other documents used for I-9



- · Taxing districts for employees (if applicable)
- · Demographic information, including name, SSN and address
- · List of FUTA exempt employees
- · Any other necessary documents for tax reporting such as garnishments, liens or levies
- · Direct Deposit and/or pay card information
- - YTD Employer Taxes FICA and FUTA reported and paid for each Participant. Please include participant's FUTA liability status
- - YTD Wages paid to each Participant's workers
- - YTD Employee taxes paid for each Participant's workers.

### Data Transfer with New FMS vendor:

As determined by the agency, turnover to a new F/EA FMS will begin when appropriate and will be conveyed using best practices. Morning Sun protects confidential data on our technology resources. Strong user authentication controls are used to access data within our network including complex passwords, account lockouts, and dual authentication. Behaviors on our network and authentication attempts are logged in a central Security Event Manager, which is monitored on a regular basis. Best-practice firewalls are used to segment our networks and control the flow of data in and out of our network. Regularly updated antivirus is installed on all our workstations and servers to scan for and detect threats. Data saved on our servers and workstations is encrypted with at least AES128 bit encryption. Electronic communication is sent securely using a secure FTP server and encrypted email. The sum total of all our controls, along with our IT Security policies and procedures and a best-practice security mindset, ensure that all Morning Sun confidential data that is either at rest or in motion, is safe and secure.

The following chart is a summary of tasks required for an efficient turnover.

### Key Steps in Transitioning Participants One Fiscal/Employer Agent FMS to Another

Date Task Completed	Tasks	Current FMS	New FMS
<b>Federal Income Tax Withholding &amp; Employment Tax Tasks</b>			

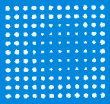


current FMS  new FMS	Federal Employer Identification Number (FEIN)	Provide the new F/EA FMS with the participant's FEIN within five (5) business days of transfer.  Maintain documentation in the participant's archived file.	Receive participant's FEIN from the current F/EA FMS.  Maintain documentation in the participant's file.
current FMS  new FMS	Mailing Address Associated with Federal Employer Identification Number (FEIN)	Maintain documentation in the participant's archived file.	Complete and file Form 8822, <i>Change of Address</i> for each applicable participant, within five (5) business days of transfer.  Maintain documentation in the participant's file.
current FMS  new FMS	IRS Form 2678, <i>Agent/Payer Authorization</i>	Revoke IRS Form 2678, <i>Agent/Payer Authorization</i> with the participant once all required federal tax tasks have been performed and per IRS Form 2678 instructions.  Notify new F/EA FMS of the IRS Form 2678 revocation once completed.  Maintain copies of all documentation in the participant's archived file.	Execute an IRS Form 2678, <i>Agent/Payer Authorization</i> with the participant and submit to IRS for approval per IRS Form instructions.  Maintain copies of all documentation in the participant's file.
current FMS	IRS Form 8821, <i>Tax Information Authorization</i>	Revoke IRS Form 8821, <i>Tax Information Authorization</i> for participant once all required federal tax tasks have been performed and per IRS Form 8821 instructions.	Execute an IRS Form 8821, <i>Tax Information Authorization</i> with participant and submit to IRS per IRS Form instructions. If the F/EA is using a reporting agent, make sure to include this entity as a second appointee on the Form.



new FMS		<p>Notify new F/EA FMS of the IRS Form 8821 revocation once completed.</p> <p>Maintain copies of all documentation in the participant's archived file.</p>	<p>Maintain copies of all documentation in the participant's file.</p>
current FMS	Participant's SUTA Liability Status	<p>Provide the new F/EA FMS with the participant's SUTA liability status (liable or not liable to pay into SUTA) as of the date of transfer.</p> <p>Provide the new F/EA FMS with the quarter and year in which participant first became or will be liable to pay into SUTA.</p> <p>All FUTA information should be provided to the New F/EA within five (5) business days of transfer.</p>	<p>File and deposit SUTA for participant if liable with the current F/EA FMS.</p> <p>File and deposit SUTA for the participant if he/she was not liable for SUTA with the current F/EA FMS but will pay \$1,000 or more in wages in the first current, single calendar quarter that the participant is using the New F/EA FMS.</p>
new FMS		<p><u>Note:</u> a participant becomes liable for SUTA by paying \$1,000 in wages in a single calendar quarter.</p> <p>Maintain documentation in participant's archived file.</p>	<p>Maintain documentation in participant's file.</p>
current FMS	FICA Exemption Status of Participant's Employees	<p>Provide new F/EA FMS with names and social security numbers of participant's employee(s) who are FICA exempt per Section 3 of IRS Publication 15 (Circular E),</p>	<p>Receive FICA exemption status documentation from the current F/EA FMS for each applicable participant's employee..</p>





new FMS		<p><i>Employer Tax Guide</i> to the New F/EA within 5 business days of transfer.</p> <p>Maintain documentation in participant's archived file.</p>	<p>Do not withhold and pay employee or pay employer portions of FICA for a participant's employee(s) who is FICA exempt per Section 3 of IRS Publication 15 (Circular E), <i>Employer Tax Guide</i>.</p> <p>Maintain documentation in participant's and employee's file, as appropriate.</p>
current FMS	FUTA Exemption Status of Participant's Employees	<p>Provide New F/EA with names and social security numbers of participant's employee(s) who is FUTA exempt per Section 3 of IRS Publication 15 (Circular E), <i>Employer Tax Guide</i> within 5 business days of transfer.</p> <p>Maintain documentation in participant's archived file.</p>	<p>Receive FUTA exemption status information from Old F/EA. Do not deposit FUTA for a participant's employee(s) who is FUTA exempt per Section 3 of IRS Publication 15 (Circular E), <i>Employer Tax Guide</i> as provided by the current F/EA FMS..</p> <p>Maintain documentation in participant's file.</p>
new FMS			
<b>State Unemployment Insurance Tax Tasks</b>			
current FMS	Unemployment Insurance UC Account & Number	<p>If participant is paying into UC at the time of the transition, current F/EA FMS should provide the new F/EA with participant's PA UC account number within five (5) business days of transfer.</p>	<p>If participant is paying into UC at the time of the transition, prepare a 20106 form from the New F/EA stating that the New F/EA will be representing the participate and should receive all SUI forms and correspondence on his/her behalf as of the stated effective date.</p>
new FMS			



		Maintain copies of all documentation in the participant's file.	Maintain copies of all documentation in the participant's file.
<b>State Income Tax Tasks</b>			
current FMS	State SIT Account & Number	Provide new F/EA FMS w/ participant's PA SIT account number w/in five (5) business days of transfer.	
new FMS		Maintain documentation in participant's archived file.	
<b>Workers' Compensation Insurance Tasks</b>			
current FMS	Notifying Workers' Compensation Insurer of Participant Transferring to a New F/EA FMS and Transfer of Premium Payments	The current F/EA FMS must invoice the new F/EA FMS for the pro-rated portion of the participant's workers' compensation insurance premium for the applicable policy year.	New F/EA FMS must facilitate the preparation and submission of a letter from the transitioning participant stating that he/she is switching F/EAs and effective date of the transition.
new FMS		Maintain copies of all documentation in the participant's archived file.	Maintain copies of all documentation in the participant's file.



<b>Locality Tax Tasks –</b>			
<b>Budget Authorization Tasks</b>			
<b>Participant Information Tasks * info. from ODA PIMS system</b>			
current FMS	Participant's Demographic Information	Provide new F/EA FMS with participant's demographic data including participant name, address, phone number(s), physical address, mailing address.	Utilize participant demographic data to manage communication with participant.  Update as applicable.
new FMS		Provide new F/EA FMS with participant's representative's demographic data including representative name, address, phone number(s), physical address, mailing address.  If participant uses an employer who is different from the participant, provide employer name, address, phone number(s), physical address, mailing address.	
		Provide participant's case manager contact information.  Maintain copies of all documentation in the participant's archived file.	Maintain copies of all documentation in the participant's file.
<b>Employee and Provider Information Tasks</b>			
	Employee's and Provider's	Provide new F/EA FMS with participant's employee(s) and	Use provider information from current F/EA FMS to contact



current FMS	Demographic Information	authorized providers by participant including provider name, provider tax identification number, address, and phone number.	provider, send payments. Update, as necessary.
new FMS		Maintain copies of all documentation in the participant's archived file.	Verify employees' SSN and providers' TIN with Social Security Administration prior to filing annual information returns for provider.  Maintain copies of all documentation in the participant's archived file.
<b>Post Transfer Follow Up</b>			
current FMS	Notify previous FMS of active participants and employers.	The current F/EA FMS will receive a list of active participants and employers from the new FMS. Any participants and employers who were active with current FMS and did not transfer to new FMS will have all filing accounts inactivated.	Provide list of active participants and employers to current FMS after transition has finished.
new FMS			

4.2.1.3 The Vendor should maintain systems, policies and internal controls that comply with Agency, Chapter 600, Reimbursement Methodologies of the West Virginia provider manuals, which can be found at:  
[https://dhhr.wv.gov/bms/Provider/Documents/Manuals/bms\\_manuals\\_Chapter\\_600%20Reimbursement%20Methodologies.pdf](https://dhhr.wv.gov/bms/Provider/Documents/Manuals/bms_manuals_Chapter_600%20Reimbursement%20Methodologies.pdf)

Morning Sun will ensure that all systems, policies and internal controls comply with Agency, Chapter 600, Reimbursement Methodologies of the West Virginia provider manuals. We are an experienced F/EA FMS provider and are accustomed to compliance with the required methodologies of state systems of reimbursement. We have an excellent record of timely reimbursement plus prompt follow-up and correction, if necessary on occasion, to remedy any errors that may occur.



- 4.2.1.4 The Vendor should provide additional services to comply with externally driven changes to Agency programs and requirements, including any state or federal laws, rules, and regulations. Services provided by the Vendor may include assistance with policy development, impact analysis, requirements definition and testing activities that require substantial subject matter expertise derived from experience in other states, other healthcare organizations or participation in federal activities. The Vendor should provide implementation support as requested.

Morning Sun key personnel are very experienced at adapting to changes in laws, rules, and policies or other externally driven changes. We have systems set up to alert us about changes proposed or imminent. We will immediately discuss changes with our Agency contacts so that we can work together to design and communicate changes. Once a change has been implemented in concert with the Agency, we will employ a variety of notification methods. These could include US mail, email, telephone call, webinar, adaptive technologies or a combination of these.

As a subagent to the Agency, we believe that our role is to be your partner, which includes providing advice and assistance with policy development, impact analysis, requirements definition and testing activities, among other needs, providing the substantial subject matter expertise derived from our experience in other states and health care organizations and federal activities. Morning Sun and our partner companies that are part of Orion Associates are one of the oldest F/EA FMS organizations in the country, and our experience is both deep and broad. All our key leaders are active in state and national organizations devoted to self-direction, and we are happy to provide implementation support to the Agency as requested.

- 4.2.1.5 The Vendor should prepare and maintain a West Virginia-specific, Comprehensive Subagent-F/EA FMS Policies and Procedures (P&P) Manual that documents the systems, policies, procedures, and internal controls used to perform and monitor the effectiveness of all Subagent-F/EA FMS functions and tasks in West Virginia. The Manual should be submitted in a mutually agreed upon electronic format to the Agency for review and approval thirty (30) calendar days prior to implementing Subagent-F/EA FMS. The P&P Manual should be updated to reflect changes when they occur, and a current version of the



manual should be available to the Agency at all times.

Morning Sun uses a Policies and Procedures Manual that will be customized to meet all specific requirements for this West Virginia contract. The Manual describes the policies, procedures and internal controls for all tasks. The manual guides the work of all employees in their work, including data entry, monitoring and quality assurance requirements. It also describes how we manage staying current with relevant federal and State laws. The Manual will be presented to the Agency during the Readiness Review and upon request and will be updated annually or whenever changes are required. We will submit this Manual to the Agency in an approved digital format for review and approval thirty (30) calendar days prior to implementing Subagent F/EA FMS.

The Policies and Procedures Manual for internal use contains specific, step by step instructions, including pictures of the accounting and M-file workflow systems. how to perform all the following functions as if the person were unfamiliar with the tasks and functions.

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- Risk Management Plan

The manual will include all required forms including blank forms filled out as a user guide. The manual addresses federal and state taxes withholding, labor wage and hour rules for regular and overtime pay, federal and state immigration, FEIN application, assignment and retirement and how to stay up to date on all applicable federal and state rules and regulations.

4.2.1.6 The Vendor should apply for and receive approval from applicable Federal and State agencies to act as the Subagent to the Agency (as Government F/EA FMS) and to members/representative-employers in the ADW, IDDW and TBIW programs as well as participants in TMH. To do so, the Vendor should have a system in place and written policies, procedures, and internal controls to complete the following tasks:

4.2.1.6.1 The Vendor should use its own separate Federal



Employer Identification Number (FEIN) to file IRS Forms and deposit Federal taxes.

Morning Sun will have its own separate FEIN for this process. This application is submitted as part of our Implementation Components: Discovery processes documented in this proposal in section **4.2.1.25**.

4.2.1.6.2 The Vendor should describe its plan/process to execute IRS Form 2678, Employer/Payer Appointment of Agent, with the Agency (Government F/EA FMS agency) per IRS instructions.

Morning Sun has included IRS Form 2678 on our website with instructions on how to fill it out correctly according to the latest IRS information. We have pre-filled this form on our website and on our hard copies. Members will be mailed this form as part of our start up packets for employers. Once we receive this packet, we file Form 2678 within 3 days.

4.2.1.6.3 The Vendor should execute an IRS Form 8821, Tax Information Authorization with the Agency (Government F/EA FMS agency).

Morning Sun has included IRS Form 8821 on our website with instructions on how to fill it out correctly according to the latest IRS information. We have pre-filled this form on our website and on hard copies. Members will be mailed this form as part of the Morning Sun start up packets for employers unless they choose to obtain the form from our website. Once we receive this packet, we file Form 8821 with the IRS within 3 days. Copies of the forms are retained in the member-employer's file.

4.2.1.6.4 The Vendor should renew the IRS Form 8821, Tax Information Authorization with the Agency (Government F/EA FMS agency) periodically per IRS instructions.

Morning Sun will renew the IRS Form 8821 periodically per IRS instructions.

4.2.1.6.5 The Vendor should describe its plan/process to execute IRS Form 2678, Employer/Payer Appointment of Agent between the Agency (Government F/EA FMS agency) and each member-employer and retain the executed Form in the member-employer's file at the Vendor's





location.

Morning Sun has included IRS Form 2678 on our website with instructions on how to fill it out correctly according to the latest IRS information. We have pre-filled this form on our website and on our hard copies. Members will be mailed this form as part of our start up packets for employers. Once we receive this packet, we file Form 2678 with the IRS within 3 days and retain a copy in the member-employer's file at our Headquarters location in Minnesota.

4.2.1.6.6 The Vendor should facilitate the execution of an IRS Form 8821, Tax Information Authorization between the Agency (Government F/EA FMS agency) and each member-employer with Vendor's staff reported as a second appointee on the Form and maintain a copy of the executed Form in the member-employer's file.

Morning Sun has included IRS Form 8821 on our website with instructions on how to fill it out correctly according to the latest IRS information. We have pre-filled this form on our website and on hard copies. Morning Sun will be appointed as a second appointee on the form. Members will be mailed this form as part of the Morning Sun start up packets for employers unless they choose to obtain the form from our website. Once we receive this packet, we file Form 8821 with the IRS within 3 days. The forms are retained in the participant employer's file.

4.2.1.6.7 The Vendor should facilitate the execution of an informed consent statement between the Agency (Government F/EA FMS agency) with each member/representative-employer acknowledging the member/representative-employer is informed the Government F/EA FMS agency is using a Subagent, the tasks the Subagent is performing and that the member-employer agrees.

Morning Sun includes an informed consent agreement between Morning Sun and each member/representative-employer that acknowledges the member/representative-employer is informed that the Agency is using a Subagent, what tasks the Subagent is performing, and that the member-employer agrees.

4.2.1.6.8 The Vendor should file a West Virginia Forms WV-ARI-001, Authorization to Release Information



authorizing the West Virginia State Tax Department to release information to the Vendor regarding the member/representative-employer's West Virginia state income tax withholding tax and unemployment tax to the Subagent-F/EA FMS.

Morning Sun will file a West Virginia Forms WV-ARI-001 on behalf of each member-employer. The purpose of this form is to grant Morning Sun access to West Virginia tax information.

4.2.1.6.9 The Vendor should file West Virginia Forms 2848, Authorization of Power of Attorney informing the West Virginia State Tax Department that the member/representative-employer authorizes the Subagent-F/EA FMS to receive and sign the tax forms listed relative to state income tax withholding and unemployment insurance taxes.

Morning Sun will file West Virginia Forms 2848 on behalf of each member-employer. This form authorizes Morning Sun to sign certain tax forms on the members' behalf.

4.2.1.6.10 The Vendor should implement revisions, additions and discontinuations of federal, state, and local government forms pertaining to the self-direction of HCBS.

Whenever there are any revisions, additions or discontinuation of federal government or state of West Virginia forms (or any relevant local government forms, if applicable), Morning Sun will implement the required changes for all members and/or their HCBS who are affected by the change.

4.2.1.7 The Vendor should have a web-based portal to which referrals and prior authorizations for services are issued by the State's Utilization Management Contractor (UMC) for members who have chosen self-direction.

Morning Sun has a web-based portal at <http://morningsunfs.com>. There is a subsection of the portal assigned to members in each state where we have contracted for member services. We will create a portal for West Virginia to which referrals and prior authorizations for services may be issued by the State's UMC.



4.2.1.7.1 The Vendor should enroll with the UMC's system to input and obtain data regarding members' eligibility, services, and other pertinent information.

Morning Sun will enroll with the UMC's system to input and obtain data regarding members' eligibility, services, and other pertinent information. We are experienced in receiving and exchanging information digitally with other Agencies for whom we perform F/EA FMS services.

4.2.1.8 The vendor should be capable of adding and removing services and/or changing service rates in its processes and systems within sixty (60) days of notification by the Agency at no additional cost.

To fulfill all the processing activities related to the proper tracking and payment of budget allowance disbursements, Morning Sun uses the *Microsoft Dynamics Great Plains* integrated accounting system. Microsoft Dynamics Great Plains is an Enterprise Resource Planning (ERP) system that is a proven platform for efficient and scalable payroll and accounting services. Morning Sun also uses *M-Files*, an electronic document management system, which is fully integrated with the Great Plains System. All documents are digitized, and the M-files application automates workflows to streamline business processes and provide redundancies designed to eliminate errors. The work flows that manage every action are housed in M-files and documented in the Policies and Procedures Manual, which will be a West Virginia version. Adding and removing services or changing service rates will be managed by means of changes made within these integrated accounting systems and documented in the West Virginia Policies and Procedures Manual. Morning Sun can make these changes within sixty (60) days of notification by the Agency at no additional cost.

4.2.1.9 The Vendor should enroll with the State's Medicaid Management Information System (MMIS) and obtain a West Virginia Medicaid Provider ID to submit claims electronically to the Agency through the State's claim system, MMIS, for Medicaid services rendered within ninety (90) calendar days of the date of service and in accordance with the member's spending plan and established service rate(s); and in accordance with Agency billing and contract requirements and procedure codes. Billing should comply with the 42 CFR part 447 including, but not limited to the requirements for timely payment to DCSWs, set forth in 42 CFR part 447, which can be found at: <https://www.ecfr.gov/current/title-42/chapter-IV/subchapter->



## [C/part-447?toc=1](#)

Morning Sun is experienced in submitting claims electronically to an Agency through a state's MMIS claim system. We will enroll with the West Virginia MMIS and obtain a West Virginia Medicaid Provider ID. We will submit claims for Medicaid services rendered within ninety (90) days of the date of service and in accordance with the member's spending plan and established service rate(s). We will submit claims in accordance with Agency billing and contract requirements and procedure codes. Billing will comply with the 42 CFR part 447 requirements, including but not limited to the requirements for timely payment to Direct Care Workers.

### 4.2.1.9.1 The Vendor should regularly monitor the MMIS portal for notifications and information.

Morning Sun will have a process, assigned to a specific staff member, to monitor the MMIS portal for notifications and information regularly. This monitoring is managed under the direction of CFO Toni Thulen.

4.2.1.9.2 The Vendor should submit member service claims to, and receive payments from, the State's MMIS for Medicaid services rendered to members in compliance with Chapter 600 after services are rendered (See 4.2.1.3).

As noted in [item 4.2.1.3](#), Morning Sun will submit member service claims to and receive payments from, the State's MMIS for Medicaid services rendered to members in compliance with Chapter 600 after services are rendered. Our AP/AR policies and procedures include matching claims or payments against the member's budget.

4.2.1.9.3 The Vendor should submit administrative per-member-per-month (PMPM) claims to the Agency monthly in accordance with Chapter 600 (See 4.2.1.3).

Morning Sun has in place a process to submit administrative per-member-per-month (PMPM) claims to the Agency monthly in accordance with Chapter 600. Our Policies and Procedures will be customized as required for West Virginia.



4.2.1.10 The Vendor's administrative services should be delivered or billed only for members that have authorizations for the dates of service being billed. All services should be prior authorized at time of enrollment. Administrative services only for TMH participants can begin if authorized by the TMH office up to three (3)- months prior to transition to the community. Administrative services for the Waiver programs may not be billed until the date the member's enrollment meeting was completed and the member has at least one DCSW that is qualified to provide paid services.

Morning Sun understands that administrative services should be delivered or billed only for members who have authorizations for the date of service being billed. We understand that administrative services only for TMH participation can begin if authorized by the TMH office up to three (3) months prior to transition to the community. For the Waiver programs, the member's enrollment meeting must be completed, and the member must have at least one DCSW who is qualified to provide paid services before administrative services may be billed.

4.2.1.11 The Vendor should propose a plan to establish and convey its rules and requirements for payroll and invoice payment and develop a rules-based system (i.e., compare its "rules" for paying for Participant-Directed Goods and Services (PDGS), Environmental Accessibility Adaptations (EAA), and other participant- directed vendor services, to an actual invoice to determine if the purchase(s) was completed).

Morning Sun creates its rules and requirements for payroll and invoice payment within the M-files system, which integrates with its Great Plains Accounting System. The rules and requirements become workflows, and employees apply the workflows according to the procedures outlined in the Policies and Procedures Manual which has been customized for each state or Agency contract. The comparison of "rules" to "actual" time entries or invoices is part of every workflow and procedure.

4.2.1.11.1 The rules and requirements for invoice payments should include the option for electronic payments for purchases from online vendors.

Morning Sun can make electronic payments for purchases from online vendors. We will include this option in the rules and requirements for invoice payments. The participant send us what they want to order, and Morning Sun uses our credit card to pay the invoice and bill the plan.



- 4.2.1.12 The Vendor should be prepared to bill each Managed Care Organization (MCO) based on member enrollment for services rendered at such time as the State moves into a Medicaid managed long-term care system.

Morning Sun will be prepared to bill each Managed Care Organization (MCO) for services rendered at such time as the State moves into a Medicaid managed long-term care system. We have extensive experience working with MCOs in the states of Tennessee, Minnesota and Ohio.

- 4.2.1.13 The Vendor should ensure that billing records support the amounts of Medicaid services claimed on the Health Insurance Portability and Accountability Act (HIPAA) electronic claim form.

Morning Sun's procedures will ensure that billing records support services claims on the HIPAA electronic claims form.

- 4.2.1.14 The Vendor should provide a plan to ensure that the amount claimed does not exceed the member's approved Spending Plan and specific service rates and should have a system for how and when over-billing occurrences will be addressed.

Check points and redundancies are built into all Morning Sun processes and procedures. Additionally, we perform self-audits of all processes and procedure quarterly to ensure that all are working as they should and to correct any process or procedure that the audit reveals to be faulty. All expenses are reviewed for accuracy by our AP Specialists. This covers payroll, forms, receipts and documentation. All payees are set up by the AP director to ensure they are relevant and accurate. We have coding designed to alert if an expense with the same documentation date has already been entered on an individual's authorization, which prompts further investigation. We are also alerted if an expense would exceed an individual's budgeted amount.

- 4.2.1.14.1 The vendor should be responsible for recoupment of overpayment within ninety (90) calendar days of identification.

The Accounts Payable supervisor is responsible for recoupment of overpayment within ninety (90) calendar days of identification.

- 4.2.1.14.2 The vendor should be responsible to replace funds if



recoupment is not possible.

Morning Sun will be responsible to replace funds if recoupment is not possible. This procedure is also handled by our billing department. Replacement funds must be authorized by the Accounts Payable Director.

4.2.1.15 The Vendor should utilize a process for reconciling Medicaid services paid to units billed.

Morning Sun's billing specialists reconcile the Medicaid payments and remittance advice with the units billed to ensure accuracy.

4.2.1.16 The Vendor should resubmit any rejected or denied claims for Medicaid services, as appropriate, within three hundred sixty-five (365) calendar days from the date of denial in accordance with Agency timely filing requirements, which can be found at: [https://dhhr.wv.gov/bms/Provider/Documents/Manuals/bms\\_mauais\\_chapter\\_800\\_A\\_GenAdmin.pdf](https://dhhr.wv.gov/bms/Provider/Documents/Manuals/bms_mauais_chapter_800_A_GenAdmin.pdf)

Morning Sun will resubmit any rejected or denied claims within 365 calendar days from the date of denial in accordance with Agency timely filing requirements. Morning Sun makes every effort to resolve claims issues promptly.

4.2.1.17 The Vendor should propose a process for identifying and tracking when a member is admitted to a nursing facility, hospital, or Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID) and the length of stay.

Morning Sun includes information on abuse and fraud in all our materials and training for our staff, Employers and DCWs. Employees are expected to document their actual hours' work. Employees and Employers are responsible for signing the time entry. Without both signatures, the time entry will not be processed.

Morning Sun has a form in our employee enrollment packet for Medicaid fraud. The form is acknowledged by both the employee and the employer. The form indicates to both the employer and the



employee what constitutes fraud, waste and abuse in their roles. We will provide periodic information to employees and employers to ensure they understand if any processes change.

Other internal practices that look for fraud and abuse include:

### **Payroll:**

- Our web-based time entries intentionally require two separate email addresses and log in credentials.
- Program Consultants monitor hospitalizations and discharge dates and provide them to Payroll to ensure service times are not entered into unauthorized pay dates.
- Payroll has a code when entering time entries that alerts us if the date was already entered.
- Edit reports look for overlapping shifts, overtime, same shifts.
- All time entries are confirmed to have employee and employer approval.
- Payroll has a code to alert to an over-budget issue.

### **Expenses:**

- All expenses are reviewed for accuracy by our AP Specialists. This covers forms, receipts and documentation.
- All payees are set up by the AP director to ensure they are relevant and accurate.
- We have coding designed to alert if an expense with the same documentation date has already been entered on an individual's authorization, which prompts further investigation. We are also alerted if an expense will exceed an individual's budgeted amount.

### **Billing:**

- In billing, we have code that alerts us if an entry has already been entered for a particular date, which prompts a closer look.

4.2.1.18 The Vendor should propose a process for ensuring self-directed HCBS services are not provided or billed when a member is admitted to a nursing facility, hospital, or ICF/IID.





This process is covered by our Medicaid Fraud, Waste and Abuse prevention measures, as managed by the local Consultant assigned to the member, in communication with payroll and billing personnel. These procedures are covered in our comments directly preceding this one.

4.2.1.18.1 The process should include a recoupment plan or plan to replace HCBS funds that were claimed and paid when a member was admitted to a nursing facility, hospital, or ICF/IID, except for participants of the TMH program that are in the process of transitioning to the community.

The Morning Sun will recoup or replace HCBS funds if any were claimed and paid inappropriately according to the terms and exceptions stated above. We are diligent in discovering a member's admission to a facility and strive to avoid claiming HCBS funds that are unwarranted.

4.2.1.19 The Vendor should propose a process for billing the member or representative - employer directly when any established service limit is exceeded.

The process of billing is the responsibility of the Accounts Receivable Specialist. Our billing process includes a check against the member's budget and limits every time a bill is to be paid. If a service limit should be exceeded, which is rare, the Accounts Receivable Specialist will follow the established process for billing the member or representative.

4.2.1.20 The Vendor should propose a process for monitoring the filing and payment of Federal Insurance Contributions Act (FICA), Federal Unemployment Tax Act/State Unemployment Tax Act (FUTA/SUTA) paid for each DCSW by the employer when applicable exemptions apply (i.e., certain DCSWs may qualify for the Difficulty of Care Federal Income Tax Exclusion or qualify as a foster care or supportive living provider and be exempt from paying federal and possibly state income tax withholding, certain family members who are paid DCSWs may be exempt from paying into FICA and/or FUTA/SUTA. The State also may be subject to the United States Department of Labor FUTA Credit Reduction process, or some DCSWs may not meet the applicable FICA and/or FUTA wage thresholds.



Morning Sun determines whether a DCSW has any special withholding or tax status by means of the Employment Tax Information Questionnaire included in the workers' enrollment packet. This information is set up in the Great Plains system and determines the withholding process that we employ during payroll processing.

4.2.1.21 The Vendor should have a one-time minimum reserve to pay for three (3) months of estimated service costs prior to the contract start date to account for retroactive payments from the Agency for billed claims.

Morning Sun will have a minimum reserve to pay for three (3) months of estimated service costs prior to the contract start date. A current letter from our bank, attesting to our deposits and unused line of credit, will be provided upon request. The Vendor should not bill in advance for any services, except for community transition services, EAA, and PDGS.

Morning Sun will not bill in advance for any services except for community transition services, EAA and PDGS. These exceptions will be built into the relevant policies and procedures.

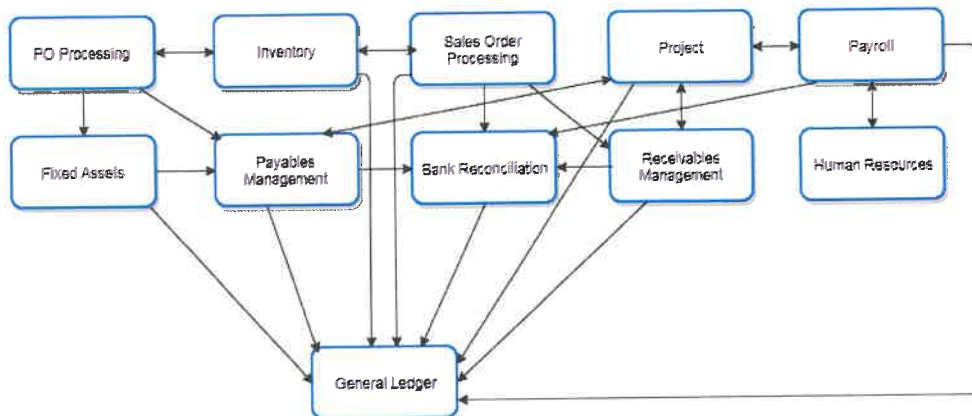
4.2.1.22 The Vendor should provide monthly, in a format and schedule to be agreed upon by Vendor and Agency, utilization data/reports inclusive of claims and expenditure information that compares monthly self-directed service expenditures to the amounts allocated in the member's budget and spending plan. The Vendor should also make available utilization data/reports for members and their representatives, as requested by member/representative or Agency, that compares monthly self-directed service expenditures to the amounts allocated in the member's budget/spending plan (for the month and cumulative).

Morning Sun has a format and a methodology for preparing monthly utilization reports that will be modified as needed to meet the requirements of the Agency. We will work with you to determine how to meet your needs. This report compares monthly spending to the member's budget and spending plan and includes cumulative spending and budget comparison. The monthly report is provided to the Agency and to each member/representative. The reports may be accessed online through our secure website portal.



#### 4.2.1.23 The Vendor should establish and maintain an accounting and information system for receiving and disbursing Medicaid and other Federal funds and for tracking all transactions and balances.

Morning Sun is committed to the security and efficient management of all data associated with its Financial Management Services. To fulfill all the processing activities related to the proper tracking and payment of budget allowance disbursements, Morning Sun uses the *Microsoft Dynamics Great Plains* integrated accounting system. Microsoft Dynamics Great Plains is an Enterprise Resource Planning (ERP) system that is a proven platform for efficient and scalable payroll and accounting services. As an ERP, the Great Plains system is made up of many individual modules that are fully integrated with each other, thus providing an automated accounting system that can manage and process all necessary back office functions for all accounting, training, and human resource functions. Following is a list of the Great Plains modules employed by Morning Sun:



Great Plains runs on a Structured Query Language (SQL) server. SQL servers are industry leaders for scalability, performance, and availability. The Great Plains SQL system can handle an unlimited number of customers, users, employees and vendors, providing Morning Sun with an extremely robust and effective accounting system that can manage significantly high volumes of transactions. Morning Sun has been using the Great Plains system for self-directed services since 2003.

In addition to the Great Plains integrated modules noted above, Morning Sun employs the project module within the Microsoft Dynamics Great Plains accounting system to set up budgets for each self-directed services participant. Specific service authorization data is imported into a budget for each participant. The project module containing authorization data is fully integrated with other Great Plains modules that



are used to disburse payroll and goods and services payments. This integration allows for controls to be implemented that prevent the disbursement of payments that are not authorized. Because payment modules are fully integrated with authorization data, transactions that would result in an over-spending scenario are flagged prior payment.

To maintain the highest level of security for participant documents that are mailed or faxed to us, Morning Sun uses M-Files, an electronic document management system. All paper documents related to financial management services participants are scanned and stored in M-files, thus eliminating the need for storage and the security concerns related to having physical documents with private health or personally identifiable information on hand.

In addition to electronic document storage, Morning Sun utilizes other features of the M-files software application that allow for significant efficiencies. The M-files application can automate workflows to streamline business processes. For example, Morning Sun uses an M-files workflow to pay providers. Claim payment requests received are scanned into the M-files system and moved into an electronic workflow that tracks their progress. Steps in the workflow indicate whether a payment request has been entered into Great Plains, if it has any issues that must be addressed before processing, and whether those issues have been resolved and the provider has been paid. Alerts in the form of emails are generated from M-files to relevant Morning Sun staff as a payment request moves throughout the workflow and new processes need to be addressed. Workflows in the M-files system, which are also integrated with the Great Plains system, have been implemented for many Morning Sun processes including the receipt and processing of employer, employee, and vendor packets, payroll payments, payment for goods and services, and creation of participant budgets upon receipt of service authorization data. The ability to integrate the Great Plains system with M-files workflows has greatly enhanced internal controls and efficiencies which equates to on-time payment of authorized services.

4.2.1.24 The Vendor should propose a system and policies, procedures and internal controls to enroll each member choosing the Personal Options or his/her representative, as appropriate as an employer, including preparing the Employer Enrollment Packet and conducting quality control of the production of the Packet; assisting member- representative-employers in completing all forms and providing the information requested in the Packet and collecting and processing the completed forms and information



provided. The Vendor's system, policies, procedures, and internal controls should recognize the Vendor's understanding of all required forms by referencing each form within the proposal. The Vendor's proposal should address, but not be limited to, its understanding of the following processes or procedures:

It may be useful at this point to include Morning Sun's "Operational Components," which stipulate the steps in our methodology for setting up any new contract. Much of the information you are requesting in this item and several to follow is included in this list of Implementation Components. We present them here as an overview of our set-up process and will provide further detail in response to specific items as requested. This is an overview that we hope will help to provide context for specific responses.

## IMPLEMENTATION COMPONENTS

Morning Sun approaches each new contract through four operational components, which we do not call "phases" because many activities overlap in time. Our work processes are built-in to our systems, primarily the accounting and document management systems which handle the workflows. The Morning Sun Implementation Components™ identified below are **Discovery, Data Acquisition, Internal Readiness, and Orientation and Enrollment.**

This is the generic set of activities that we undertake to guide our discovery and to familiarize ourselves with each client's systems and contract operations and to set up our systems in preparation for the Operations phase of the engagement. We follow this procedure for all every contract. Of course, we understand that each one is different and some of these steps may not pertain to this contract. But this key document helps us clarify the requirements and gather essential information for every engagement.

## DISCOVERY

### Contract Awarded

- Enroll as a Medicaid provider in the state
- Obtain a Federal EIN for the sole purpose of managing our employer accounts and is separate from our corporate accounts
- Create two bank accounts – one for Member and employee funds and another for all other administrative funds



## Contract Implementation and rollout planning

- Schedule a kickoff meeting with State and/or program personnel
- Obtain and share key contact information
- Program Specific Questions
  - Does the State have a program manual for each contracted program?
  - How does the new Member on-boarding process work?
  - How will we receive service authorization data?
  - Are allocations monthly, quarterly, annual or something else?
  - Are allocations based on hours, dollars, or both?
  - Can a member move funds from one service code to another within their allocation?
  - What happens to unused funds?
  - Do any programs utilize savings accounts for unused funds?
  - Is there any patient liability?
  - What is the current referral process?
  - What are the requirements for background checks?
  - Are they only required upon hire, or must they be renewed?
  - Can an employee continue to work if not renewed?
  - Is there a specific vendor the background checks must be run through or a state background check system?
  - Can an employee background check be transferred from a previous provider?
  - Are there any training or certifications that must be tracked?

Do these have to be renewed?

Can an employee continue to work if not renewed?

- Is billing done electronically for reimbursement claims and FMS fees? If not, what is the process for manual billing?
- How often can the FMS bill?
- What is the process for eligibility checks?
- What is the current payroll cycle?
- Determine time entry due dates



- What are the payroll service codes used?
- Is overtime allowed?

Are there specific rules related to overtime such as capped hours?

Does the entire cost of OT come out of the Member's allocation?

- Are there any program specific requirements related to the number of employees each Member must have?
- Are employees required to fill out task detail forms?

Is the FMS required to track and retain task details?

- What are the program requirements for workers compensation?

Does the cost for workers compensation come out of the Member's allocation?

- Are there multiple rates of pay?

Are there any daily pay rates?

- Are there any program specific labor rules such as relatives cannot work overtime, or family members cannot be employees?
- How many different service codes are used for goods/services?
- What are the program specific rules for goods/services payments?
- Do some Members have goods/services allocations only – without payroll?
- Are goods/services payments related to purchases, reimbursements, or both?
- What are the program requirements for online services?
- What are the monthly reporting requirements?

For Members, case managers, program Consultants, etc.

- What are the quarterly reporting requirements?
- What are the annual reporting requirements?

#### Delivery Dates

- Establish on-going transition status update status meeting schedule.
- Inquire with the state about reporting requirements



- Create employer transition/enrollment packets
- Research and Identify state specific tax regulations
- Create employee transition/enrollment packets
- Research and Identify state specific department of labor rules and forms.
- background check requirements
- Eligibility checks required other than OIG

## Human Resources

- Research worker compensation insurance requirements per the state/contract.

## Authorizations

- How are authorizations received
- What are all the services codes?
  - Unit or dollars based
- Format of document?

## Billing

- Billing requirements
- Research State website for billing requirements
- Identify a billing contact at the state

## DATA ACQUISITION

---

- Obtain information from the State or other FMS provider:
- Receive initial list of current contact information for the Members, employer of record and employees
- Identify data and earnings transfer requirements
- Employee, employer and authorized representative transfer data





- Employee Name, SSN & Demographics & Clearances

Employee First Name

Employee Middle Initial

Employee Last Name

Employee SSN

Employee Address

Employee City

Employee State

Employee Zip Code

Employee DOB

Employee Phone Number

Employee Email Address

Employee Relationship to employer

Employee Active Garnishments

Copies of all Employee's required pre-employment clearances

Associated Employer Federal EIN

Associated Employer First Name

Associated Employer Last Name



Member(s) served First Name

Member(s) served Last Name

Member(s) served Medicaid number

- Employee YTD earnings detail by quarter

Employee First Name

Employee Middle Initial

Employee Last Name

Employee SSN

Associated Employer Federal EIN

Associated Employer First Name

Associated Employer Last Name

Employee Gross Earnings

Employee Federal Taxable Earnings

Employee Federal Tax Withheld

Employee FICA Medicare Taxable Earnings

Employee FICA Medicare Tax Withheld

Employee FICA Social Security Taxable Earnings

Employee FICA Social Security Tax Withheld



Employee State Taxable Earnings

Employee State Tax Withheld

Employee SUTA Taxable Earnings

Employee FUTA Taxable Earnings

If applicable, Employee Local Taxable Earnings

If applicable, Employee Local Tax Withheld

If applicable, Employee Local Tax Code

- Member (Member) IDs, Demographics & AR Information

Member Medicaid Number

Member SSN

Member DOB

Member First Name

Member Middle Initial

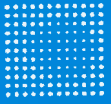
Member Last Name

Member Address

Member City

Member Zip Code

Member Phone Number



Member Email Address

Associated Employer Federal EIN

Associated Employer First Name

Associated Employer Last Name

If applicable, Authorized Representative First Name

If applicable, Authorized Representative Last Name

If applicable, Authorized Representative Address

If applicable, Authorized Representative City

If applicable, Authorized Representative State

If applicable, Authorized Representative Zip Code

If applicable, Authorized Representative Phone Number

If applicable, Authorized Representative Email Address

Case Manager Name

Case Manager Phone Number

Case Manager Email Address

- Employer Name, demographics and account detail

Employer Federal EIN



Employer SSN

Employer First Name

Employer Middle Initial

Employer Last Name

Employer Physical Address

Employer City

Employer State

Employer Zip Code

Employer Phone Number

Employer Email Address

Employer SUTA Account Number

Employer SUTA Rate

If applicable, Employer SUTA Internet Login user and password

Employer State EIN

If applicable, Employer State Internet Login user and password

- Vendor Name and demographics

Vendor W9

Vendor EIN



Vendor Name

Vendor Address

Vendor City

Vendor State

Vendor Zip Code

Vendor Payment Address

Vendor Payment City

Vendor Payment State

Vendor Payment Zip Code

Vendor Contact Person

Vendor Phone Number

Vendor Email Address

Vendor Payment Preference

Vendor Banking Information

- Member Authorization data transfer
  - Obtain Member service authorizations from state/case manager/Supports Broker
  - Obtain Member ID (if applicable)
  - Obtain amount spent through previous provider (if needed)
  -



## INTERNAL READINESS

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- Develop a work plan that is approved by all stakeholders
- Schedule internal implementation meetings
- Determine Staffing Needs
- How many employees and Members will be onboarded?  
Determine internal staffing needs for all departments

Payroll

Billing

Budgets and reporting

Accounts Payable

Human Resources

Program

Technology

- Post openings internally and externally to hire staff
- Secure office Space in MN and in new state, if applicable
- Create Secure FTP site and logins for data transfer
- Obtain transferring provider's contact information
- Identify users and provide credentials
- Test data exchange between entities



## Internal System and Reporting Setup

- Create M-Files Data Storage vaults
- Identify workflows needed
  - New Hire & Transfer Employee Workflow
  - New and Transfer Employer Workflow
  - New and Transfer Authorization Workflow
  - Time Entry Workflow
  - Goods and Services Workflow
- Document classes
- Identify users and related permissions
- Setup Electronic Visit Verification system (EVV)
- Contact state EVV contact and identify state mandated system requirements
- Identify contract/state specific service codes
- Develop import/export from EVV to payroll system
- Develop internal and external User training
- Identify requirements for state aggregator
- Setup Great Plains system
- FEA Company
  - Choose a current internal production company to be mirrored
  - Add or modify general ledger accounts
  - Set up Budget cost categories

Set up class IDs to match billing procedure codes

Determine Billing Cycle ID's

- Set up Customer Cards





Determine Customer ID configuration (i.e., Medicaid number or naming convention)

Set up Medicaid billing number as “short name”

Enter address for Main and or Tracking mailing

Set up Class IDs to reflect Program

Enter Birthdate/Gender on Project tab to allow creation of projects

Enter AR account number and Bank Information on Accounts tab

- Set up Member Contract Cards

Link contracts to Customer Cards

Determine Naming convention for Contract ID and Contract No.

- Set up Member Projects

Determine Naming convention for Project ID and Project No.

Establish Project Name naming convention

Establish County information

Establish Waiver Types

- Custom code

Meet with programmers to develop custom code specifications

Test code in test database environment

Move tested code to production environment

- Setup Checkbooks within GP accounting



## Payroll account

### Main General Account

- Setup Payroll General Ledger Posting accounts links
- Management Company
  - Choose a current internal production company to be mirrored
  - Add or modify general ledger accounts
  - Set up customer card for State Fee Receivables
  - Setup Checkbooks within GP accounting

## Payroll account

### Main General account

- Crystal and SRS Reports creation
- Payroll
  - Payroll Audit reports

## Overtime reporting

## Overlapping Shifts

## Employees Working with Multiple Members

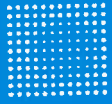
## Employers with multiple Employees Audit

## Timesheet Edit Reporting

## Payroll Taxes to Access

## 2014-7 Monthly and Quarterly Audit

## FICA, FUTA and SUTA Exemption by EE by ER



Employer Tax Account Information Audit

Direct Deposit Set-up Audit

Employee Address Audit

Employee Pay Rate Audit

Employees active but never paid audit

Payroll Processing Reports

Payroll Checklist- utilized to ensure all processes are completed and in the required order.

Payroll Check Register

Payroll Check Book Posting Journal

State Tax Posting Journal

Local Tax Posting Journal

Payroll Deduction Posting Journal

Payroll Benefits Posting Journal

Payroll Check Posting Register

Payroll Bank Transaction Summary

General Posting Journal

Calculated Checks Report



## Direct Deposit Summary-ACH Reporting

- Payroll Period-End Reports

Payroll Summary

Pay Code Summary

Department Summary

Position Summary

Deduction Summary

Benefit Summary

State Tax Summary

Local Tax Summary

FUTA and SUTA Tax Summary

Workers Compensation Summary

- Quarter/Year End Tax Reports

941 Preparation Report

941 Schedule B Preparation Report

940 and 941 Schedule R Report

FICA Refund Reporting

Quarterly SUTA reporting



Quarterly State Income Tax Reporting

Quarterly SUTA filing bulk uploads to meet state specifications

Quarterly State Income Tax filing bulk uploads to meet state specifications

- Other reports as required by the contract
  - Billing
    - Create Crystal Aging Report
    - Create Billing Cycles by Project Report
    - Create Missing Birthdays Report
    - Create Projects Missing Billing Cycles Report
    - Create Cost Categories Incomplete GL Report
    - Create Billing to Review Report
    - Create EDI Billing Report
    - Create Unbilled Billings Report
    - Create Unbilled Billings Date Discrepancies Report
    - Create Open Budgets without Costs Report
    - Create Per Member Per Month Fee Report
    - Create Missed Fees Report
    - Create Fees Lost Report
    - Create Ending Projects Report
    - Create Missing Sub-Account Override Segment Report
    - Create Random Sample of Active Budgets Report
  - Utilization
    - Establish monthly reporting requirements (summary vs detailed)
    - Work with report writer to establish document structure and format
    - Test report interface with GP database
    - Send draft to State for approval
- Make changes/updates as needed, repeat step iv if needed.



- **Human Resources**

- Create new hire report
- Create Audit reports

Background check audit

Employee set-up audit

Test audit (if applicable)

- Create any necessary integration programs to allow import of data into Great Plains software
- Develop the M-files workflow to allow for tracking of the individual Employer Packets
- Develop the M-files workflow to allow for tracking of the individual Employee Packets
- Develop the M-files workflow to allow for tracking of authorizations
- Create Payment Request form along with MS ACH form
- Develop the M-files workflow to allow for tracking of payment requests
- Create FMS policies and procedures to incorporate new contract updates
- Create disaster recovery process
- Business continuity plan
- Quality Assurances- Identify contract specific reporting requirements
- Create an employer handbook

## Communication Setup

- Create toll free phone lines
- Test once created
- Create toll free fax lines
- Test once created



- Develop automated attendant script for calls to following departments:
- Program/Customer Service
- Payroll
- Accounts Payable
- Billing
- After-hours contact
- After-hours voicemail
- Create departmental shared email accounts
- Test each account
- Review staff hours to ensure staffing is in place for required business hours

## Website

- Add new state section
- Add Employer Forms upon state approval
- Add Employee Forms upon state approval
- Goods and Services Forms
- Program Overview
- TTY Line information
- Interpretation and communication
- Contact Information
- Create access to expense summary/utilization reports
- Create access to allow time entries to be created and submitted.



## Payroll

- Create a pay schedule and get approved by state
- Create a timesheet and get approved by the state
- Setup Electronic Visit Verification system to meet the standards of the contract.
- Setup payroll system to the specifications of the contract
- Link payroll to the accounting system
- Setup payroll general ledger accounts
- Setup pay period and pay date tables
- Setup PTO/Sick Pay accrual tables-if contract requires
- Run a current payroll tax update- to ensure tax tables use correct calculations of federal, state and local taxes.
- Setup deduction tables
- Identify service codes to use
- Create pay codes using service code type
- Company specific identifiers- EIN #, state account numbers and rates, workers comp. account number and rate.
- Setup payroll bank account and check book
- Test paycheck calculations.
- Process a test payroll.
- Identify and setup Garnishments, Child Support and Tax Levies
- Test garnishment, child support and levy calculations against orders.
- Run a prenote EFT file to ensure integrity of employee account data
- Test import of timesheet data from the EVV system





- Audit imported data against data provided during transition
- Test custom code to ensure time entries are checked for overlapping shifts, overtime and if the timesheet is within the allocated Member dollars.
- Apply employee tax exemptions from FICA, FUTA and SUTA.
- Audit employee tax exemptions against data provided during transition
- Apply employee pay rates
- Audit employee pay rates against data provided during transition
- Apply the Difficulty of Care (2014-7) tax exclusion to employees who qualify. Verification from the state that the program qualifies for this exclusion.
- Apply employee W-4 withholding allowances.
- Apply employee state withholding allowances by using the state W-4 form where required.
- Setup system to produce electronic earning statements
- Setup system to produce electronic W-2 statements.

## Taxes

- Open Federal EINs for FEA company and the corporate management company
- Open state withholding account for the corporate management company
- Apply for state withholding TPA/bulk filer account, in states where applicable
- Apply for state unemployment TPA/Bulk filer account, in states where applicable.
- Open state unemployment account for the corporate management company
- Open IRS EFTPS accounts to make tax payments for the FEA company and for the corporate management company. FEA company will deposit taxes in the aggregate for all employer accounts.
- Establish a system to file federal forms 941, 941 schedules B and R, 940, 940 schedule R and annual W-2 reporting
- Establish a system to file state withholding taxes by each EOR.



- Establish a system to file and pay quarterly unemployment taxes for each EOR.
- Establish a system to store copies of all tax forms and payments per each EOR.
- All tax notices received from the IRS and state agencies are tracked, researched and followed through to final resolution.
- Process all EOR form SS-4 Application for the Employer Identification Number.
- Create a process to track all IRS SS-4 CP575 I letters
- Process all EOR form 2678 to the IRS for approval to act as the Agent.
- Create a process to track receipt of IRS LTR 1997c, IRS approval to act as the Agent.
- Process all state Power of Attorney forms. Allowing Morning Sun to represent the EOR for state withholding and unemployment tax issues.

## Human Resources

- Obtain the workers compensation policy for contracts that require coverage for Domestic Workers.
- Create BCI account and other applicable eligibility check accounts
- If a co-employer or Affordable Care Act eligible program; obtain a group health insurance policy
- Contact Health Insurance Broker
- Create a welcome letter for incoming employees
- Create an Employee Enrollment Packet (paper and adobe sign)
- Establish New Hire Reporting account
- Develop a system to track workers compensation claims
- Develop a system to track unemployment insurance claims.

## Authorizations

- Checking eligibility



## Goods and Services

- Create reimbursement form

## Billing

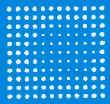
- Request any billing guides available from the state
- Establish Medicaid provider number
- Research transition documents for procedure code set-up
- Establish EFT information for payments received
- EDI X12 billing
- Obtain testing information from state test site
- Develop Crystal report for pulling billing information
- Create mapping for Gentran
- Test mapping through the state test site
- Finalize any corrections and pass submission testing
- Acknowledge test status change to Production
- Paper Billing
- Develop Crystal report for pulling billing information
- Determine format for billing submission
- Determine correct billing address
- Patient Liability
- Determine if PL is applicable in state
- Research rules regarding payment of PL
- Set up PL accounts for Members



## ORIENTATION AND ENROLLMENT

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- Common Employer packet items modified for State
  - Checklist Coversheet
  - Letter of Welcome and Introduction including Morning Sun hours of operation, toll free number, key staff and all contact information
  - Summary of Fiscal/Employer Agent Responsibilities
  - Summary of Employer/Member Responsibilities
  - Member/Employer agreement with Morning Sun Financial Services
  - IRS form SS4: Application for Employer Identification Number
  - IRS form 2678: Employer Appointment of Agent
  - IRS form 8821: Tax Information Authorization
  - State Income Tax Withholding Account Application – if applicable
  - State Income Tax Power of Attorney form – if applicable
  - State Unemployment Account Application – if applicable
  - State Unemployment Account Power of Attorney form – if applicable
  - Instructions how to complete all employee forms and applications
  - E-Verify MOU or applicable notification
  - Copies and samples of employee time entries with instructions
  - Payroll Schedule including due dates
  - IRS form W9: Request for Taxpayer Identification Number and Certification – if applicable
  - Good & Services requisition form – if applicable
  - Examples and instructions for expenditure reports
- Common Employee packet items modified for State
  - Employee Application
  - Change Notification
  - Tax Information Questionnaire
  - Live and Work with the Person Your Serve Tax Exemption
  - Direct Deposit Form
  - W-4 Form



- State Specific W-4 (if applicable)
- Notice 797
- I-9 Form
- Background Check Form
- Any additional State specific forms

## Training - Internal and external

- Create training documents for external and internal employees
- Internal:
  - Human Resources
  - Payroll
  - New state program administrator, Supports Brokers, Consultants and other personnel
  - Budgets
  - Accounts Payable
  - Billing
- External:
  - State or County Case Managers
  - State contract managers
  - Other stakeholders as requested
- Create and setup a training schedule for internal and external

## Enrollment

- Create list of locations, dates and times for group transition orientation enrollment meetings within 7 days of receiving Member lists
- Communicate phone system and communication modes for assistance with packets
- Create process and dates for Member completion of Employer Packets
- Create process and dates for new hire completion of Employee Packets
- Plans and dates for final collection of enrollment packets



- Communicate time entry usage for transitioning employers and employees
- Plan for internal processing of Employer packets (IRS and state forms). Processed within 3 days of submission
- Plan for internal processing of Employee packets. Processed within 3 days of submission
- Issue pay cards to employees who request a card in their enrollment packet

This concludes our list of Implementation Components

**4.2.1.24.1 Preparing the Employer Enrollment Packet and having an internal control for monitoring the quality of production. The Packet should include as applicable, but not be limited to:**

Morning Sun’s Great Plains Accounting System and integrated M-files system provide quality control for all facets of the Employer Enrollment Packet. The process and procedure for every form is documented as a workflow within M-files. Different people are responsible for different forms, so the system enables every action to be handled in the proper order and by the proper department.

The following chart of activities to be completed in preparation for going live with a new contract includes an overview of how we gather and process information from Employers and Workers. We hope you will find it helpful as a contextual overview for these and other related activities.

## Morning Sun Financial Services Implementation Chart

*Based on January 1, 2024, start date for new contract.*

Activity	Project Responsibility	Start Date	Complete Date
<b>Schedule kick-off meeting with Agency</b>	Cheryl Vennerstrom	10/2/2023	10/13/2023
<b>Complete the implementation plan w/all tasks, action steps, timelines &amp; responsible parties</b>	Cheryl Vennerstrom Nicolas Thomley Toni Thulen	Drafted	10/16/2023



<b>Detail Transition Plan to enroll current and future participants</b>	Cheryl Vennerstrom Nicolas Thomley Toni Thulen	Drafted	10/13/2023
<b>Submit comprehensive Policies and Procedures Manual, WV Edition, to Agency</b>	Cheryl Vennerstrom	Drafted	11/1/2023
<b>Complete modifications of Policies and Procedures Manual as required</b>	Cheryl Vennerstrom	When received from Agency	Within 10 days of receipt
<b>Obtain list of current employers, contact info and FEINs</b>	Cheryl Vennerstrom Nic Thomley Toni Thulen	10/2/2023	10/16/2023
<b>Obtain and set up additional office space in West Virginia and Minnesota</b>	Nicolas Thomley	10/2/2023	11/01/2023
<b>Set up website for WV</b>	Nicolas Thomley	10/2/2023	10/31/2023
<b>Hire West Virginia-based Program Leaders, and Consultants</b>	Cheryl Vennerstrom	10/2/2023	12/15/2023
<b>Create and finalize transition packet for participants/employers</b>	Justin Dukowitz	10/2/2023	10/17/2023
<b>Create and finalize transition packet for workers</b>	Justin Dukowitz	10/2/2023	10/17/2023
<b>Set up customer service lines and faxes for additional volume</b>	Toni Thulen	10/2/2023	11/03/2023
<b>Plan and schedule group enrollment meetings, mail notice to participants</b>	Cheryl Vennerstrom	10/17/2023	11/03/2023
<b>Mail enrollment packets to employers for employers and employees</b>	Cheryl Vennerstrom	10/31/2023	11/3/2023
<b>Hold group enrollment meetings in 3 regions of West Virginia</b>	Cheryl Vennerstrom Nicolas Thomley	11/3/2023	12/1/2023
<b>Call transitioning employers remaining to collect packets and assist</b>	Cheryl Vennerstrom	12/1/2023	12/31/2023



<b>Set up Participant information in Microsoft Dynamics Great Plains</b>	Justin Dukowitz	12/1/2023	12/31/2023
<b>Set up employee information in Microsoft Dynamics Great Plains</b>	Andrea Seurer	12/1/2023	12/31/2023
<b>Obtain transitioning employer and employee records from incumbent FMS</b>	Nicolas Thomley	10/13/2023	10/20/2023
<b>Set up web portal for time entry submission</b>	Toni Thulen	12/1/2023	12/31/2023
<b>Set up web portal for utilization reports</b>	Toni Thulen	11/1/2023	12/1/2023
<b>Payroll submission of time entries, verification, processing</b>	Justin Dukowitz	First cycle 12/6/2023 to 12/31/2023	Due 1/4/2023 First Pay Date 1/15/2023
<b>Payment of federal withholding taxes. Payment of State withholding Social Security and Medicare</b>	Justin Dukowitz	Bi-weekly	Next Day Filing
<b>Payment of FUTA and SUTA</b>	Justin Dukowitz	12/31/2023	Quarterly
<b>FICA adjustments</b>	Justin Dukowitz	12/31/2023	Year End
<b>Maintenance of secure accounts and records</b>	Toni Thulen	10/2/2023	Ongoing
<b>Electronic storage of documents</b>	Toni Thulen	10/2/2023	Ongoing
<b>Issue W-2s</b>	Justin Dukowitz	January 2025	Annually
<b>Reconcile participant/provider claims</b>	Cassie Yeats	First billing after 1/15/2024	bi-weekly

### 4.2.1.18.1.1 Cover Letter





The Cover Letter is a Letter of Welcome and introduction to Morning Sun's services and operations including Morning Sun hours of operation, toll free number, key F/EA FMNS staff and all contact information.

#### [4.2.1.18.1.2 IRS Form SS-4, Application for Employer Identification Number.](#)

This form is to apply for a federal EIN for each member. We use this number on behalf of the member in IRS forms and maintain it in the member's file.

#### [4.2.1.18.1.3 West Virginia Office of Business Registration Application.](#)

Each member must be registered as a business with the state of West Virginia. The registration, when completed, is retained in the member's file.

#### [4.2.1.18.1.4 IRS Form 2678, Employer Appointment of Agent.](#)

Form 2678 names Morning Sun as the agent of each member-employer. Financial management services will be administered from our Minnesota office. Morning Sun Financial Services will have a current FEIN for Morning Sun Financial Services of West Virginia, which will be used for the sole purpose of performing fiscal employer agent tasks for individual employers in West Virginia, including processing wages, federal forms and filing taxes. Our systems are set up to process IRS form 2678 for each Member we represent, as well as revoke form 2678 when we are no longer the employer's agent.

#### [4.2.1.25.1.5 West Virginia Forms 2848, Authorization of Power of Attorney.](#)

Through this form, the member-representative authorizes Morning Sun to have Power of Attorney on behalf of the member with respect to financial services.

#### [4.2.1.25.1.6 IRS Form 8821, Tax Information Authorization.](#)



Members will be mailed this form as part of the Employer Enrollment Packet. It is also available from our website. We include instructions for filling out the form correctly according to the latest IRS information. We have pre-filled this form on our website and also on hard copies. Once we receive this packet, we file Form 8821 within 3 days. The forms are retained in the participant employer's file.

#### 4.2.1.25.1.7 [West Virginia Forms WV/EFT-5, State Tax Department Electronic Funds Transfer Application.](#)

This form is an application on behalf of the member to employ electronic funds transfer with West Virginia' state tax department.

#### 4.2.1.25.1.8 [Subagent Consent Form.](#)

This form confirms the member's understanding that the state of West Virginia, Department of Health and Human Services, has contracted with Morning Sun as its subagent to perform F/EA tasks on its behalf and that of the member.

#### 4.2.1.25.1.9 [West Virginia Forms WV/ARI-001, Authorization to Release Information.](#)

This form authorizes the state to release specific information to Morning Sun.

#### 4.2.1.25.1.10 [Instructions for completion of all forms and provision of requested information.](#)

The Enrollment Packet includes general instructions for completing the packet and specific instructions for the completion of each form as needed.

#### 4.2.1.25.1.11 [Employer Enrollment Packet Check List.](#)

A Check List of all forms to be completed and returned is include in the Member Enrollment Packet

#### 4.2.1.25.1.12 [Self-addressed stamped envelope or means for electronically submitting completed Packet to Vendor.](#)

A self-addressed stamped envelope will be included as well as information about how to submit the completed Packet to us electronically.



4.2.1.26 The Vendor should propose a plan, to be approved by the Agency, to assist member/representative-employers with completing and submitting the required information and forms included in the Employer Packet.

Following is a sample plan, which will be modified as needed to meet the Agency's preferences.

**Plan for contacting enrollees:** Once West Virginia has made a contract award and informed Members of the change in provider, Morning Sun will plan to follow up the next day with a letter to Members/Representatives introducing our services. [In this section, we will hereafter refer to Member/Representative as "Member"]. We will immediately provide contact information to Members including our toll-free customer service number. We will be prepared to answer calls with questions and concerns. We would like to offer group enrollment meetings in several regions of West Virginia. In our experience, the Members appreciate meeting their new provider and some prefer in-person assistance with packets. We will begin contacting Members as soon after the contract as appropriate to tell them about the transition enrollment meetings and to discuss completion of the transition enrollment packets with them.

**List of locations for group enrollment meetings:** Within 7 days of receiving Member lists, Morning Sun will secure locations for group enrollment meetings and notify the Members of the locations by mail. Group enrollment meetings will be scheduled according to the start-up date that has been determined. The West Virginia project leads and Consultants (and/or Supports Brokers if that service has been established) will collect all packets completed at the enrollment meetings and scan them to the Golden Valley office. The originals will be sent to the Golden Valley office.

**Process for completion of Employer Packets:** We will create a transition packet for Members for whom we receive an Employer FEIN from the other FMS provider. Within 7 days of receiving Member lists, we will begin sending the transition enrollment packets with a stamped self-addressed return envelope to Members/Representatives and ask them to return the completed packets to Morning Sun Financial Services by mail, fax or email by staggered dates ending on a date to be determined, unless they notify us they will attend a group enrollment meeting. We will contact Members/employers by phone beginning 7 days later to ensure they have received their packets and plan to return them by the requested date. We will place a follow up call to the Member within 3 days of the first call. We will offer phone



assistance or schedule phone assistance with those who need additional help filling out the forms so that all enrollment packets are completed and received on time for the first payroll July 1. After the follow up call, we will let the Agency and case manager know if we have had no contact with the Member. We will also continue to call the Member.

**4.2.1.27 The Vendor should collect and process information from the Employer Packet and file completed forms with the applicable Federal and State agencies within two (2) business days of receipt of information.**

Morning Sun will collect and process information from the Employer Packet and files completed forms within two (2) business days of receipt of information.

The following is an example from another state of workflow procedures for Morning Sun staff to process information from the Employer and Employee packets:

Morning Sun will process payroll for Members' workers in accordance with applicable federal, state and local laws and regulations. Morning Sun successfully processes payroll for all our current Members across six states from our Golden Valley, Minnesota office.

Both the employer and employee enrollment packets contain an annual payroll schedule which shows the time periods, pay dates and off-cycle pay dates. Employees are responsible for submitting their time entries to their employers, who review them and sign off before time entries are submitted to Morning Sun for payment.

Successful completion of the forms and background check are pre-requisites to being eligible for payment. We also verify the employee's Social Security number through e-verify and conduct a check through the Office of the Inspector General. Once the file is complete, we notify the employer that the employee may begin working. This information is also included in our Employer Manual. No time entries will be processed for individuals whose employee files are incomplete. Morning Sun also includes information on abuse and fraud in our materials, so we are assured that employers and employees understand the seriousness of accurately documenting actual hours worked.

Employees and employers are responsible for signing the time entry. Without both signatures, the time entries will not be processed.



Morning Sun Financial Services utilizes M-Files Document Management System to store and maintain documents. M-Files is a content management system that helps users organize, manage and track documents and information. Key features include version control, mobile access, e-signature capabilities, automated workflows, document templates, permission management and offline access.

Below we document the HR & Payroll overview of the M-Files workflow:



## Employee Workflow:

01. New Hire Packets in Process (HR)
02. Incomplete/Issue/Create shell in GP/Complete checks (HR)
03. Waiting for BCI (HR/Program)
- 04a. Verify ER Packet/EIN/ROP (Payroll Coordinator)
- 04b. Aging/TAP/VDHCBS Only - (Program)
- 04c. Verify Active Budget in Place (Budgets)
- 04d. No Budget in Place – Need to Contact
05. Payroll Coordinator
06. Payroll Specialist EVV/GP Set Up/Hire Date/Send GTG Letter to EE and ER
07. New Hire Audit (Payroll Supervisor)
08. New Hire Awaiting 1st Timesheet
09. New Hire Reporting (HR)
10. New Hire Complete
- Never Hired

## Employer Workflow:

1. New Employer Packet Received
2. Issues
3. Need to Update DCI & GP
4. Waiting on Agent Authorization
5. Employer Complete
6. Never Started
- Disregarded Packet

Employer and Employee Packets move through the M-Files system from one assigned person/dept to another. Tasks are often completed simultaneously.

HR receives the completed employee packet from the Supports Broker or from the Member directly. An HR specialist will review the documents for accuracy, and if there are any issues with the forms, they will send a communication to the Supports Broker for help in getting revised documents. Required documents include:

- New Employee Change Notice
- Form I-9
- Employment Tax Information Questionnaire



- Form W-4
- Direct Deposit Authorization Form
- Disclosure and Authority to Release Information Request Form
- TN Criminal History Information Request Form
- Employer/Employee Service Agreement

Once the employee documents have been reviewed and determined to be complete, the HR specialist will move forward with all required registry checks.

4.2.1.28 The Vendor should maintain copies of documentation in the applicable member/representative-employer's file, in electronic format or other medium to be mutually agreed upon by the Vendor and the Agency.

Morning Sun maintains copies of all member/representative information, including the Member Enrollment Packet information in electronic format within the M-file system and any other medium required by the Agency.

4.2.1.29 The Vendor should notify the member/representative-employer regarding missing or incorrect information submitted from the Employer Packet and assist the member/representative-employer with obtaining it within five (5) business days.

Within five (5) business days, Morning Sun will notify the member/representative if any information is missing or incorrect and assist them in completing it.

4.2.1.30 The Vendor should file an IRS Form SS-4, Application for Federal Employer Identification Number and obtain a FEIN for each member/representative- employer per IRS procedures. The Vendor should maintain a copy of the Form and the member/representative-employer's FEIN in the member file.



Members who are transitioning from the prior FEA FMS will already have a FEIN, which Morning Sun will receive from the prior subagent. Morning Sun will apply for the FEIN for each member who does not already have one. We will maintain a copy of the form and the FEIN in the member's file.

4.2.1.31 The Vendor should file the WV/BUS-APP, Business Registration, obtain employer account numbers for state income tax withholding and state unemployment insurance purposes, and maintain copies of the Form and the account numbers in the member/representative-employer's file.

Member-representatives need to register as a business in the state of West Virginia. For members transitioning from the prior FEA FMS, Morning Sun will receive the employer account numbers for state tax withholding and unemployment insurance purposes and maintain copies and account numbers in the member's file. Morning Sun will file the Business Registration form for all new members and maintain copies as directed.

4.2.1.32 The Vendor should file with the municipality as required to register the member as an employer. The member/representative registration and account number should be maintained in the member/representative-employer's file.

Morning Sun will file with the municipality as required to register the member as an employer. We will maintain the registration and account number in the employer's file.

4.2.1.33 The vendor should withhold and submit municipal fees (city service fees) for members' qualified workers as applicable.

Morning Sun will withhold and submit city service fees for members' qualified workers as applicable.

4.2.1.34 The vendor should be responsible for any penalties for failure to register the member/representative-employer or failure to pay municipal fees as required by the municipality.

Morning Sun will be responsible for any penalties for failure to register a member or failure to pay municipal fees as required.

4.2.1.35 The Vendor should propose a system in place and policies, procedures and internal controls for processing DCSWs' human resource documentation and participant-directed vendors'





information (PDGS, EAA, etc.) and input it into the Vendor's payroll and billing invoice payment system. Tasks/requirements of the Vendor include, but are not limited to, the following:

#### 4.2.1.35.1 The Vendor should prepare the DSCW Employment and Vendor Engagement Packets; that include, but are not limited to:

Morning Sun has a standard DSCW Employment Packet and a separate Vendor Engagement Packet. These will be modified to meet the requirements of the state of West Virginia and the Agency and may be combined into one Packet if that is your preference.

##### 4.2.1.35.1.1 Cover Letter.

The Cover Letter is a Letter of Welcome and introduction to Morning Sun's services and operations including Morning Sun hours of operation, toll free number, key F/EA FMNS staff and all contact information.

##### 4.2.1.35.1.2 Instructions for completing forms and providing information requested.

Instructions are included for the entire packet and for specific forms. Forms are pre-filled out where possible.

##### 4.2.1.35.1.3 DCSW Data Form to collect personal and emergency contact information.

This form collects personal and emergency contact information for BCSW. It is maintained in the worker's file.

##### 4.2.1.35.1.4 IRS Form W-4, Withholding Allowance Certificate, and instructions.

IRS Form W-4 established the amount of money to be withheld and paid to the government on behalf of the employee. Morning Sun has a process for assisting the member-employer in determining if the worker is an employee or independent contractor for withholding purposes if it is not clear to the member.



#### 4.2.1.35.1.5 West Virginia Form IT-104, West Virginia Employee Withholding Exemption Certificate.

This form establishes the worker's withholding requirements for the state of West Virginia.

#### 4.2.1.35.1.6 US BCIS Form I-9, Employment Eligibility Verification Form, and instructions.

On the form, an employee (whether citizen or noncitizen) must attest to their employment authorization. The employee must also present acceptable documents as evidence of identity and employment authorization. Morning Sun will examine these documents to determine whether they appear to be genuine and relate to the employee, then record the document information on the employee's Form I-9. The form includes the list of acceptable documents.

#### 4.2.1.35.1.7 Medicaid Provider Agreement.

The worker agrees to provide goods or services for Members in accordance with the terms of the agreement and Medicaid Regulations.

#### 4.2.1.35.1.8 West Virginia Employment Agreement

Employment agreement specific to the state.

#### 4.2.1.35.1.9 West Virginia DHHR Protective Service Check Form when required by program policy.

This form authorizes a background check to clear the worker of any instances of child abuse or neglect.

#### 4.2.1.35.1.10 Application for pre-employment Criminal Background Check through WV Clearance for Access: Registry and Employment Screening (WV CARES).

This form requests that a criminal background check be completed for the worker.

#### 4.2.1.35.1.11 Consent form for pre-employment criminal background check through WV CARES.



This form is used for the worker to consent to a criminal background check. WV Cares is the program that conducts criminal background checks on behalf of the state.

#### 4.2.1.35.1.12 Employee Training Verification Form.

This form will verify the training that a worker receives for this job. It is updated when new training is completed/

#### 4.2.1.35.1.13 Confidentiality Agreement acknowledging that the DCSW agrees to respect the privacy and confidentiality of members' protected health information.

This agreement will be included to protect the privacy of members' health information and restricts DCSW from releasing to any unauthorized source.

#### 4.2.1.35.1.14 Instructions for reporting hours worked by DCSWs (i.e., timesheet instructions).

Instructions will be included for how employees should report their hours worked, seek the employer's signature on the time entry, and submit the timesheet to Morning Sun. Workers will be informed of the various ways to submit a time entry.

#### 4.2.1.35.1.15 Due dates for DCSWs to report hours worked and pay schedule.

Payroll schedule, due dates for time entry submission and pay dates are included. A specific pay schedule will be created for Agency approval according to the terms of this contract. This information is provided to employers and workers annually.

#### 4.2.1.35.1.16 Participant-directed Goods and Services, Environmental Accessibility Adaptations, and Community Transition Services Disallow List, if applicable.

This form lists goods and services that may not be purchased for these services.

#### 4.2.1.35.1.17 Application for Approval of Participant-



directed Goods and Services, Environmental Accessibility Adaptations, and other vendor-provided services if applicable.

With this form, the member applies to receive goods and services, environmental accessibility adaptations, and other services that Morning Sun may provide, if applicable.

#### 4.2.1.35.1.18 Provider Service Agreement.

This is a simple contract between employer and worker in which the worker agrees to provide services in exchange for compensation.

#### 4.2.1.35.1.19 IRS Form W-9, Request for Taxpayer ID Number and Certification.

This is a standard IRS form that requests a vendor's federal ID number, i.e., Social Security Number or business ID number. This form is completed by vendors from whom we order PDGS.

#### 4.2.1.35.1.20 (PDGS), (EAA), and other participant-directed vendors engagement information form (if applicable).

Form for providers of participant-directed goods and services or Emergency Assistance to Adults. Used as circumstances require.

#### 4.2.1.35.1.21 Participant-directed vendors invoice format for submission of payment requests and instructions for submitting invoices for payment (if applicable).

This form illustrates the format in which vendors must submit invoices and how to submit them.

#### 4.2.1.35.1.22 Participant-directed vendor invoice due dates and payment schedule (if applicable).

This is a schedule of when vendors must submit their invoices to Morning Sun and the schedule of payment dates. This is used for members who are receiving goods and/or services from vendors.



#### 4.2.1.35.1.23 Form to collect information for West Virginia New Hire Reporting Form requirement.

Federal and State law requires employers to report newly hired and re-hired employees in West Virginia to the West Virginia New Hire Reporting Center. Morning Sun will collect that information and report it as required.

#### 4.2.1.35.1.24 Form to collect required information to determine if a DCSW meets one of the criteria below:

Workers who meet one of the following criteria may be exempt from certain taxes or overtime pay requirements. Morning Sun collects all this information on this form which is included in the enrollment packet. If a DCSW meets one of these criteria, that becomes part of their status for payroll and tax withholding.

4.2.1.35.1.24.1 To be FICA and/or FUTNS UTA exempt as a family employee per Section 3 of IRS Publication 15.

4.2.1.35.1.24.2 Qualifies for Difficulty of Care payments (i.e., exempt from Federal income tax withholding).

4.2.1.35.1.24.3 Qualifies under the Fair Labor Standards Act (FLSA) as a live-in domestic service employee and is exempt from overtime pay.

4.2.1.35.1.24.4 Qualifies as a foster care or shared living provider (i.e., exempt from Federal income tax withholding).



#### 4.2.1.35.1.25 Application for optional use of direct deposit.

Authorizes Morning Sun to deposit a worker's paycheck directly deposited into a designated bank account.

#### 4.2.1.35.1.26 DCSW Employment and Vendor Engagement Packet Check List.

The check list will include all relevant forms that are to be completed and returned. It enables the DCSW to check that all forms have been completed.

#### 4.2.1.36 The Vendor should assist member/representative-employers with completing and submitting the required information and forms included in the DCSW Employment and Vendor Enrollment Packet, as needed.

Morning Sun West-Virginia based Consultants will assist members, workers and vendors with completing and submitting the required information and forms included in the Employment and Vendor Enrollment Packets.

#### 4.2.1.37 The Vendor should collect and process information from the DCSW Employment and Vendor Engagement Packets and file completed forms with the appropriate Federal and State agencies within two (2) business days of receipt of information.

Morning Sun will collect and process information from these packets and file completed forms with the appropriate Federal and State agencies within two (2) business days of receipt.

#### 4.2.1.38 The Vendor should maintain copies of documentation, electronic or other media, in the applicable DCSWs' and vendors' files.

We will maintain copies of documentation in the electronic M-files or other media as required by the Agency.

#### 4.2.1.39 The Vendor should notify the member/representative-employer regarding missing or incorrect information submitted from the DCSW Employment and Vendor Engagement Packet and assist with obtaining it within five (5) business days of completion or



submission.

Morning Sun will notify the member/representative employer about missing or incorrect information from the DCSW Employment and Vendor Engagement Packet and assist with obtaining correct information within five (5) business days of completion or submission. West Virginia based Consultants will gather the necessary information from the member-representative and assist with filling out the correct forms.

4.2.1.40 Vendor should distribute and collect completed IRS Forms W-9, Request for Taxpayer ID, and Certification within thirty (30) calendar days, when it is determined that a participant-directed vendor is an independent contractor.

When it is determined that a participant-directed vendor is an independent contractor, Morning Sun will distribute and collect IRS Form W-9 within thirty (30) calendar days. Morning Sun has a stated process for helping a member-employer to determine if a vendor is an independent contractor.

4.2.1.41 Vendor should process the DCSWs' IRS Forms W-4 Withholding Allowance Certificate and the West Virginia Forms IT-104, West Virginia Employee Withholding Exemption Certificate within thirty (30) calendar days.

These tax withholding forms will be processed as required within thirty (30) calendar days of receipt.

4.2.1.42 Vendor should maintain copies of the IRS Forms W-4 and West Virginia Form IT-104, when applicable, in each DCSW's file.

Morning Sun maintains copies of all applicable documents in the worker's file.

4.2.1.43 The Vendor should collect and maintain copies of the US BCIS Form 1-9, Employment Eligibility Verification Form in each DCSW's file.

This federal form is used to verify a worker's identity and eligibility for employment in the United States. Morning Sun maintains copies of all applicable documents in the worker's file.

4.2.1.44 The Vendor should execute a Medicaid Provider Agreement with DCSWs and a West Virginia Provider Service Agreement, which will be provided to the successful vendor



upon contact award, with vendors of authorized Participant-Directed Goods and Services, Environmental Accessibility Adaptation (EAA), Personal Emergency Response System (PERS), Extended Professional Services/therapies, and Community Transition Services. The Vendor should maintain copies of these documents in the DCSWs' and vendors' files.

Morning Sun will execute a Medicaid Provider Agreement with DCSWs and a West Virginia Provider Service Agreement with vendors of authorized goods and services. Copies of these documents will be kept in the workers' and vendors' files.

4.2.1.45 The Vendor should participate in the West Virginia Clearance for Access: Registry & Employment Screening (WV CARES) program for the required documentation for fingerprint-based state and federal criminal background checks for all DCSWs hired by the member/representative-employer. Resources for the WV CARES program can be found at:  
<https://dhhr.wv.gov/bms/Provider/Documents/Manuals/Chapter%20700%20WV%20CARES%20Policy%20FinalApprovedforManual.pdf>

Morning Sun is prepared to participate fully in the WV Cares program for the required criminal background checks for all DCSWs hired by a member-representative.

4.2.1.46 The Vendor should receive and maintain fitness determinations of criminal background check results from the WV CARES on DCSW candidates on file and provide results of the fitness determination to member/representative-employers within two (2) business days of receipt.

Morning Sun will maintain the fitness determinations of criminal background checks and provide results to member-representative employers within two (2) business days of receipt.

4.2.1.46.1 The Vendor should receive and maintain "rap back" notifications regarding WV CARES fitness determinations on active DCSWs. The definition for "rap back" can be found at:  
<https://dhhr.wv.gov/bms/Provider/Documents/Manuals/Chapter%20700%20WV%20CARES%20Policy%20FinalApprovedforManual.pdf>





[20WV%20CARES%20Policy%20FinalApprovedforManual.pdf](#). The member/representative-employer should be notified within (1) business day of receipt of a notification that disqualifies a DCSW and the DCSW's employment terminated at that time.

Morning Sun is familiar with these notifications and will be diligent in receiving them, maintaining them, and notifying the employer within (1) business day of a notice of disqualification.

4.2.1.47 The Vendor should verify each DCSW's social security number and providers' and vendors' FEIN through the Social Security Administration and IRS as appropriate.

The process of verifying Social Security Numbers and FEINs is included in the initial setup for payroll for workers or payment of invoices to vendors. No one is set up in our systems until the federal identification number has been verified.

4.2.1.48 The Vendor should report member/representative-employers' new worker hires into the West Virginia New Hires Directory within twenty (20) calendar days of hire.

Morning Sun will report all new worker hires as required within twenty (20) calendar days of hire.

4.2.1.49 The Vendor should maintain copies of West Virginia New Hire Reporting documentation in workers' files.

Copies will be maintained as required.

4.2.1.50 The Vendor should provide member/representative-employer orientation and skills training in a culturally sensitive manner and in accordance with the philosophy of self-direction, which supports empowering members and their representatives by expanding their degree of choice and control over the services they need to live at home, and vesting decision-making and managerial authority in members/representative-employers.

Morning Sun's ability to provide orientation and skills training to member-representatives in a culturally sensitive manner and in accordance with the philosophy of self-direction stems from our deep commitment



instilling these understanding and qualities among our own employees, who will be the ones interacting with members and representatives.

For more than twenty years, our leadership team and employees have served thousands of people of all ages with physical disabilities, mental illness, traumatic brain injury, intellectual and developmental disabilities, as well as seniors. Some of those we serve are also living in poverty or members of other marginalized communities including LGBTQ, military combat veterans and/or racial and cultural minority communities. Some are recent refugees and immigrants. For many of the participants and/or their representatives we provide alternate means of communication such as American Sign Language, Braille, large print format, or translation service into one of 176 languages.

We are an organization deeply committed to in-service training and continuing education among our team. Morning Sun has a robust training plan for new employees including training on self-direction, person-centered thinking, customer service, fraud, waste and abuse and maltreatment reporting. We provide annual evaluations of our employees' performance. Training is provided by the new employee's supervisor and includes all the tasks and activities relative to their job functions. Training is provided in group and team meetings, and employees receive regular feedback on their job performance including weekly meetings and group meetings with their supervisors.

### **Member and Representatives Education and Training**

**Note:** The following materials assume that a Resource Consultant will provide the training to member-representative-employers. Morning Sun senior staff members also participate in group orientation sessions conducted in regional meetings and/or webinars and other virtual formats.

### **Policy:**

Morning Sun Consultants, supervisors, and other leaders will provide initial and on-going training to member-representatives. This training is designed to provide as much support as needed for member-representatives to be successful. Morning Sun will provide training in alternative formats as well as translations into other languages as requested. Morning Sun will provide interpreters at no cost to the Member-representative. Initial training will be provided prior to the initiation of member services.

### **Procedure:**



1. The assigned Consultant will set up an initial meeting with 10 days of referral and begin the Member-representative's training. The Consultant will keep a checklist and will document when each training item is completed. This will be kept on file at Morning Sun as part of the Service Initiation Process and provided to the Agency upon request.

2. Morning Sun's Consultant or other personnel will train the member-representative on the following topics:

- the member-representative's role in Consumer Direction
- recruiting, hiring, training and evaluating workers
- abuse, neglect and exploitation and reportable events
- the member-representative's role as an employer including managing workers and ensuring they use the EVV system (if applicable)
- the member-representative's responsibility to prevent and report fraud, waste and abuse. This training will be repeated annually.
- The member-representative's responsibility to verify the worker's time.
- train the member-representative on our Web Portal
- scheduling workers and Back Up Planning
- how to manage services within the authorized budget

4.2.1.51 The Vendor should have a member/representative-employer orientation process that uses a standard curriculum and materials that have been pre-approved by the Agency. The orientation curriculum should include, but it not limited to, information reported in Section 4.2.1.51 below.

Morning Sun has clearly defined curricula for orientation and skills training for members, workers, Morning Sun staff and any Agency staff who need to be involved.

We expect to submit our orientation and training plans for review and approval by the Agency, and we expect to make any changes that you may require.



4.2.1.51.1 Prior to conducting the member/representative-employer orientation, the Vendor should perform a readiness assessment to identify and address any issues that may impede the member/representative-employer's success in self-directing their services.

Morning Sun will create a readiness assessment for identifying issues with the member or their representative. We provide initial orientation to the participant and/or their representative so that they have an understanding of our policies and procedures. We provide as much customer service support as needed so that the participant's questions can be answered on an on-going basis. Our goal is to provide enough support so that the member/employer can be successful. In the event that we encounter serious issues with the participant self-directing their services, we will notify the Agency of the issue and discuss what steps should be taken.

4.2.1.52 During orientation, the Vendor should provide information and review with member/representative-employer the following:

Morning Sun will provide information on and review with the member-representative-employer all the following topics during orientation:

4.2.1.52.1 Role and responsibilities of the member/representative-employer.

Ensure that member-representatives understand their roles and responsibilities. We provide information in written documentation as well as during in-person training or use of online training programs.

4.2.1.52.2 Role and responsibilities of the Vendor.

The following is a sample orientation document from another state program that explains the roles and responsibilities of Morning Sun, the member-representative-employer, the Supports Broker or Consultant. A similar document will be developed with specific details for West Virginia.

### **What Are Self Directed Services?**



Self-Directed Services allow the person supported to plan for themselves how they want to lead their lives. The person can:

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- Choose where and when services are provided.
- Hire, manage and direct their own employees.
- Hire employees from their own network of family, friends, neighbors, and others who are known to them.
- Access people who are familiar with their own language, culture, and traditions.
- Strengthen and maintain informal networks of community support.

## Self-Determination Philosophy

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Self-Directed Services have evolved from the national **Self-Determination** movement and are now being offered nationwide as the most progressive and innovative services. The philosophy of Self-Determination for people who live with a disability or who are elderly reflects the following principles: **freedom** to live a meaningful life; **authority** over dollars needed for support; **support** to organize resources in ways that are life-enhancing and meaningful; **responsibility** for the wise use of public dollars; and **confirmation** of leadership by self-advocates.

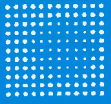
Each individual who chooses to self-direct their services is provided with a personal budget allocation with which to plan their services and supports. The individual budget is the foundation for building life enhancing support services for the person.

### **What is the Role of the Person or their Authorized Representative?**

**The person or their representative is the employer.** If the person chooses, they may use a representative to assist them and be the employer. The representative may be a family member or another person who knows the person well. The representative cannot be paid for their assistance or role as an employer. The authorized representative cannot be an employee.

**The person who is the employer, whether it is the person supported or their authorized representative, does the following:**

- Completes employer paperwork
- Hires the employee
- Assists the employee with all enrollment paperwork
- Sets the employee's rate of pay



- Sets the employee's schedule
- Trains the employee
- Establishes the employee's job duties
- Supervises the employee
- Approves the employee's time
- Ensures the total hours used are approved by their Independent Support Consultant
- Follows all necessary federal state and employment laws

### **An Authorized Representative Must:**

- Show a strong personal commitment to the person
- Show knowledge about the person's preferences
- Be willing and able to meet all program requirements
- Be at least 18 years old

### **What is the Role of the Employee?**

Working for a person who directs their own services may be a new experience for your employee. This service is unique because the person receiving services is also the employer of the worker. As opposed to being hired, trained, scheduled, and assigned to an individual by an agency, the employee is chosen by the individual receiving services to work specifically with him/her. The employer chooses the job responsibilities and duties and makes sure that the employee performs them according to their wishes. One of the benefits of self-directed services is that it allows the person supported to hire people they know and with whom they feel comfortable. Perhaps the employee is a family member, neighbor, friend, or other acquaintance. The employee may be someone who has previously provided unpaid support and can now receive compensation. It is important to note that family members or other acquaintances are required to adhere to the same employment policies and procedures as all employees. The employee cannot live with the participant.

### **What is the Role of Morning Sun Financial Services?**

Morning Sun Financial Services is the fiscal employer agent. As the fiscal employer agent, we provide support by processing payroll, including paying the employees' wages, handling the payroll taxes, processing employment related information such as background studies and record keeping. We will also provide the person or their representative with all the forms and information they need to become an employee and to manage their employees. We will assist the person or their representative through this process and answer any questions they may have.

### **What is the Role of the Morning Sun Consultant?**



Persons Supported who use self-directed services will be assigned a consultant to help them manage their services. The Consultant is the main contact at Morning Sun. The person supported determines how much assistance they need and for what aspects of the services. A Consultant can help the person with the following:

- Explain what it means to self-direct their services
  - Explain the budget and the rates that can be paid to the workers
  - Help the person stay within your budget
  - Help the person find someone to hire
  - Help the person decide how much to pay the people they hire
  - Help the person fill out their employer and employee paperwork
  - Help the person write a schedule for the people who work for them
  - Help the person decide if the people they hire are doing a good job
  - Help the person train the people who work for them
  - Help the person with their monthly review of their worker's daily notes
  - Help the person with understanding how to approve their worker's time entry each month
- Help the person with their person-centered support plan, back-up plan and risk assessment

**Morning Sun Financial Services will provide this information in an alternative format upon request. Please contact the Non-discrimination Compliance Consultant at [cherylv@morningsunfs.com](mailto:cherylv@morningsunfs.com) or at 855-767-4871. For phone interpreters, contact 888-338-5514**

#### 4.2.1.52.3 How the member/representative-employers can contact Customer Service.

Morning Sun uses locally-based Consultants as the first point of contact. Consultants provide their cell phone numbers to the members to whom they are assigned; all their phones are equipped with voice mail. Members may call, email or text their Consultant. The Consultant has access to the financial management staff and can find specific answers for the member or connect them with an appropriate payroll or other person who will have answers.

In addition, we maintain a Customer Service desk during business hours, and we offer 24/7 voice mail. All contact information for key Morning Sun staff is provided to all members, including who to call for various information.



#### 4.2.1.52.4 Subagent - F/EA FMS services provided.

This item was included in our response to Item **4.2.1.52.2**, above.

#### 4.2.1.52.5 Vendor's hours of operations.

Morning Sun will maintain as required Customer Service hours on West Virginia time and other staff members' hours of operation from 8 am to 5 pm Minnesota time. Everyone has voicemail for after-hours messaging. We are closed weekends plus national and West Virginia state holidays.

#### 4.2.1.52.6 Key contacts at the Vendor.

We will provide names, roles, telephone numbers and email addresses for all key contacts in West Virginia and Minnesota.

#### 4.2.1.52.7 Toll free telephone, TTY, and fax numbers.

Orientation information will include Customer Service hours and information on all methods of contacting Customer Service; a list of the services provided by Morning Sun; hours of operation, key contact names and contact information, plus toll free phone, TTY, fax numbers etc.

#### 4.2.1.52.8 Member Rights and Responsibilities.

Morning Sun is committed to educating members on their rights and responsibilities, emphasizing the philosophy of self-direction and person-centeredness. This is a major emphasis of Orientation.

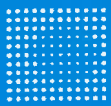
#### 4.2.1.52.9 Instructions for completing forms included in the Member/Representative-Employer Enrollment Packet.

Instructions for completing forms are included with the forms in the Employer Enrollment Packet. Additionally, Morning Sun goes over these instructions as part of orientation and provides additional support as needed from the Consultants.

#### 4.2.1.52.10 Incident reporting process.

The following is an example from our Policies and Procedures Manual that has been customized for another state contract. This excerpt will be customized for West Virginia:





The Department of Intellectual and Developmental Disabilities will review waivers of the requirement that staff should not be placed on leave or reassigned. The provider must file a written request for waiver of this requirement in the instances of allegations of physical or sexual abuse. Staff members must be on leave until a decision on the exception request is received from DIDD. For detailed information involving waivers, refer to Section 18.4.c in Chapter 18 of the Provider Manual.

The following issues will be reported outside Morning Sun as indicated:

**Death:** As soon as possible and no later than four hours, Morning Sun staff will notify Regional Office Administrator on Duty (AOD) about all deaths. Contact DIDD Investigation Hotline if the death is suspicious, abuse or neglect was involved, or it is unexplained. By the next business day, Morning Sun staff will submit the RIF to the DIDD Central Office, submit the Notice of Death Form and RIF to the Regional Director, and submit the RIF to the ISC Agency/Support Consultant.

**Alleged or Suspected Abuse, Neglect, or Exploitation:** As soon as possible and no later than four hours after notification, Morning Sun staff will call the DIDD Investigation Hotline and notify the Department of Human Services, Adult Protective Services or Department of Children's Services, Child Protective Services. Morning Sun staff will notify Law Enforcement if there is criminal activity. By the next business day, Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Serious Injury of Known/Unknown Cause:** As soon as possible and no later than four hours after notification, Morning Sun staff will call the DIDD Investigation Hotline if the cause of the injury is unknown, and notify the Department of Human Services, Adult Protective Services or Department of Children's Services, Child Protective Services. By the next business day, Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Suspicious Injury:** As soon as possible and no later than four hours after notification, Morning Sun staff will call the DIDD Investigation Hotline and notify the Department of Human Services, Adult Protective Services or Department of Children's Services, Child Protective Services. By the next business day Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Reportable Medical Incident:** As soon as possible and no later than four hours after notification, Morning Sun staff will notify the Regional AOD if there is an unplanned hospitalization. By the



next business day, Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Reportable Behavioral Incident (Missing Person, Sexual Aggression, Criminal Conduct):** As soon as possible and no later than four hours after notification, Morning Sun staff will notify the Regional AOD for any hospitalization resulting from a behavior or psychiatric incident, or any behavioral incident with Law Enforcement or Mental Health Mobile Crisis Team involvement or any incarceration. By the next business day, Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Reportable Staff Misconduct:** By the next business day, Morning Sun staff will submit the RIF to the DIDD Central Office and submit the RIF to the ISC Agency/Support Consultant.

**Request for Emergency Service Approval outside of regular DIDD business hours:** As soon as possible and no later than four hours after notification, Morning Sun staff will notify the Regional AOD.

Morning Sun will designate the Program Administrator as the agency incident management Consultant. She must view the Reportable Incident Form prior to securely submitting it to the DIDD Central Office and the ISC Agency/Support Consultant.

Morning Sun staff will immediately contact the DIDD Investigation Hotline to report all incidents of alleged or suspected abuse, neglect, exploitation, serious injury of unknown cause, and death of a person supported. The Program Administrator will contact DIDD, the case manager for the Member (or DIDD supervisor if the case manager is unavailable so immediate action can be taken). This report will be made as soon as possible, and in all cases within one business day. All reports will be made using the DIDD Investigative Hotline. If uncertain that an incident qualifies for immediate notification, the provider will contact the hotline to consult with an investigator.

The DIDD Protection from Harm EAST Regional Investigative Unit 1-800-579-0023

The DIDD Protection from Harm MIDDLE Regional Investigative Unit 1-800-633-1313

The DIDD Protection from Harm WEST Regional Investigative Unit 1-800-632-4490

Administrator on Duty West 866-925-4204 / After-hours crisis assistance

Administrator on Duty Middle 615-218-0784 / After-hours crisis assistance

Administrator on Duty East 855-828-4717 / After-hours crisis assistance

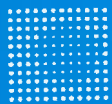


These telephone numbers will be updated and reconfirmed before we begin services.

1. Morning Sun Supports Brokers will be responsible for filing the report with the DIDD Investigative Unit or with the administrator on duty within the appropriate time.
2. Any other Morning Sun employees who become aware of reportable incidents will immediately report to the program administrator or the chief operating officer.
3. Morning Sun Supports Brokers will immediately notify the program administrator, who will track the critical incident. Information tracked will include:
  - a. Date and time of incident
  - b. Allegation type
  - c. Call to Investigative Unit or Administrator in Charge. Date, time and who called.
  - d. Call to legal guardian, date, time and who called.
  - e. Date, time RIF emailed to DIDD.
  - f. Follow up including any investigative action.
  - g. Outcome including incident resolved or substantiated.
4. The Morning Sun program administrator will track all critical incidents on a master spreadsheet to evaluate for patterns.
5. If a Morning Sun employee is reported as an alleged perpetrator of abuse, neglect or exploitation, they will be immediately removed from their scheduled contact with all Members pending investigation
6. All Morning Sun employees will participate fully with any investigations of critical incidents.
7. The Morning Sun Supports Brokers and Program Administrator will provide any requested documentation to the appropriate agency.

Morning Sun will submit a monthly Reportable Events Report.

4.2.1.52.11 Process for ensuring that DCSW criminal background checks are conducted in accordance with program policy.



Morning Sun will design a procedure for using WV Cares to conduct DCSW criminal background checks and ensure that it conforms with program policy. We have in place a robust policy for use when we perform the background checks ourselves

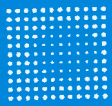
#### 4.2.1.52.12 Description of who can be a representative, how to determine when a member should have a representative and the role and responsibilities of a representative as specified by the Agency.

Our resource consultants will assist the members with deciding whether they need a representative to assist them. We will develop a skills assessment to use with the member, but ultimately, we will honor the member's choice. Representatives should be a person who is at least 18 years of age and is someone who knows the member well. A representative cannot be paid for their role. They also cannot be an employee. They representative can act as an employer on behalf of the member including assisting with hiring, scheduling, training and approving time entries.

#### 4.2.1.52.13 Description of methods available to member/representative- employers, DCSWs and vendors for contacting Vendor which include, but are not limited to, telephone contacts with designated West Virginia support staff.

Morning Sun's commitment to person-centeredness and diversity is grounded in our dedication to help the people we serve to overcome barriers to achieving their highest potential. Members will succeed if we approach them as a whole person, with unique culture and life experiences. As Members are referred, we will assess and secure the services we need to address their unique needs or challenges (i.e., language access services, large print or audio materials for example). Morning Sun will have a specific TTY number for its services in West Virginia and will publish that number on all written materials and our website.

Morning Sun staff have experience serving individuals from a wide range of backgrounds and experiences, including recent refugees, immigrants, and those who are deaf and hearing impaired. We have the resources to meet the needs of our members. For example, initially all written materials will be available in English and Spanish. Translators will assist us in putting forms, materials and correspondence in alternative formats (including Braille, large print, on disk, or in other languages when they are



requested. We maintain an interpreter service that is available to assist us with face-to-face contacts. We use the Language Line for phone calls to set up meetings and to answer questions by phone. Morning Sun provides customer service training for all agency staff, so they are courteous, efficient and knowledgeable. We provide as much customer service support as needed to make sure that each Member understands the information they need to hire an employee (including, but not limited to, providing assistance completing and submitting forms, updates on tax and labor laws and other pertinent information). We regularly assess and work to meet the needs and preferences of each Member. Our offices will be staffed, at minimum, from 8 am to 5pm, Monday through Friday, except on West Virginia-designated State holidays.

Members will be provided with a state-wide toll-free number to reach us at any time, from anywhere. All Resource Consultants will have cell phones and voicemail in addition to office phone lines and email. While the toll-free number will be answered in Morning Sun's West Virginia office, calls will be transferred to any of the staff in the West Virginia office or to staff at our headquarters in Minnesota. A toll-free high-speed fax number will be available for submitting documentation and written inquiries 24 hours a day. All Morning Sun staff have secure internet/email communication available 24 hours a day.

#### 4.2.1.52.14 Time frame and process for returning voice mail messages from member/representatives, DCSWs and vendors.

We return voice mail messages within one business day.

#### 4.2.1.52.15 Completing forms included in the DCSW Employment and Vendor Engagement Packet.

Morning Sun Consultants, located in West Virginia, will help members to help their DCSWs in completing the required forms. Workers may also contact Morning Sun's help desk for assistance.

#### 4.2.1.52.16 Process for receiving and processing workers' hours worked including a schedule for submitting hours and paydays.



All DCSWs will be instructed in how to track and submit their hours. They will be instructed that their employer must approve and sign their timesheet before it is submitted. Time entries may be submitted through the only portal, via email, and other methods if necessary. Workers will receive a schedule of due dates for submitting their time entries and pay dates. These schedules are provided every year. Morning Sun is very diligent to ensure that workers get paid as promised. We run a second payroll a couple of days later to allow time for any problems to be resolved in time for people to get paid.

#### 4.2.1.52.17 Process for disbursing DCSWs' payroll checks/electronic fund transfers (EFT).

This process is clearly explained in the Workers' Manual and will be covered during the Member's orientation. DCSWs can choose to receive paper checks, direct deposit to their personal accounts or deposit to a cash card they have set up for themselves.

#### 4.2.1.52.18 Process for purchasing approved Participant-Directed Goods and Services, EAA, PERS, Extended Therapy Services and Community Transition services.

Morning Sun's Accounts Payable specialists set up the member's budget in our Great Planes accounting system. The budget includes authorized goods and services and will also include EAA, PERS, Extended Therapy Services and Community Transition services. We will provide members with forms to use to request the approved items. Once the resource consultant and the accounts payable specialist receives the request, the accounts payable specialist will check the request against the approved budget. Purchases are made on a weekly basis. If the member is being reimbursed for purchases made. We will provide a weekly deadline as well as a specific day the reimbursement will be paid out.

#### 4.2.1.52.19 Other forms and agreements to be determined by the Agency.

Any other forms and agreements determined by the Agency will be documented in the appropriate Manual and covered during orientation.

#### 4.2.1.52.20 Process for submitting invoices for payment.

All vendors receive the Employee and Vendor Manual which addresses how and when invoices are to be submitted and when they will be paid.



#### 4.2.1.52.21 Process for issuing electronic payments for on-line purchases of PDGS, EAA, PERS and TMH Community Transition services.

#### 4.2.1.52.22 Process for receiving and addressing complaints.

Morning Sun's complaint and grievance policies will be customized for West Virginia:

Any complaints regarding service or service delivery made by the member or his/her representative will be reported to State personnel within two business days.

- A. Notification of the complaint should include:
  - i. Date
  - ii. Member and representative name (if applicable)
  - iii. Nature of complaint
  - iv. Actions taken to mitigate complaint
  - v. Resource Consultant's Name and contact information

An incident is considered any action that causes harm to a person or their property. All incidents will be reported within two business days. If the incident necessitates the involvement of law enforcement (such as theft or bodily injury), a report to the local law enforcement will be made immediately.

- A. Notification of the incident should include:
  - i. Date
  - ii. Member and representative name (if applicable)
  - iii. Nature of Incident
  - iv. Actions taken to mitigate incident
  - v. Resource Consultants name and contact information

#### 4.2.1.52.23 Process for reviewing member/representative-employer workplace safety issues and strategies for effective reporting and management and of workplace injuries.

Morning Sun will provide individualized safety strategies as indicated in the member's plan. Reporting guidelines will include immediate reporting for the worker to the employer or the representative. The employer will be expected to report any workplace injuries to Morning Sun within 24 hours. Morning Sun will report injuries to the Agency. This information will be included in both the employee handbook and the employer handbook.



#### 4.2.1.52.24 Process for identifying and addressing member/representative- employer performance issues.

The Morning Sun Resource Consultant will monitor the performance of the employer vis a vis the worker including investigating any complaints related to their employment by the worker. The Resource Consultant will provide retraining to the employer, as needed. If the performance of the employer is unlawful and further action is contemplated, Morning Sun will work with the agency to determine next steps.

#### 4.2.1.52.25 Process for completing and submitting the Notice of Worker Termination Form to the Vendor within twenty-four (24) hours of when a DCSW ceases working for the member/representative- employer for any reason so the Vendor can complete the Reason for Separation Notice for unemployment.

Morning Sun requires a change notice from the employer when a DCSW ceases working for the member for any reason. The change notice is the basis for the Reason for Separation notice for unemployment. The employer packet will include the change notice with instructions to complete the form and provide it to Morning Sun within 24 hours. This information will also be included in the employer manual.

#### 4.2.1.52.26 Process for conducting member/representative- employer satisfaction surveys following enrollment and annually thereafter.

From the Morning Sun Quality Assurance Plan:

##### **Policy: Monitor Systems and Support**

Morning Sun Financial Services is committed to providing excellent services to individuals who self-administer their services. We believe that the integrity of self-administered programs includes systems and supports that are of the highest quality. Our commitment to quality includes ongoing documentation and meaningful measures that allow for systems improvement and changes to service delivery. Morning Sun will conduct annual satisfaction surveys of all Members; track complaints and customer feedback; and self-audit Morning Sun systems including employer and





employee files, payroll and billing systems. All systems and supports will be analyzed on an on-going basis for performance and quality improvement.

### **Procedures: Satisfaction Surveys**

1. Morning Sun will conduct an annual satisfaction survey of all Members on the South Carolina waiver programs.
2. The Morning Sun satisfaction survey will be conducted in a month to be determined in cooperation with the Agency each year.
3. Morning Sun will use a satisfaction tool approved by TENNCARE, the MCOs, and DIDD. The survey, with a cover letter that explains the survey tool and its purposes, will be mailed to all persons receiving services with a self-addressed stamped envelope.
4. Upon receipt of the completed satisfaction surveys, Morning Sun will collate Member data into one report that provides an average overall measurement for each question asked.
5. Morning Sun will list all narrative feedback for each question after the numerical data.
6. Morning Sun will summarize the results of the survey with a Quality Improvement Plan and send the results to each Member by December 1 of each year. The letter and plan will be approved by TENNCARE, the MCOs, and DIDD prior to being sent to the Members.

4.2.1.53 The Vendor should describe a process for providing skills training to members/ representatives-employers that use a standard curriculum and materials pre- approved by the Agency. Skills training should include, but not be limited to, guidance on problem-solving and decision making; performing employer tasks including the completion and submission of DCSWs' hours worked, Vendor and Agency requirements; purchasing, receiving and paying for PDGS, EAA, PERS Extended Therapy and Community Transition services; recognizing and reporting



critical incidents; monitoring self-directed services included in members' budgets to ensure receipt of appropriate services; preparing and implementing corrective action plans as needed and developing and using risk management and emergency DCSW back-up plans and designation.

Morning Sun will develop an orientation checklist specific to the West Virginia program. Morning Sun had a similar member/employer manual and training for the individuals served in Tennessee by Morning Sun Support Brokers and in Minnesota with our Personal Supports Program. The Resource Consultant will meet with the member to conduct the orientation prior to the start of services. On-going training and support will be provided by the Resource Consultants and customer service representatives.

4.2.1.54 The Vendor should develop an evaluation form and process for evaluating the effectiveness of the member/representative-employer skills training sessions. The form should be submitted to the Agency for approval prior to implementation.

Morning Sun uses an evaluation form and process to evaluate the member-representative's learning after training sessions in all formats. We will customize these forms for West Virginia and submit them to the Agency for approval before we use them.

4.2.1.55 The Vendor should process and distribute DCSWs' payroll and related federal, state, and municipal tax withholdings and employment-related taxes in compliance with all federal, state, and municipal requirements.

Morning Sun's payroll process is fully developed in our accounting systems and documented in our Policies and Procedures Manual, which will be customized to West Virginia requirements. It is included in this proposal in section

4.2.1.56 The Vendor should process fitness determinations of fingerprint-based state and federal background checks per Agency requirements, which can be found at:  
<https://dhhr.wv.gov/bros/Provider/Documents/Manuals/Chapter%20700%20WV%20CARES%20Policy%20FinalApprovedforManual.pdf>,



for each member/representative- employer's DCSW, track the findings, notify the member/representative-employer in three (3) business days of receipt of findings and maintain information in each DCSW's file.

Morning Sun will work with WV Cares to submit and receive criminal background checks. We will notify the member-representative-employer within three (3) days of receipt of findings and maintain information in each DCSW's file.

4.2.1.57 The Vendor should propose a plan to verify the member's Medicaid eligibility prior to authorizing payment to a DCSW or a vendor of participant-directed services (PDGS, EAA, etc.).

Morning Sun verifies the members eligibility on a monthly basis. This information is provided to the payroll and accounts payable departments to ensure eligibility prior to making payments.

4.2.1.58 The Vendor should determine if the DCSW is a paid family member of the member/representative-employer who is exempt from paying into Federal Insurance Contributions Act (FICA) and/or Federal Unemployment Tax Act (FUTA) and State Unemployment Tax Act (SUTA) (i.e., spouse or parent of minor child who is the participant/authorized representative-employer) per IRS regulations.

The DCSW provides this information on the tax information form included in the enrollment packet for workers.

4.2.1.59 The Vendor should determine if the DCSW qualifies for Difficulty of Care payments (exclusion from federal income tax withholding) in accordance with IRS Notice 2014-7.

This is determined from the 2014-7 Difficulty of Care certification that is part of the DCSW's enrollment packet.

4.2.1.60 The Vendor should maintain documentation in the DCSW's and member/representative-employer's files and be capable of reporting the relationship of the



member to worker.

Each member-representative and each DCSW is assigned an ID number in our Great Plains accounting system. Each number is linked to the others in the system. ID numbers are searchable to enable reporting the relationship of member to worker.

4.2.1.61 The Vendor should determine if a DCSW is a non-resident of West Virginia and determine the appropriate method to be used for state income tax withholding for non-resident workers.

Morning Sun will discover and build into our Policy and Procedures Manual the method to be used for state income tax withholding for non-resident workers.

4.2.1.62 The Vendor should maintain documentation on a DCSW's non-West Virginia resident status in the DCSW's file.

The DCSW's file will include documentation of non-West Virginia resident status.

4.2.1.63 The Vendor should ensure DCSWs' hourly wages are in compliance with all applicable federal and West Virginia department of labor wage and hour rules, including payment of overtime wages.

Our systems ensure that wages comply with all federal laws and are in compliance with the state in which a contract is located. Wage requirements (e.g., minimum wage etc.) are provided to members and their DCSWs in their respective enrollment packets and manuals.

4.2.1.64 The Vendor should determine if the DCSW is a foster care or shared living provider in accordance with DOL Fact Sheet #79, which can be found at: <https://www.dol.gov/agencies/whd/fact-sheets/79g-flsa-shared-living#:~:text=Compliance%20with%20the%20FLSA,over%2040%20in%20the%20workweek>; and Administrator's Interpretation No. 2014-1, which can be found at: <https://www.dol.gov/agencies/whd/opinion-letters/administrator-interpretation/flsa/2014-1>, to determine the application of the Federal Fair Labor Standards Act (FLSA).

This will be determined by means of a form to be included in the workers' enrollment packet.



- 4.2.1.65 The Vendor should develop, produce, and distribute instructions to be approved by the Agency for DCSWs to submit hours worked to member/representative- employers.

Morning Sun will present our documentation of how DCSWs should submit their hours to the Agency for approval.

- 4.2.1.66 The Vendor should collect, verify and process DCSWs' worked hours per state department of labor and maintain copies in the DCSW's file.

Morning Sun will follow all procedures required by the state department of labor and maintain copies in the DCSWs file.

- 4.2.1.67 The Vendor should propose a system for addressing situations when a member/representative-employer allows his/her DCSWs work hours in excess of approved hours.

Morning Sun's internal processes will flag a worker's timesheet in excess of approved hours during payroll processing. There is a reconciliation process at the end of a payroll run and once per month that will catch any unauthorized payments. We then follow up with the employer and DCSW.

- 4.2.1.68 The Vendor should propose a system for recouping overages when a DCSW works in excess of approved hours. If the overage is due to an oversight by the Vendor, then the Vendor should be responsible to pay back the Agency for any overpayments made to DCSW.

If due to our error an overpayment is made and cannot be resolved, Morning Sun will assume responsibility to pay back the Agency for any overpayments.

- 4.2.1.69 The Vendor should compute, withhold, file, and track federal income tax withholding, Medicare, and Social Security taxes for member/representative- employers and their DCSWs quarterly in the aggregate using the Subagent-F/EA FMS entity's separate FEIN and using the IRS Form 941, Employer's Quarterly Federal Tax Report, and the IRS Form 941 Schedule R. The Subagent-F/EA FMS entity's federal income tax withholding and FICA (Medicare and Social Security tax) depositing use rules based on



the entity's aggregate deposit liability. Therefore, an IRS Form 941 Schedule B is required in most cases and Vendor maintains copies of the filed IRS Forms 941, IRS Form 941 Schedule Rand Schedule B, as applicable and related correspondence in Subagent-F/EA FMS division's file.

The following is an example, customized for a different state, of Morning Sun's policy and procedures for computing, withholding, and tracking taxes for federal, state and municipalities plus the procedures for depositing taxes and filing tax reports.

## **Payroll Tax Reporting, Filing and Refunds**

### **INTRODUCTION:**

Morning Sun is a Fiscal Employer Agent and acts under IRS code 3504, for those eligible Participants who have decided that they will be their own employer by choosing Self Directed Services, and by making this choice have elected to contract out the payroll process to a contracted Fiscal Employer Agent who will be responsible for all the Employers payroll tax reporting and filing. Morning Sun has a separate federal employer identification number (FEIN) which will be used for the sole purpose of filing and paying federal employment taxes, in the aggregate. The employer's state and unemployment taxes also will be filed by Morning Sun, but for these returns Morning Sun will open individual employer accounts and report and pay as a third-party bulk filer or agent.

### **Federal Income Tax Withholding, Depositing and Filing**

### **POLICY:**

The Great Plains payroll system will automatically calculate Federal income tax withholding based on the deduction information received on the workers W-4 form. Workers who submit a 2014-7 Difficulty of Care certification to exclude earnings as taxable wages will not have withholding tax, or earnings reported as wages. Under the payroll agent model, Morning Sun will file the quarterly Federal IRS form 941 and 941 schedule B, and 941 Schedule R *Employer's Quarterly Federal Tax Return* and send the appropriate tax deposits, **in the aggregate**, using Morning Sun. FEIN that was established for payroll agent reporting. Morning Sun will also file any amended 941X reports when needed.

### **PROCEDURES:**

1. An employer does not need to withhold Federal income tax from a Domestic Household Worker unless the worker asks to have it withheld and the Employer agrees to withhold it.



2. If Federal income taxes are to be withheld, deductions will be based on the information received on the workers *W-4* form and the withholding tables in *Circular E (Pub. 15)*.
3. Federal income tax will be withheld on all wages before deducting amounts for other withheld dollars.
4. Morning Sun will calculate and withhold Federal income taxes based on the above regulations.
5. Workers submitting a 2014-7 Difficulty of Care certification of exclusion to withhold, will not have federal income tax withheld or the payments reported as wages on the workers *W-2* Box 1. States that conform to federal law will allow a 2014-7 DOC exclusion of state earnings in Box 15 of the *W-2*.
6. Deposits will be made electronically by Morning Sun, in aggregate, on a semi-weekly deposit schedule. If the liability is above \$100,000.00, the payment must be made the next day.
7. Quarterly filing of form 941 will be done, in the aggregate, by Morning Sun. The quarterly return will be filed by the last day of the month following the end of the tax quarter. Morning Sun will mail a copy of the completed *Form 941* and file a copy in a secure location within our electronic data storage system.

## FICA Tax Withholding, Depositing, Filing and Refunding

### POLICY:

The Great Plains payroll system will automatically calculate FICA employer taxes and employee tax withholding based on the current rates and ceilings for a given year. For 2019 the Worker rate is 6.20% and the Employer rate is 6.20% of the first \$142,800.00 (2021) in gross wages. Under the payroll agent model, Morning Sun will file the quarterly Federal IRS form 941, *Employer's Quarterly Federal Tax Return* and IRS form *Schedule R* and send the appropriate tax deposits, **in the aggregate**, using the Morning Sun FEIN that was established for payroll agent reporting.

If the amount paid to a domestic household worker of a home health care household employer is less than \$2,300.00 (2021 threshold) in a calendar year, neither the worker nor employer are required to pay FICA taxes, and in fact may need to obtain a refund as described in the procedures that follow. *IRS Publication 926-Household Employer Guide* should be referenced each year to see if there are threshold changes.

There are other situations whereby FICA taxes are not applicable and should be reviewed in the procedures below.



## **PROCEDURES:**

1. All workers will be set up to have FICA withholding calculated on their wages by checking the FICA tax box in their personal taxes screen in the Great Plains payroll system, unless the worker has indicated on the *Worker Change Notice* form that they are ONE of the following:
  - A. The spouse of the employer.
  - B. The child of the employer is under the age of 21.
  - C. The parent of the employer who is the service recipient. ***Exception:*** Count these wages and calculate FICA withholding if BOTH of the following conditions apply:
    1. The parent cares for the employer's child who is either:
      - a. under the age of 18, -or-
      - b. has a physical or mental condition that requires the personal care of an adult for at least 4 continuous weeks in a calendar quarter.

**-AND-**

  2. The employer's marital status is either:
    - a. divorced and not remarried, -or-
    - b. they are a widow or widower, -or-
    - c. they are living with a spouse whose physical or mental condition prevents them from caring for the employer's child for at least 4 continuous weeks in a calendar quarter.
  - D. A worker who is under the age of 18 at any time during the year. ***Exception:*** Count these wages and calculate FICA withholding if providing household services is the worker's principal occupation. If the worker is a student, providing household services is not considered to be their principal occupation.
2. Each payroll, Great Plains will calculate FICA taxes on all applicable wages at the applicable social security and Medicare tax rates and ceilings for a given year based on the above conditions.
3. Timely deposits will be made electronically by Morning Sun, in the aggregate, on a semi-weekly deposit schedule using the IRS EFTPS online submission and payment system. If the tax liability reaches \$100,000.00 or more in a deposit period, Morning Sun will no longer be able to deposit on a semi-weekly schedule for that deposit period. All liability will now be due the next business day
4. Quarterly filing of *Form 941* and *Form Schedule R* will be done, in the aggregate, by Morning Sun using Morning Sun FEIN. The quarterly return will be filed by the last day of the month following the end of the tax quarter. Morning Sun will mail a copy of the completed *Form 941*, *Schedule R* and *B* to the IRS and retain a copy within our electronic data storage system.





5. Domestic Household Workers who are paid less than \$2300.00 in a calendar year are exempt from FICA tax withholdings. The employer is also exempt from paying FICA taxes on these wages.
6. At the end of the 4th quarter of each calendar year, Morning Sun will audit every worker paid throughout the current calendar year and determine whether the worker has met the FICA threshold of \$2300.00. The 4<sup>th</sup> quarter 941 will be adjusted to correct any overpayment of FICA taxes in that quarter and a 941X adjustment will be filed for any prior quarter corrections in the 4<sup>th</sup> quarter.

Morning Sun will produce a report identifying those household workers that qualify for this exemption because their wages did not exceed \$2300.00 (2021 threshold) at the end of the 4th Qtr. Note: This may not be determined throughout the year, since the household worker may have sporadic work schedules, or termination of the household worker by the employer may not always be known on a timely basis.

After the final payroll of the year, Morning Sun. will verify wages of any worker and noting those that did not exceed \$2300.00 (2021 threshold) for the year and proceed with adjusting their over collected FICA by making the correction on the 4<sup>th</sup> Quarter 941, or a 941X for the previous quarters if applicable.

7. The over collected FICA taxes will be reimbursed to the worker on a final payroll for the year, prior to filing for an adjustment of FICA taxes, regardless of the quarter in which the over collection occurred.
8. If the claim for overpayment of FICA taxes is for earlier years, Morning Sun must request and obtain a written receipt from the worker when the refund is sent out stating the worker has not claimed and will not claim refund or credit of the amount of the over collection. Keep a copy of the written receipt and cancelled check as part of our records showing the date and amount of the repayment. If the worker cannot be located for their refund, only the employer portion of the tax will be adjusted.
9. If the FICA taxes were deposited during the current quarter, Morning Sun will decrease the amount of the next deposit to reflect the decrease in the amount of the FICA tax liability for that quarter or request a refund on the Form 941 or Form 941X.
10. If the FICA taxes were withheld and deposited during prior quarters, Morning Sun will reduce the final deposit by making an adjustment on *Form 941X*, using the repayment method, and filing the *941X* with the current quarterly *941*. The reason for filing the *941x* is for over collection of FICA taxes on a Household Worker.

If the adjustment is correcting FICA taxes that were over-collected in an earlier year, be sure the written receipt from the employee includes that they will not claim a refund or credit for



the amount, and that a *W-2c Corrected Wage and Tax Statement* along with a *W-3c Transmittal of Corrected Wage and Tax Statements* are completed. A copy of the cancelled check is proof of payment. Again, if the worker cannot be located for their refund, only the employer portion of the tax will be adjusted.

11. Overpaid employer FICA taxes that were submitted to the IRS and reimbursed by the State of MN will be reimbursed to the State of MN by issuing a replacement claim to the Participant's waiver for the Employer portion of FICA taxes paid on behalf of FICA exempt worker.

### **State Income Tax Withholding, Depositing and Filing:**

#### **POLICY:**

The Great Plains payroll system will automatically calculate state income tax withholding based on the deduction information received on the workers *W-4 form* and the 2014-7 Difficulty of Care certification. West Virginia does not have state income tax withholding.

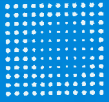
### **FUTA Tax Depositing, Filing, and Refunding**

#### **POLICY:**

The Great Plains payroll system will automatically calculate federal unemployment tax (FUTA) based on the federal unemployment tax rate (0.6% for 2019) on the first \$7,000.00 of wages paid, or whatever the ceiling is in any specific year. Morning Sun will file the Federal IRS form 940 and Form schedule R, **in the aggregate**, using Morning Sun FEIN. Morning Sun will send the filings and the appropriate tax deposits when due.

#### **PROCEDURES:**

1. Do not count as FUTA wages any wages paid to:
  - a. The employer's spouse.
  - b. The employer's child, if under the age of 21.
  - c. The employer's parent.
2. If the employer pays wages totaling \$1,000.00 or more, to all workers (excluding those listed in #1 above) in any calendar quarter of the previous year or current year, the first \$7,000.00 of wages paid to all workers in the current year and subsequent year are FUTA wages.
3. FUTA taxes are calculated on the first \$7,000.00 of wages, .6% for 2019. The FUTA tax rate is 6.0% without any kind of state credit. A state credit of 5.4% can be taken providing all required state contributions for a given year are paid to the state unemployment fund by January 31<sup>st</sup> of the following year.



4. Morning Sun will calculate FUTA taxes on each payroll and deposit FUTA taxes electronically, for each employer in the aggregate on a quarterly deposit schedule, by the last day of the first month that follows the end of the quarter, unless the FUTA tax liability for any given quarter is \$500.00 or less, at which time, the liability will be carried forward and added to the next quarter's liability.
5. Morning Sun will file the annual *Form 940* and *Form Schedule R* in the aggregate for each employer, by January 31st of the following year. Morning Sun will retain a copy of the completed *Form 940* and *Schedule R* in our electronic data storage system.

## **SUTA Tax Depositing, and Filing**

### **POLICY:**

The Great Plains payroll system will automatically calculate state unemployment tax (SUTA), on the applicable taxable wage base for a given year (\$7,000.00 for 2021), based on each employer's individual state unemployment tax rate. Morning Sun will file the quarterly *State Wage and Premium Detail Report*, using an Employer Agent account and then filing under the individual employer's State Unemployment Insurance tax identification number. Morning Sun will send the appropriate tax deposits with each quarterly wage filing.

### **PROCEDURES:**

1. Do not count as SUTA wages any wages paid to:
  1. The employer's spouse.
  2. The employer's child, if under the age of 21.
  3. The employer's parent.
2. If the employer pays wages totaling \$1,000.00 or more, to all workers, in any calendar quarter of the previous year or current year, the first \$7,700.00 (2019 ceiling) of wages paid to all workers in the current year and subsequent year are SUTA wages.
3. SUTA taxes are calculated on the first \$7,000.00 of wages (2021 ceiling) at whatever the individual tax rate is for each employer (there is a default rate for newly subject employers in 2021 and is not subject to change until after an experience rating period has been met).
4. Morning Sun will calculate SUTA taxes on each payroll and file and deposit SUTA taxes electronically, for each employer, on a quarterly deposit schedule, on the *Wage Detail and Premium Report* by the last day of the first month that follows the end of the quarter. Morning Sun will retain copies of the completed *Wage Detail and Premium Report* in our electronic data storage system.

## **W-2 and W-3 Statements:**

### **POLICY:**



Morning Sun will produce a form W-2, *Wage and Tax Statement*, for each worker who had reportable payroll activity in the corresponding year. The W-2 statements will be mailed to each worker before Jan 31<sup>st</sup> of the year following the last calendar year. Form W-3, *Transmittal of Wage and Tax Statements* will be prepared and sent directly to the Social Security Administration through their On-line Business Portal. Because the IRS form 941 was filed using the Morning Sun payroll agent FEIN, forms W-2 and W-3 will be issued under that same FEIN.

## **PROCEDURES:**

1. A W-2 will be prepared for any and all workers that were paid wages.
2. All forms W-2 will be completed by Morning Sun. and copies B, C and 2 will be mailed to the worker by January 31<sup>st</sup> of each year.
3. Form W-3 will be filled with Morning Sun information in boxes e, f, and g.
4. Morning Sun will electronically send Copy A of form W-2, along with Form W-3, *Transmittal of Wages and Tax Statements* to the Social Security Administration by January 31<sup>st</sup> of each year. Morning Sun will retain copies of the completed Forms W-2 and W-3 *Transmittal of Wage and Tax Statements* on our electronic data storage system.
5. Box b of W-2 will list Morning Sun Employer Agent FEIN.
6. Box c of the W-2 will list Morning Sun as the agent for the employer, as well as Morning Sun address.
7. If a worker stops working for the employer and requests their form W-2, the W-2 must be provided within 30 days after the request or of the last wage payment, whichever is later.
8. A W-2 file must also be sent to the State of MN. This reporting is filed under the third-party bulk filer and is also filed electronically through the third-party filer state account.

## **FEDERAL- QUARTERLY PAYROLL TAX REPORTING**

### **POLICY:**

Morning Sun will deposit all payroll taxes per the deposit requirements of the receiving entity. Morning Sun is a semi-weekly payroll tax depositor. Payroll taxes must be deposited via the IRS EFTPS web site semi-weekly, unless a \$100,000.00 liability is reached in a day, then all deposits within the deposit period must be paid on the next business day of the day after the liability reached \$100,000.00.

### **PROCEDURES:**

1. After each payroll has been posted and checks produced, a series of payroll reports will be produced. Begin the tax filing procedure by running the "CHECK REGISTER" report. This report will have audit trail numbers and will break down FICA, Social Security, Medicare taxes, etc.



- The information from the "CHECK REGISTER" report is entered on an audit template maintained in Excel titled "Payroll Balance – 2019.xls" (referred to as "audit template" going forward in this document). Each audit trail number from the "CHECK REGISTER" report is entered into the Excel audit spreadsheet to record FICA, Social Security, Medicare, etc. This audit template is then compared against the balance amounts showing in the accounting system.

<i>Audit Trl</i>	<b>Pay date</b>	<b>Deposit Date</b>	<b>FIT</b>	<b>SS</b>	<b>Medicare</b>	<b>Total</b>	<b>State-MN</b>	<b>State-WI</b>	<b>paid</b>
<i>uprcc00000847</i>	1/6/2016	1/13/2016	924.81	460.98	107.80	1493.59	411.54		x
<i>uprcc00000848</i>	1/8/2016	1/13/2016	0.00	0.00	0.00	0.00	0.00		x
<i>uprmc00000085</i>	1/6/2016	1/13/2016	0.00	96.72	22.62	119.34	0.00		x
<i>uprmc00000086</i>	1/6/2016	1/13/2016	72.60	168.20	39.34	280.14	38.84		x

- At month and quarter end the audit template amounts for both Federal Withholding and FICA withholding should match. If the totals don't match up the reason for the variance MUST be investigated (missed check, improper accounting, etc.)
- Take the totals from the audit template file you've been compiling and compare them against the totals in the accounting system. FICA, Social Security, Medicare and state tax withholding payables accounts balances under liabilities should match EXACTLY to what is reported in the audit template spreadsheet.



Total								
1st Qtr.	105058.40	52645.50	12311.70	170015.60	48171.46			
Total 1st Qtr.								
Reporting	105058.40	52642.49	12311.55	170012.44	48171.46			

- If they do not match, you must trouble shoot why there are discrepancies. Typically, variances are driven by adjustments made by manual check adjustments, earning updates. In either case, an adjustment will either need to be made manually in the audit template spreadsheet to account for the adjustment, OR a journal entry made to the accounting system to account for the change in the audit template.
- After all adjustments, the audit template and the liability account balance for FICA, Medicare, Social Security, etc. MUST match each other, otherwise there is another outstanding issue somewhere that must be investigated.
- Now that the payables liability account balances have been confirmed an ACH request is made to accounting to transfer enough funds to the ZBA account balance. Once enough funds



have been confirmed the Payroll Consultant must initiate the actual deposits into EFTPS for federal taxes.

8. Once you have verified and calculated your totals, you may go online and make your payments. Go to [www.eftps.gov](http://www.eftps.gov) and login. Click on "make a payment."

Electronic Federal Tax Payment System

HOME ENROLLMENT MY PROFILE PAYMENTS HELP & INFORMATION CONTACT US LOGIN

ABOUT EFTPS  
HOW TO USE EFTPS  
FAQ  
WHAT'S NEW?  
PRIVACY STATEMENT  
ACCESSIBILITY STATEMENT

## WELCOME TO EFTPS®

**New to our site?**  
The Electronic Federal Tax Payment System® tax payment service is provided free by the U.S. Department of the Treasury. After you've enrolled and received your credentials, you can pay any tax due to the Internal Revenue Service (IRS) using this system.

**You asked, we listened!**  
The EFTPS® Web site was recently updated based on feedback from users like you. You can now:

- Receive your confirmation by email.
- Verify the bank account that will be used when making a payment

[MAKE A PAYMENT](#)  
[ENROLL](#)

## Login

In order to make, view or cancel a Payment, you must first login.

Please enter your Employer Identification Number (EIN) or your Social Security Number (SSN), PIN, and Internet password in the fields below. If you do not have a PIN, please [enroll](#) first.

EIN (for Business)  -

or

SSN (for Individual)  -  -

PIN

Internet Password   
[Need a Password](#)

[CANCEL](#) [LOGIN ►](#)



9. Tax form is 941. Choose Federal Tax Deposit.
10. Enter the total that you calculated and wrote on your report. Make sure that you select the right quarter for your pay date. The quarter should correspond with the pay date, not the date in which you are paying the taxes. An example would be if the pay date was June 29<sup>th</sup>, and you are paying the taxes on July 1<sup>st</sup>. The quarter you would select would be the second quarter, not the third, as the tax payment corresponds with a transaction that took place in the second quarter. Next, select your settlement date as your due date. Enter in the breakdown (this step is not necessary from the IRS standpoint, but it helps us to break everything out into the proper accounts and types of tax). After everything is entered, you may confirm the payment.
11. After the deposit has been made and the IRS has made their withdrawals from the ZBA account, a journal entry must be made to account for the cash withdrawal. This entry is typically a debit to the payables-liability account balance and a credit to cash. The cash balance on the general ledger should be \$0 after this adjustment.
12. Next you will enter the payments made into the Great Plains Accounting system. Go to Transactions, Financial, and then Bank Transactions. Enter Transaction. Withdrawal. The transaction date should equal the date the money comes out of our account/due date. The checkbook is North American Bank - Payroll. Tab to the "Paid to" field and enter IRS. The description should be MM/DD PR (ex: 09/30 PR). Enter the amount paid, then tab to the second line on the entry and for Federal taxes, enter account 2320-000-00 for #3 paid and 2310-000-00 for difference. After payments are entered, check balances in accounts to make sure they now show zero (or close to, depending on the account).





**Bank Transaction Entry** | File Edit Tools View Help | LJERNBERG MSFS-Utah, LLC 8/12/2012

Post Clear

Option: Enter Transaction | Type: Check

Transaction Date: 8/12/2012

Checkbook ID: [ ] | Currency ID: [ ] | Number: [ ] | Card Name: [ ]

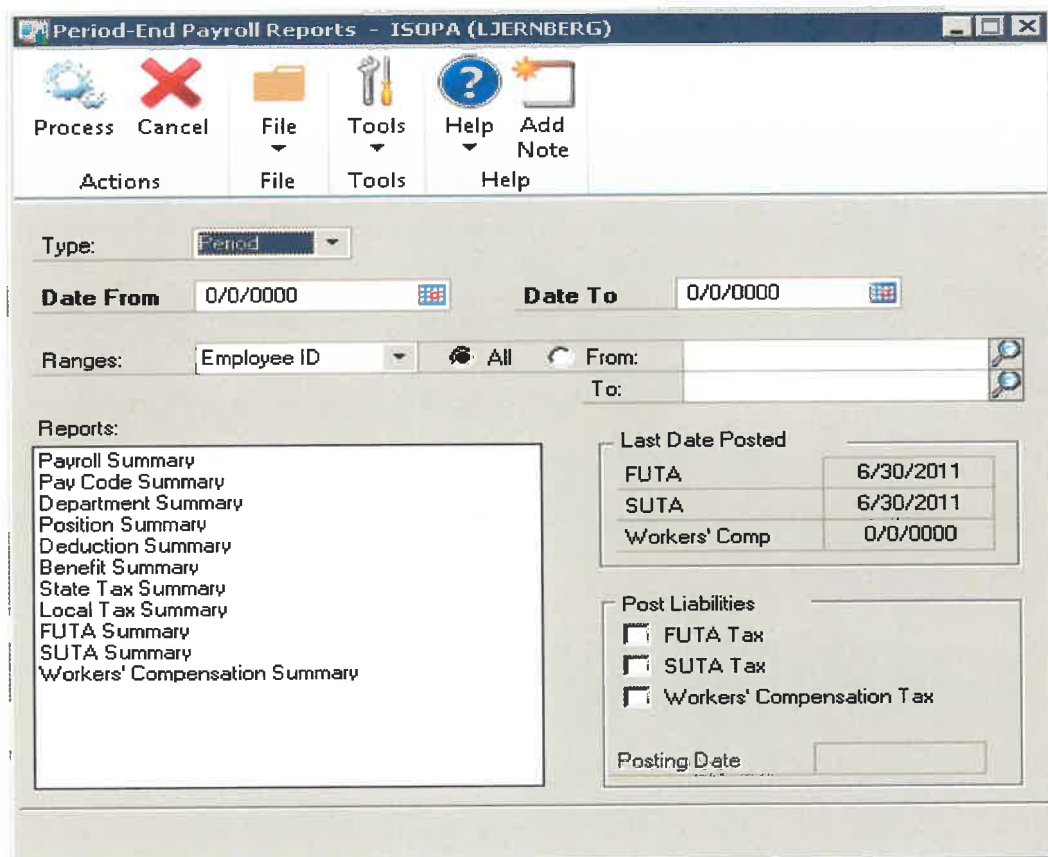
Paid To: [ ] | Description: [ ] | Amount: \$0.00

Account	Debit	Credit
Description	Originating Debit	Originating Credit
Distribution Reference		
-	\$0.00	\$0.00
	\$0.00	\$0.00
<b>Total</b>	<b>\$0.00</b>	<b>\$0.00</b>
	<b>Difference</b>	<b>\$0.00</b>

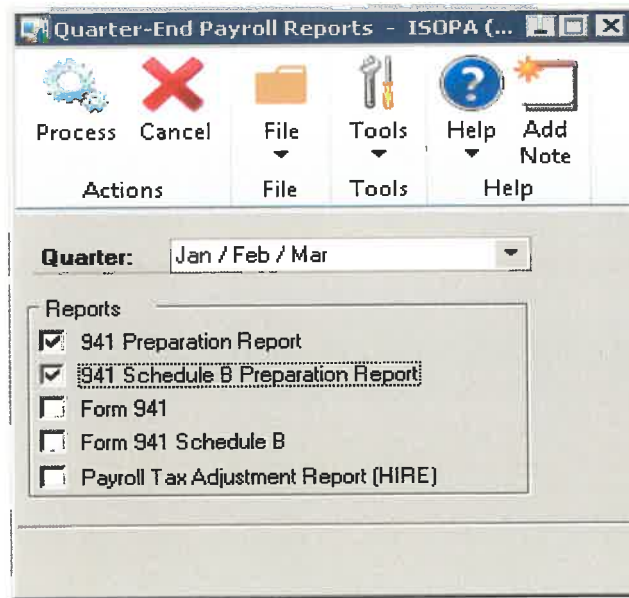
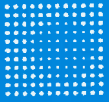
- The above procedures #1-#11 are repeated on a daily, weekly, semi-monthly basis (depending on the frequency of payroll runs) to ensure that tax deposits are made on time and the account balances are accurate to ensure smooth transition into the quarterly close which involves actual filing of the 941 tax form to the IRS.
- At the end of each calendar quarter, March 31st, June 30th, September 30th and December 31st it will be required of the Fiscal Employer Agent to summarize all that quarters tax deposits and earnings by submitting to the IRS form 941, 941 Schedule B and 941 Schedule R

### **PROCEDURES- 941, 941-B, 941-R:**

- At the end of each calendar quarter a report 941, 941-B and 941-R must be submitted to the IRS summarizing that quarters earning paid and taxes withheld and deposited.
- To begin a full set of payroll reports must be run out the Great Plains accounting system. A full set of reporting includes a summary of each report listed below.



3. Using the Payroll Summary report a balance and reconciliation of all wages and taxes paid must be completed prior to completing the 941. Once you are sure everything is in balance you will create the quarter end 941 preparation report and Schedule B prep report.



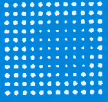
4. The information included on the 941 prep report is used to complete the actual 941

Morning Sun Financial Services System: 6/10/2016 1:21:20 PM Page: 1  
User Date: 6/10/2016 User ID: LJERNBERG QUARTERLY 941  
PREPARATION REPORT

Payroll

Quarter-Ending Date: 3/31/2016

- 1 Number of employees 879
- 2 Wages, tips and other compensation \$0000.0000
- 3 Total income tax withheld from wages, tips, and other compensation \$10X,XXX.00
- 4 If no wages, tips and other compensation are subject to social security or Medicare Tax
- 5a Taxable social security wages  $\$10,000.00 \times 12.4000\% = \$$
- 5b Taxable social security tips  $\$0.00 \times 12.4000\% = \$0.00$
- 5c Taxable Medicare wages & tips  $\$10,000.00 \times 2.9000\% = \$12,311.55$
- 5d Taxable wages & tips subject to Additional Medicare Tax Withholding  $\$0.00 \times 0.9000\% = \$0.00$
- 5e Total social security and Medicare taxes \$64,954.04
- 6 Total taxes before adjustments \$170,012.44
- 7 Current quarter's fractions of cents \$3.16
- 9 Current quarter's adjustments for tips and group-term life insurance \$0.00



- 10 Total taxes after adjustments \$170,015.60
- 14 Semiweekly depositors: Complete Schedule B X
- 14 Total liability month 1
- 14 Total liability month 2
- 14 Total liability month 3
- 14 Total

5. Each number on the 941 Prep Report corresponds to the same line item on the actual IRS form 941.

**Form 941 for 2016: Employer's QUARTERLY Federal Tax Return** 950114  
OMB No. 1545-0045

Department of the Treasury - Internal Revenue Service

Employer identification number (EIN)  -

Name (not your trade name)

Trade name (if any)

Address

City  State  ZIP code

Foreign country name  Foreign province/county  Foreign postal code

Report for this Quarter of 2016 (check one)

1: January, February, March

2: April, May, June

3: July, August, September

4: October, November, December

Instructions and prior year forms are available at [www.irs.gov/forms41](http://www.irs.gov/forms41).

Read the separate instructions before you complete Form 941. Type or print within the boxes.

**Instructions:** Answer these questions for this quarter.

1 Number of employees who received wages, tips, or other compensation for the pay period including: Mar. 12 (Quarter 1), June 12 (Quarter 2), Sept. 12 (Quarter 3), or Dec. 12 (Quarter 4)	1	<input type="text"/>
2 Wages, tips, and other compensation	2	<input type="text"/>
3 Federal income tax withheld from wages, tips, and other compensation	3	<input type="text"/>
4 If no wages, tips, and other compensation are subject to social security or Medicare tax		<input type="checkbox"/> Check and go to line 6.

	Column 1		Column 2	
5a Taxable social security wages	<input type="text"/>	x .124 =	<input type="text"/>	<input type="text"/>
5b Taxable social security tips	<input type="text"/>	x .124 =	<input type="text"/>	<input type="text"/>
5c Taxable Medicare wages & tips	<input type="text"/>	x .029 =	<input type="text"/>	<input type="text"/>
5d Taxable wages & tips subject to Additional Medicare Tax withholding	<input type="text"/>	x .009 =	<input type="text"/>	<input type="text"/>
5e Add Column 2 from lines 5a, 5b, 5c, and 5d			<input type="text"/>	<input type="text"/>
5f Section 3121(c) Notice and Demand—Tax due on unreported tips (see instructions)			<input type="text"/>	<input type="text"/>
6 Total taxes before adjustments. Add lines 3, 5e, and 5f			<input type="text"/>	<input type="text"/>
7 Current quarter's adjustment for fractions of cents			<input type="text"/>	<input type="text"/>
8 Current quarter's adjustment for sick pay			<input type="text"/>	<input type="text"/>
9 Current quarter's adjustments for tips and group-term life insurance			<input type="text"/>	<input type="text"/>
10 Total taxes after adjustments. Combine lines 6 through 9			<input type="text"/>	<input type="text"/>
11 Total deposits for this quarter, including overpayment applied from a prior quarter and overpayments applied from Forms 941-X, 941-X (PP), 941-X, or 941-X (SP) filed in the current quarter			<input type="text"/>	<input type="text"/>
12 Balance due. If line 10 is more than line 11, enter the difference and see instructions			<input type="text"/>	<input type="text"/>
13 Overpayment. If line 11 is more than line 10, enter the difference	<input type="text"/>			

Check one:  Apply to next return.  Send a refund.

**▶ You MUST complete both pages of Form 941 and SIGN it.**

For Privacy Act and Paperwork Reduction Act Notice, see the back of the Payment Voucher. Cat. No. 170012 Form 941 (Rev. 1-2015)



# MORNING SUN

State of West Virginia  
Department of Health and Human Services  
Bureau for Medical Services  
CRFP #BMS 230000003

1112.50	0.00	68.98	16.13	68.98	16.13	0.00	0.00	170.22
5426.35	309.89	0.00	0.00	0.00	0.00	0.00	0.00	309.89
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5819.32	672.56	360.80	84.38	360.80	84.38	0.00	0.00	1562.92
1323.00	76.08	82.03	19.18	82.03	19.18	0.00	0.00	278.50
2403.66	26.64	0.00	0.00	0.00	0.00	0.00	0.00	26.64

9. The Schedule R report is imported into the 941R Express Website which transfers the data on to the actual 941 Schedule R.

950412  
OMB No. 1545-0045

**Schedule R (Form 941): Allocation Schedule for Aggregate Form 941 Filers**  
(Rev. January 2014)  
Department of the Treasury — Internal Revenue Service

Employer identification number  -

Report for calendar year:

1: January, February, March  
 2: April, May, June  
 3: July, August, September  
 4: October, November, December

Read the instructions before you complete Schedule R (Form 941). Type or print within the boxes. Complete a separate line for the amounts allocated to each of your clients.

1 Client's Employer Identification Number (EIN)	2 Wages, tips, and other compensation allocated to the client under 941 from Form 941, line 2	3 Federal income tax withheld from wages, tips, and other compensation as the allocated 941 from Form 941, line 3	4 Total amount allocable total amount allocable to the client from Form 941, line 2	5 Amount of 941 Wages and Compensation allocated to the client from Form 941, line 2	6 Total amount after allocations allocated to the client from Form 941, line 2	7 Total amount from Form 941, line 2, plus any payments made with the return allocated to the client under 941
1	-	-	-	-	-	-
2	-	-	-	-	-	-
3	-	-	-	-	-	-
4	-	-	-	-	-	-
5	-	-	-	-	-	-
6	-	-	-	-	-	-
7	-	-	-	-	-	-
8	-	-	-	-	-	-
9	-	-	-	-	-	-
10	-	-	-	-	-	-
11	-	-	-	-	-	-
12	-	-	-	-	-	-
13	-	-	-	-	-	-
14	-	-	-	-	-	-
15	-	-	-	-	-	-
16	-	-	-	-	-	-
17	-	-	-	-	-	-
18	-	-	-	-	-	-
19	-	-	-	-	-	-

For preparator: Production ACE notation, see the instructions. [www.irs.gov/form941](http://www.irs.gov/form941) Cat. No. 45001R Schedule R (Form 941) (Rev. 1-2014)

10. The 941, 941 Schedule B and 941 Schedule R are mailed to the IRS prior to the last day of the month following the end of the calendar quarter and must be postmarked.

## TN- UNEMPLOYMENT QUARTERLY PAYROLL TAX REPORTING

### POLICY:

Morning Sun will deposit all payroll taxes per the deposit requirements of the receiving entity. Morning Sun is a quarterly payroll tax depositor for TN SUI taxes. Taxes must be deposited via the TN UI web site quarterly and no later than the last day of the first month of the previous quarter. Morning Sun will

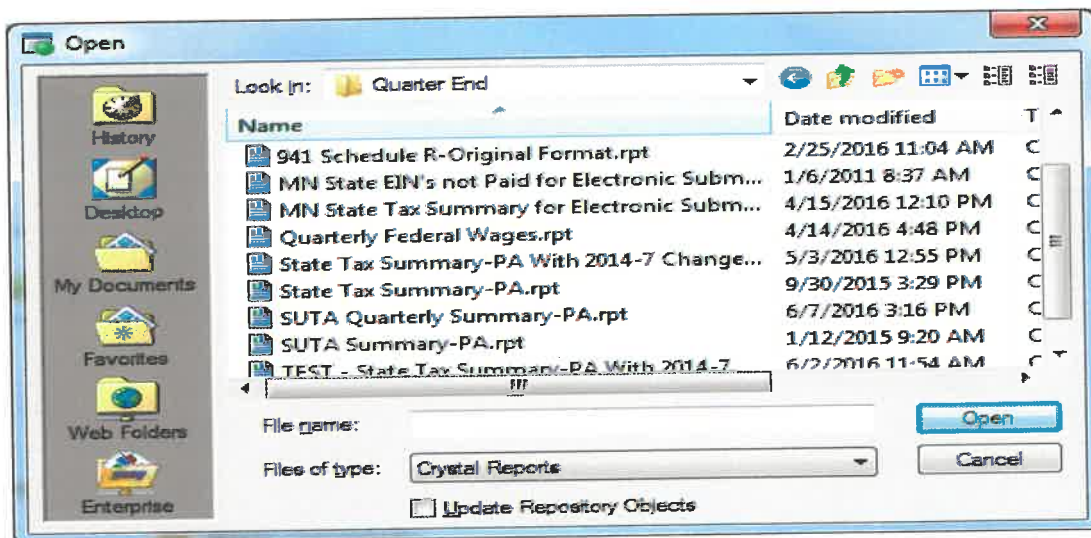


report for all individual employer accounts using its reporting agent account or by accessing each employer account individually.

### **PROCEDURES- QUARTERLY UNEMPLOYMENT REPORTING:**

(TN Department of Labor and Workforce Development) requires the quarterly reporting of wages earned and the payment of the associated tax liability calculated on the reported wages. This quarterly reporting must be completed and all tax liabilities paid no later than the last day of the month following the end of the quarter.

1. After the last day of the calendar quarter and after the payroll has been determined to be in balance for both federal and state purposes. The Crystal Report called the SUTA Quarterly Summary should be run.

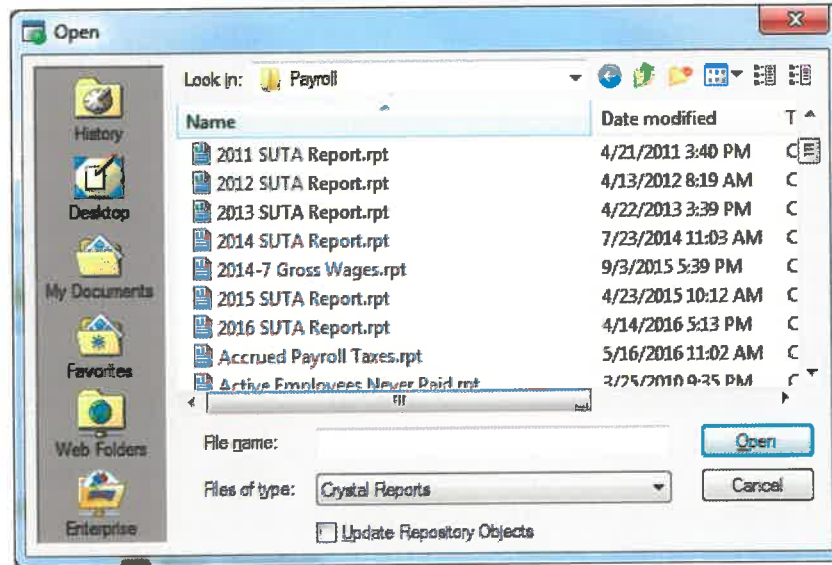


2. The report is a summary by individual employer accounts, by employer, by employee. The total of this report must first balance with the Great Plains generated Quarterly SUTA Report. Until reconciliation is done between Great Plains and this Crystal report you cannot move forward with the SUI reporting for the quarter.

SUTA ACCT #	EIN#	EMPLOYER	COUNTY	SUI Rate	EE Name



3. Once the Quarterly SUTA Report is in balance with Great Plains reporting the next step is to create a 2021 SUTA Report.



4. The 2021 SUTA report is run as an excel file and saved on the server. The report is reconciled with the previous Quarterly SUTA Report and if in balance saved as an xlsx file.
5. Each employer account is filed per the requirement set forth by the state.

## **ANNUAL FEDERAL PAYROLL TAX REPORTING**

### **W-2 and W-3 Statements:**

#### **POLICY:**

Morning Sun will produce a form W-2, *Wage and Tax Statement*, for each worker who had payroll activity in the corresponding year. The W-2 statements will be mailed to each worker before Jan 31<sup>st</sup> of the year following the last calendar year. Form W-3, *Transmittal of Wage and Tax Statements* will be prepared and sent directly to the Social Security Administration through their Online Business Portal. Because the IRS form 941 was filed using the Morning Sun payroll agent FEIN, forms W-2 and W-3 will be issued under that same FEIN.

#### **PROCEDURES:**

1. A W-2 will be prepared for any and all workers that were paid wages.



2. All forms W-2 will be completed by Morning Sun and copies B, C and 2 will be mailed to the worker by January 31<sup>st</sup> of each year.
3. Form W-3 will be filed with the Morning Sun information in boxes e, f, and g.
4. Morning Sun will electronically send Copy A of form W-2, along with Form W-3, *Transmittal of Wages and Tax Statements* to the Social Security Administration by January 31<sup>st</sup> of each year. Morning Sun will keep copies of the completed Forms W-2 and W-3 *Transmittal of Wage and Tax Statements* and file in a secure location.
5. Box b of W-2 will list Morning Sun Employer Agent FEIN.
6. Box c of the W-2 will list Morning Sun as the agent for the employer, as well as Morning Sun address.
7. If a worker stops working for the employer and requests their form W-2, the W-2 must be provided within 30 days after the request or of the last wage payment, whichever is later.
8. W-2's are created within the Great Plains Payroll System.
9. All reconciliation reporting is the same process that is completed at the end of each quarter but is now run for the entire reporting year.





Period-End Payroll Reports - ISOPA (LJERNBERG)

Process Cancel File Tools Help Add Note

Actions File Tools Help

Type: Period

Date From 1/1/2015 Date To 12/31/2015

Ranges: Employee ID All From: To:

Reports:

- Payroll Summary
- Pay Code Summary
- Department Summary
- Position Summary
- Deduction Summary
- Benefit Summary
- State Tax Summary
- Local Tax Summary
- FUTA Summary
- SUTA Summary
- Workers' Compensation Summary

Last Date Posted

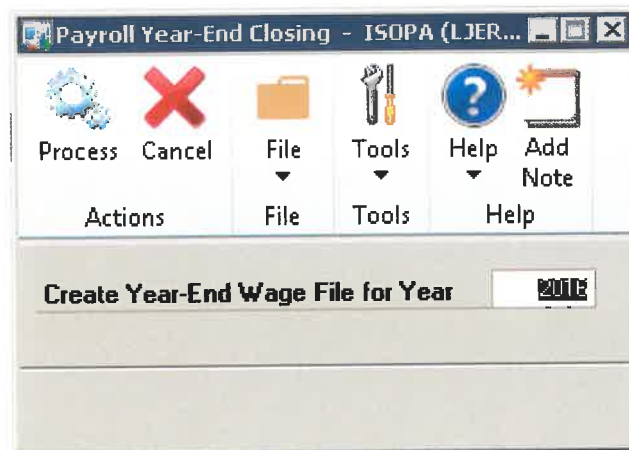
FUTA	6/30/2011
SUTA	6/30/2011
Workers' Comp	0/0/0000

Post Liabilities

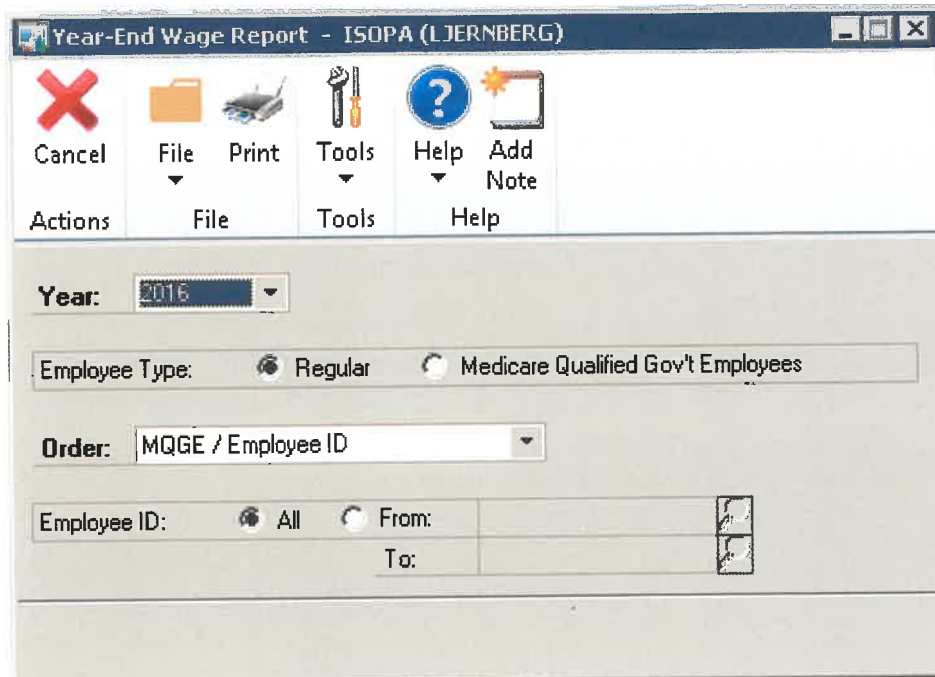
- FUTA Tax
- SUTA Tax
- Workers' Compensation Tax

Posting Date 0/0/0000

10. Once all FICA refunds and earnings corrections have been completed and all reporting has been reconciled for the 4<sup>th</sup> quarter and for the year you can move on to creating the Wage and Tax Register that is used to create the employees W-2.
11. Go to Tools/Routines/Payroll/Payroll Yearend Closing



12. Key in the calendar year of the year you are closing. Once the yearend wage file has processed the year is closed and will not allow for any system changes to that years reporting.
13. Next create the Yearend Wage and Tax Report.



14. This report must be reconciled to all of the previous system reporting and quarterly 941 reporting for the reporting year. If discrepancies are found, they employee must be identified and an edit performed on the employee's W-2 prior tp printing. All previous



reporting will need to be updated with the adjustment being made to the W-2. This should happen in very rare instances if all reconciliations were done completely prior to creating W-2's.

### 15. To edit an employee's W-2

**Edit W-2 Information - ISOPA (LJERNBERG)**

Save Clear Additional File Print Tools Help Add Note

Actions Additional File Tools Help

Year: 2016

Type

Employee ID

Name

Social Security Number

Foreign Address

Address

City

State ZIP Code

Wages, Tips, & Other Comp

Federal Income Tax Withheld

Social Security Wages

Social Security Tax Withheld

Medicare Wages and Tips

Medicare Tax Withheld

Social Security Tips

Allocated Tips

Advanced EIC Payment

Dependent Care Benefits

Nonqualified Plans

Statutory Employee  Retirement Plan

Third-Party Sick Pay

Special Other State Local 1095-C Dependents

by MQGE / Employee ID

16. After the W-2 has been edited, you will need to rerun the Yearend Wage and Tax Report. This run will incorporate all edits and summarize totals. These summarized totals should be used in the 941 reporting and required state reporting.

17. After all edits and reconciliations are complete. W-2's can be created.



Print W-2 Forms - ISOPA (UIERNBERG)

Clear File Print Tools Help Add Note

Year: 2016

Print W-2's For:  Normal Year-End  Pre-Year-End Inactive Employees

Employee Type:  Regular  Medicare Qualified Government Employee

Employee ID:  All  From To: [ ]

Starting Control Number Order: MQGE / Employee ID

Form Type: 1 Wide - Continuous

Print

- Validation Report
- W-2 Forms Alignment
- W-2 Forms
- W-3 Transmittal Form
- 1095-C
- 1094-C Transmittal

Kind of Employer: None apply

Kind of Payer: 941

Employer provided self-insured coverage

Employer Identification Number: 20-2063154

18. The first step prior to the actual print of the W-2 is to print the Validation Report. This report verify's that all of the information that will print on the W-2 is within the SSA guidelines for online upload formatting. For example; the employees address cannot contain more the 22 characters per each line. Or if there is missing address information, like a zip code. All needed changes must be made through the Edit W-2 screen.
19. Once all edits are completed using the validation report. Rerun the Wage and Tax Report to update with all the changes.
20. Rerun the Validation Report. There should be no issues remaining. If there are then make the appropriate edits to the W-2.
21. After all validation changes are made and the validation report is clear, rerun the Wage and Tax Report to include all changes made.
22. Next print the W-2's
23. Next Print the W-3 Transmittal Form
24. An electronic W-2 file must be sent to the Social Security Administration using their Online Business Portal. This must be done by 01/31 for the 2016 reporting year. Previous to 2016 reporting was required prior to 02/28.
25. To create the electronic file to send to the SSA, go to tools/routines/payroll/W-2 electronic filing.



W-2 Electronic Filing - ISOPA (LJERNBERG)

Save Create File File Print Tools Help Add Note  
Actions File Tools Help

Reporting Year 2015 Mark All Unmark All

Include	Company	Company ID	Employment Code	Processed Date and Time
<input type="checkbox"/>	MSFS-Ohio, LLC	MTEST	Regular	0/0/0000 12:00:00 AM
<input type="checkbox"/>	MSFS-Oklahoma, LLC	MSFSO	Regular	2/24/2016 8:38:59 AM
<input type="checkbox"/>	MSFS-Tennessee, LLC	MSFST	Regular	2/24/2016 8:09:36 AM
<input type="checkbox"/>	MSFS-TN Mgmt Company, LLC	MSFS	Regular	2/23/2016 4:07:54 PM
<input type="checkbox"/>	MSFS-Utah, LLC	MSI	Regular	2/24/2016 9:07:13 AM
<input type="checkbox"/>	Orion Associates	ORI	Regular	2/23/2016 1:38:24 PM
<input checked="" type="checkbox"/>	Orion ISD Financial Services	ISOPA	Regular	2/25/2016 9:09:00 AM
<input type="checkbox"/>	Orion ISD Inc.	ISO	Regular	2/24/2016 10:05:29 AM
<input type="checkbox"/>	Wellspring	CERWS	Regular	2/23/2016 12:50:39 PM
<input type="checkbox"/>	Zenith Services	ZEN	Regular	2/23/2016 1:06:24 PM

File Name C:\W2REPORT

User ID Number MVPHG8VN  Resubmitting WFID Submitter

26. Click on the Submitter button.



Electronic Filer Submitter Information - ISOPA (LJERNBERG)

OK Clear File Tools Help Add Note

Actions File Tools Help

Foreign Address

**Company Information**

**Company Name** Orion ISO|

**Attn/Suite/Room #**

**Street/PO Box** 9400 GOLDEN VALLEY ROA

**City** GOLDEN VALLEY

**State** MN

**ZIP Code** 55427

**Submitter Information**

Foreign Address

**Submitter's Name** Orion Associates, Inc

**Attn/Suite/Room #**

**Street/PO Box** 9400 GOLDEN VALLEY ROA

**City** GOLDEN VALLEY

**State** MN

**ZIP Code** 55427

**Submitter's EIN** 20-0492522

**Method of Notification:** E Mail/ Internet

**Preparer Code:** Accounting Firm

**Contact Information**

**Contact Name** Linda Jernberg

**Phone Number** (763) 450-3781 Ext. 0000

**FAX Number** (000) 000-0000 Ext. 0000

**E-mail** ljernberg@orionassoc.net

27. Complete all company name and address information. This information will be included within the electronic file. Close this screen.

28. Click on Create File at the top of the screen.

W-2 Electronic Filing - ISOPA (LJERNBERG)

Save Create File File Print Tools Help Add Note

Actions File Tools Help

Reporting Year 2015

Mark All Unmark All

Include	Company	Company ID	Employment Code	Processed Date and Time
<input type="checkbox"/>	MSFS-Ohio, LLC	MTEST	Regular	0/0/0000 12:00:00 AM
<input type="checkbox"/>	MSFS-Oklahoma, LLC	MSFSO	Regular	2/24/2016 8:38:59 AM
<input type="checkbox"/>	MSFS-Tennessee, LLC	MSFST	Regular	2/24/2016 8:09:36 AM
<input type="checkbox"/>	MSFS-TN Mgmt Company, LLC	MSFS	Regular	2/23/2016 4:07:54 PM
<input type="checkbox"/>	MSFS-Utah, LLC	MSI	Regular	2/24/2016 9:07:13 AM
<input type="checkbox"/>	Orion Associates	ORI	Regular	2/23/2016 1:38:24 PM
<input checked="" type="checkbox"/>	Orion ISO Financial Services	ISOPA	Regular	2/25/2016 9:09:00 AM
<input type="checkbox"/>	Orion ISO Inc	ISO	Regular	2/24/2016 10:05:29 AM
<input type="checkbox"/>	Wellspring	CERWS	Regular	2/23/2016 12:50:39 PM
<input type="checkbox"/>	Zenith Services	ZEN	Regular	2/23/2016 1:08:24 PM

File Name C:\W2REPORT

User ID Number MVPHG8VN  Resubmitting WFD

29. The electronic file is now created and saved to the file name and path you have chosen.



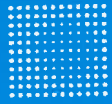
30. Prior to importing into the SSA website, down load the ACCU WAGE error checking software from the SSA website. The ACCU WAGE allows you to test your W-2 file for any formatting or missing information prior to submitting to the SSA.
31. After completeing the test within ACCUWAGE and your test file is error free you are ready to uplaod the file to the SSA.
32. To submitt the file to the Social Security Administration go to this web site, <https://www.ssa.gov/bsowelcome.htm>.
33. Click on Log In and login with the Morning Sun login credentials. Click on the box I have reade & agree to these terms. Click Log In.
34. Click on Report Wages To Social Security
35. Click on I Accept
36. Click on the tab labeled Upload Formatted Wage File
37. Click on Submit/Resubmit a Formatted Wage File
38. Read the instructions on this page and click the Continue button.
39. Click on the radial button labeled New W-2s/W-3s for Tax Year 20XX
40. Click on the continue button
41. Click on the Browse button and choose the W-2 file that you previously created.
42. Click on the Submit button.
43. The website will give you an immediate calcuation of what you have submitted and if there are any errors. If there are no errors you will need to check back in a day or two to verify that SSA has processed your file.

## **ANNUAL 940 FUTA TAX REPORTING:**

Morning Sun files the form 940, in the aggregate annually for all Employers as allowed under IRS code 3504 and 2013-39. This form is for filing the Employers Annual Federal Unemployment (FUTA) Tax Return for the year. The instructions below will highlight the different handling that needs to take place as a result of Morning Sun's status as the Employer Agent under IRS code 3504, for the Employer, and filing in the aggregate.

## **POLICY:**

1. FUTA taxes must be deposited quarterly if the tax liability is more than \$500.00 for the quarter in the aggregate. If less than \$500.00 no deposit is required, but that quarter's liability must be added to the next quarter when determining whether a deposit must be made.
2. The FEIN on form 940 will be the Morning Sun Payroll Agent Federal ID.
3. The Schedule R-Allocation Schedule for Aggregate Form 940 Filers needs to be included along with the 940 tax return. The Schedule R details all individual Employer EIN numbers and supporting wage reporting and must balance to specific line item dollar amounts report on the



940.

4. The 940 Schedule A must also be completed if box 1b or box 2 is checked on form 940. Schedule A is a detailed reporting of all states where you reported wages and paid state unemployment taxes. Schedule A also will calculate any Credit Reduction dollars owed, due to the default of that state in paying back federal unemployment loans. The longer the loan goes unpaid the higher the reduction rate will be. The Credit Reduction states for the year are released by the IRS in November of each year.
5. The Statement of "HOUSEHOLD EMPLOYER AGENT" should be written across the top of form 940 in RED pen.

## **PROCEDURES:**

1. These procedures are repeated on a monthly basis to ensure that the account balances are accurate on a monthly basis and to ensure smooth transition into the quarterly closing and annual closing which involves actual filing of the 940 tax form to the IRS. The following reports are utilized to make sure everything ties out:
  - a. Payroll Summary Report
  - b. Pay code Summary Report
  - c. Deductions Summary Report
  - d. Benefits Summary Report
  - e. State Summary Report
  - f. FUTA Summary Report
  - g. SUTA Summary Report
  - 1 Items letter "b," "c" and "d" are used to assure that the proper deductions were made to get from gross wage to taxable wage and back were made.
2. After the above steps have been completed to assure all liability accounts on the general ledger tie to the audit template spreadsheet and the FUTA wages on the FUTA Summary report balance with the Payroll Summary report and the SUTA Summary report. If this is the end of a quarter and the FUTA liability is \$500.00 or more than a deposit of the liability is due be the last day of the month after the quarter ending date. If the FUTA liability is less than \$500.00 you can withhold depositing until the next quarter and then report the combined quarterly liabilities. If this is the last quarter business of the previous year than form 940, Schedule A and Schedule R must be completed along with the deposit of the remaining FUTA liability.







### Schedule A (Form 940) for 2015: Multi-State Employer and Credit Reduction Information

860312

OMB No. 1545-0048

Employer identification number (EIN)  -

Name (not your trade name):

See the instructions on page 2. File this schedule with Form 940.

Place an "X" in the box of EVERY state in which you had to pay state unemployment tax this year. For each state with a credit reduction rate greater than zero, enter the FUTA taxable wages, multiply by the reduction rate, and enter the credit reduction amount. Don't include in the FUTA Taxable Wages box wages that were excluded from state unemployment tax (see the instructions for Step 2). If any states don't apply to you, leave them blank.

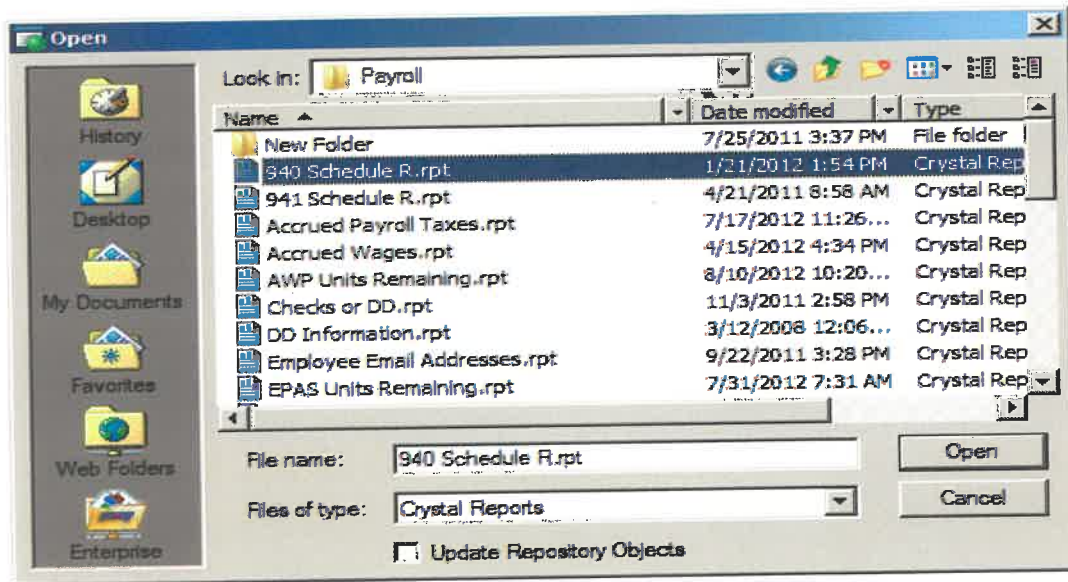
Postal Abbreviation	FUTA Taxable Wages	Reduction Rate	Credit Reduction	Postal Abbreviation	FUTA Taxable Wages	Reduction Rate	Credit Reduction
<input type="checkbox"/> AK	-		-	<input type="checkbox"/> KC	-		-
<input type="checkbox"/> AL	-		-	<input type="checkbox"/> ND	-		-
<input type="checkbox"/> AR	-		-	<input type="checkbox"/> NE	-		-
<input type="checkbox"/> AZ	-		-	<input type="checkbox"/> NH	-		-
<input type="checkbox"/> CA	-		-	<input type="checkbox"/> NJ	-		-
<input type="checkbox"/> CO	-		-	<input type="checkbox"/> NM	-		-
<input type="checkbox"/> CT	-		-	<input type="checkbox"/> NV	-		-
<input type="checkbox"/> DC	-		-	<input type="checkbox"/> NY	-		-
<input type="checkbox"/> DE	-		-	<input type="checkbox"/> OH	-		-
<input type="checkbox"/> FL	-		-	<input type="checkbox"/> OK	-		-
<input type="checkbox"/> GA	-		-	<input type="checkbox"/> OR	-		-
<input type="checkbox"/> HI	-		-	<input type="checkbox"/> PA	-		-
<input type="checkbox"/> IA	-		-	<input type="checkbox"/> RI	-		-
<input type="checkbox"/> ID	-		-	<input type="checkbox"/> SC	-		-
<input type="checkbox"/> IL	-		-	<input type="checkbox"/> SD	-		-
<input type="checkbox"/> IN	-		-	<input type="checkbox"/> TN	-		-
<input type="checkbox"/> KS	-		-	<input type="checkbox"/> TX	-		-
<input type="checkbox"/> KY	-		-	<input type="checkbox"/> UT	-		-
<input type="checkbox"/> LA	-		-	<input type="checkbox"/> VA	-		-
<input type="checkbox"/> MA	-		-	<input type="checkbox"/> VT	-		-
<input type="checkbox"/> MD	-		-	<input type="checkbox"/> WA	-		-
<input type="checkbox"/> ME	-		-	<input type="checkbox"/> WI	-		-
<input type="checkbox"/> MI	-		-	<input type="checkbox"/> WV	-		-
<input type="checkbox"/> MN	-		-	<input type="checkbox"/> WY	-		-
<input type="checkbox"/> MO	-		-	<input type="checkbox"/> PR	-		-
<input type="checkbox"/> MS	-		-	<input type="checkbox"/> VI	-		-
<input type="checkbox"/> MT	-		-				

Total Credit Reduction. Add all amounts shown in the Credit Reduction boxes. Enter the total here and on Form 940, line 11

- Schedule A-Check the box in front of each state that unemployment taxes were paid to and enter the FUTA taxable wages for that state.
- Calculate the Credit Reduction by multiplying the FUTA wage for the state times the Reduction Rate.
- Total the Schedule A at the bottom of the form and enter this total into line 11 of the form 940.
- Part 2- Line 3 is the total of all wages paid to employers' workers



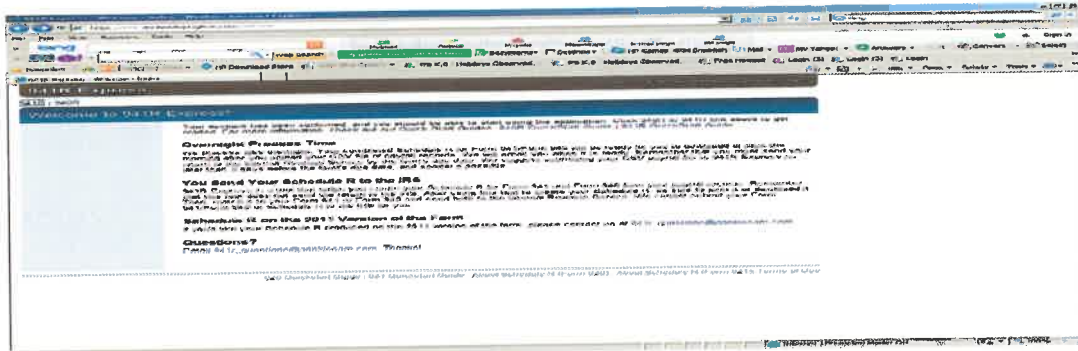
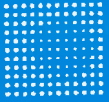
13. Line 4- payments made to workers that were exempt. Also check box 4e. The exempt wages will be those paid to a family member that qualified as exempt from FUTA taxes. *Please see Publication 926 Household Employer Guide.*
14. Line 5- is the total wages paid over the \$7000.00 per worker threshold. This total and all wage totals can be found on the FUTA Tax Summary.
15. Line 6- subtotals line 4+line 5=line 6
16. Line 7a- Total Taxable FUTA wages, Line 3-line 6=line 7a
17. Part 3-Determine your adjustments, if any. Leave blank if none apply. If credit reduction applies, fill in the total from Schedule A.
18. Part 4- Line 12 Total FUTA Tax after adjustments (Lines 8+9+10+11 = Line 12).
19. Line 13-Enter total FUTA tax deposited for the year.
20. Line 14-Balance Due, if line 12 is more than line 13 then enter the balance here. If the amount due is more than \$500.00, you must deposit your tax due. If the amount is less than \$500.00 you may pay the amount with your return.
21. Line 15-Overpayment, (If line 13 in more than line 12. Enter the overage here and check either the box "Apply to next return" or "Send a refund").
22. Part 5-Line 16 thru 16d; report your tax liability for each quarter. Not the amount you deposited, but what your liability was.
23. Line 17 is the total liability for the year and must equal line 12.
24. Part 6- If you would like to assign a third party (employee, tax preparer) to be able to discuss this return, fill in the name of the designated person. Morning Sun will allow the Payroll Manager to be a designee.
25. Part 7- The CFO or an officer of the company will sign and date the return. The return can be name stamped.
26. The 940 for Morning Sun is filed in the aggregate for all Louisiana employer accounts, this type of filing also requires a Schedule R to also be included in the filing.
27. The next step is to run the Schedule R Crystal Report.



28. Go to Crystal Reports/Morning Sun Louisiana/940R, run this report and export it as an excel file. Save it to the Morning Sun Tax folder.
29. Open the excel spreadsheet you have just saved, verify that all columns equal the totals corresponding the numbered line on form 940. If column totals are in balance with the 940, save the spreadsheet as a comma delimited form.
30. Open the following web site, <https://941r.annkissamprojects.com/>



31. This service allows Morning Sun to upload the comma delimited file just created for the Schedule R and then processes the information onto the IRS form Schedule R. This alleviates the need for the data entry of possibly many pages of Schedule R Reporting. Morning Sun also pays an annual membership to AnnKissam for FMS consulting.



32. The Schedule R will process usually within a few minutes, and is downloaded and printed and then ready for mailing with the 940.

Last reviewed and revised: 07/06/2021 JBD

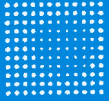
The preceding document is an example from another state of the policies and procedures for tax withholding and payment processes as requested in item 4.2.1.6.9. In a document that will be customized to West Virginia, a procedure for municipal taxes will also be included.

4.2.1.70 The Vendor should deposit federal income tax withholding in the aggregate using the Subagent-F/EA FMS entity's separate FEIN (electronic EFTS filing) and per IRS depositing rules for Government F/EA FMS.

Included in the document above.

4.2.1.71 The Vendor should deposit FICA tax in the aggregate using the Subagent-F/EA FMS entity's separate FEIN (electronic EFTS filing) and per IRS depositing rules.

Included in the document above.



4.2.1.72 The Vendor should maintain copies of Federal income tax withholding and FICA filing/deposit documentation in its files.

Included in the documentation of the withholding and payment process above.

4.2.1.73 The Vendor should compute, withhold and file FUTA annually in the aggregate using the Subagent - F/EA PMS-Counseling entity's separate FEIN and the IRS Form 940, Employer's Annual Federal Unemployment (FUTA) Report and the IRS Form 940 Schedule R.

Included in the documentation above.

4.2.1.74 The Vendor should maintain copies of the annually filed IRS Form 940, and IRS Form Schedule Rand related documentation in its files.

Included in the documentation above.

4.2.1.75 The Vendor should deposit FUTA in the aggregate (electronic EFTS filing) using the Subagent-F/EA FMS entity's separate FEIN in accordance IRS depositing rules for Government F/EA FMS entities.

Included in the documentation above.

4.2.1.76 The Vendor should maintain copies of FUTA deposit documentation in the Subagent-F/EA FMS entity's files.

Included in the documentation above.

4.2.1.77 The Vendor should enroll as an electronic filer and payer for state income tax withholding, unemployment insurance tax with the West Virginia State Tax Department and West Virginia Job Service/Unemployment program.

Morning Sun will enroll as an electronic filer and payer with these West Virginia agencies.

4.2.1.78 The Vendor should compute, withhold, and file state



unemployment insurance taxes quarterly for each member/representative-employer using his/her state unemployment insurance tax employer identification number and the WVUC-A- 154, Contribution Report and WVUC-154-A Wage Report per the West Virginia Job Service/Unemployment program, Unemployment Compensation Insurance requirements and maintain copies of forms and documentation in the member/representative-employer's file.

Morning Sun has established processes for computing, withholding and filing state unemployment insurance taxes quarterly for each member-representative-employer. These will be customized to include the proper procedures for the WVUC-A-145, Contribution Report and the WVUC-a54-A, Wage Reports to be filed. We will maintain copies of forms and documentation in the member's file.

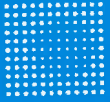
4.2.1.79 The Vendor should compute, withhold, and file state income tax withholding quarterly using the member/representative-employer's state income tax employer identification number and the West Virginia State Tax Department Form WV/IT- 101, Employer's Return of West Virginia Income Tax Withheld for each West Virginia resident member/representative-employer and qualifying West Virginia non-resident employee. The Vendor should maintain copies of state income tax withholding filings and related documentation in the member/representative-employers' files.

This is covered in the Payroll Tax Reporting, Filing and Refunds documentation in item # **4.2.1.68**, above.

4.2.1.80 The Vendor should deposit state income tax withholding for each member/representative employer West Virginia resident and qualifying non- resident DCSWs. The Vendor should maintain copies of documentation in each member/representative-employer's file.

Covered above, as noted.

4.2.1.81 The Vendor should withhold and file municipal taxes, as required, for each member/representative-employer. The Vendor



should maintain copies of municipal tax filings and related documentation in each member/representative- employer's file. The Vendor should deposit municipal taxes, as required for each member/representative-employer. The Vendor should maintain copies of municipal tax payments and related documentation in each member/representative-employer's file.

Covered above, as noted.

4.2.1.82 The Vendor should process all judgments, garnishments, tax levies, or other related holds on DCSWs' pay as may be required by federal, state, or municipal governments and maintain copies of documentation in the DCSW's file.

Morning Sun has a procedure to process any required holds on a DCSW's pay and maintaining copies of documentation in the worker's file.

4.2.1.83 The Vendor should generate DCSW payroll checks and mail or perform electronic direct deposits of checks.

The following is an example of Morning Sun's payroll process as it is handled for another state. It will be modified specifically to meet the requirements of West Virginia. This is documentation contained in our Policies and Procedures Manual.

HR verifies that Workers meet specified qualifications and complete training requirements.

Next, employee payroll is set up. In the Great Plains Accounting System, this information is added:

- Demographic Information
- Direct Deposit
- Tax Withholding
- Pay Codes Assigned

An audit completed by Payroll Specialist II. Rapid! Paycard is set up and sent as needed. Any issues are addressed by the Payroll Specialist or Supports Broker, as identified.





**Employee Maintenance - TEST (MKLEINHUIZEN)**

Save Clear Delete Write Letters Additional Go To File Print Tools Help Add Note

**Employee ID:** EMBRYROSAT01 **Class ID:** PAYROLL  Inactive

<b>Last Name</b>	Employee Last	<b>Address ID</b>	MAIN
<b>First</b>	Employee First	<b>Address</b>	7440 Kim Ave
<b>Middle</b>	Sherinta	<b>City</b>	Theodore
<b>Suffix</b>		<b>State</b>	AL
<b>Soc Sec Number</b>	111-11-1111	<b>ZIP Code</b>	36582 <b>County</b>
<b>Seniority Date</b>	0/0/0000	<b>Country</b>	
<b>Hire Date</b>	12/19/2019	<b>Phone 1</b>	(555) 555-5555 Ext. 0000
<b>Position Start Date</b>	12/19/2019	<b>Phone 2</b>	(000) 000-0000 Ext. 0000
<b>Last Day Worked</b>		<b>Phone 3</b>	(000) 000-0000 Ext. 0000
<b>Date Inactivated</b>	0/0/0000	<b>Division</b>	
<b>Reason</b>		<b>Department</b>	SAIL
<b>Secondary Status</b>	2014-7	<b>Position</b>	SAIL
<b>SUTA State</b>	AL	<b>Location</b>	
<b>Workers' Comp</b>		<b>Supervisor</b>	

Employment Type: Full Time Regular

Additional Positions | Human Resources | Address | Additional Information | Vac/Sick | Project

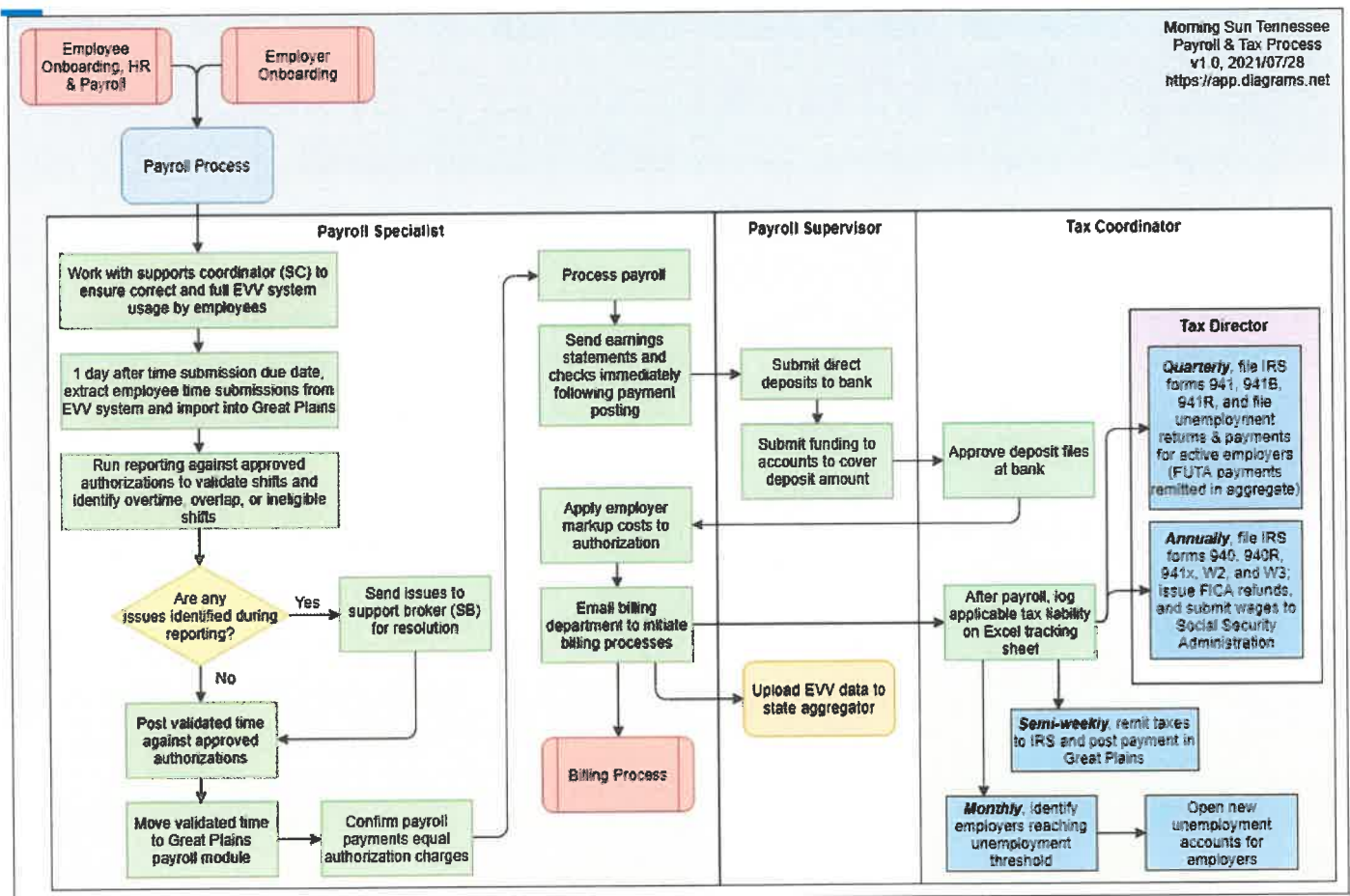
Navigation: by Employee ID

- Pay Schedule: Semi Monthly, Sunday through Saturday
- Pay Periods: 1<sup>st</sup>-15<sup>th</sup> (12:00 AM - 11:59 PM)  
16<sup>th</sup>-Last Day Month (12:00 AM - 11:59 PM)
- Due Dates: 4 Days after Pay Period Ends at 11:59 PM
- Pay Dates: 15<sup>th</sup> & Last Day of the Month (Modifications for weekends & holidays)



- Processing Day: 4 business days prior to actual pay date
- Consumer Direction Options
  - MSFS = Morning Sun Financial Services (FEA)
  - Employer = Supervisor/In Charge
  - Member = Client/Person Receiving Services
  - Employee = Worker/Provider

The next screen shot illustrates the payroll workflow process:





Time entries are processed by our EVV system using Direct Care Innovations (DCI). They are directly imported from DCI to our Great Plains Accounting System and data transferred into each Member's account as well as payroll processing. We produce and maintain electronic copies of all time entries for our records. Time entries are reviewed by Morning Sun Financial Services payroll specialists prior to processing to ensure that they are correct, complete and conform to the Member's authorized budget. Morning Sun is committed to ensuring that employees are paid on time. If the time entry is reviewed and found unacceptable, the payroll specialists will notify the Supports Brokers, who in turn contact the employer about the missing or incorrect information. If the employer resubmits the revised time entry to us while payroll is being processed, the employee will be paid on time. In addition, if a time entry creates issues with the number of hours over budget, or if a service authorization is not in place, the Coordinator will work to remedy the issue quickly to ensure the employees are paid on time. We know that the extra effort we make to ensure that people get paid on time contributes significantly to the Members' satisfaction with our services.

Our staff ensure that only payments authorized by the Member's budget are made. Our accounting system is integrated with budget and reports so that any possible overages are flagged and resolved before the payroll is processed.

Employees will have the option to receive their paychecks through the mail, by direct deposit, or cash card. If they chose direct deposit or a cash card, they will still receive a pay stub by mail or email. Pay stubs will detail gross pay, hours worked, pay period, all deductions, and year-to-date amounts in each of those categories.

Payroll staff are available on payday to answer questions that may occur. Supports Brokers have access to our financial systems so that they can answer questions from employees and Members. If Morning Sun makes an error with a timesheet, we will ensure that the employee is paid immediately in the most expeditious manner possible.

A direct deposit form is included in the employee packet that Members and Workers receive at orientation. If Workers chose direct deposit, the form will be entered into the system and kept in their file. They will still receive a pay stub by mail or email. The payroll manager sends the direct deposit file to the bank two days before the check date. The direct deposit file is uploaded to the online banking



website.

Other options for Workers include choosing to use a Global Cash Prepaid VISA pay card. Workers may also choose to receive a paycheck by US mail, although they are reminded that while Morning Sun will ensure that the check is mailed on time, the U.S. mail is the least predictable of their options.

Our internal systems for payroll processing include multiple internal controls. Each employee will have an Employee Card created in the Great Plains system. The employee card is created by the human resource specialist as part of the enrollment process. This is the employee's master file regarding general pay rate and withholding information. The employee file will include their name, their ID number, the employee Social Security number, W-4 tax withholding information, mailing address and direct deposit information if applicable. Each employee file will also be tied to a Member/employer.

As part of payroll withholding for each Member's employee, Morning Sun has the capacity to withhold any garnishments, liens or levies against employee wages. This information is also entered into the Employee Card created in the Great Plains system.

Each employee's information in the Great Plains system will be tied to the employer FEIN. Employer taxes are encumbered for payment. The employer set-up will include the West Virginia Unemployment Insurance payment calculation, the Federal Unemployment Tax (FUTA) payment calculation and the Employer's share of FICA (Medicare and Social Security) payment calculation. The employer tax rates and their impact on the Member's budget allocation are part of the education and training provided to the Member during enrollment. Member/employers are also provided with a "Cost to You" worksheet that shows the "mark-up" due to employer taxes. Our table shows the employee's wage and then, in a separate column, the cost to the budget once the aggregated employer taxes are added. In this way, the employer can anticipate the amount charged to their budget allocation during each payroll period. Employee FICA and Employer FUTA, SUTA (state unemployment tax) and FICA may not apply if the employee is a household employee as defined in IRS publication 926. However, all withholding will be determined by Morning Sun based on the forms filled out by the Worker. For example, exemption from FICA, FUTA, SUTA and Employee FICA are based on the following relationships: Spouse of employer, parent of employer, child of employer up to 21 years old, and any child under the age of 18, if the child is a student.



After the initial set-up is complete, each payroll batch can be run on the schedule set out and dispersed by the department. The payroll director creates a payroll batch within Great Plains after the payroll specialist enters all the information for that period. The system is set up so that warnings or errors are indicated and can be corrected prior to check processing. There are also two reports: a “Timesheet” edit list, which allows an audit of what was keyed against what is on the data print out, and a Calculate Checks report that is a gross to net report. These reports are an internal control that is run prior to payroll processing and is used to audit for discrepancies prior to printing the payroll checks. Once that is done, the payroll director can print checks and print earning statements. The direct deposit file is due to the bank two days before the check date. The direct deposit file is uploaded to the online banking website. All time entries are retained in our electronic M-files repository. Time entries are filed in the employee’s file and are tied within the system to the employer. If an employee works for multiple employers, they submit multiple time entries. The times entries are then filed separately for each Member/employer.

The Great Plains system is an integrated system that will also post payroll entries to the general ledger accounts with the updated journal entry immediately as the payroll is run.

4.2.1.84 The Vendor should process direct deposits of DCSWs' payroll checks as requested and maintain copies of documentation in the DCSW's file

This is covered in the Payroll Process, above.

4.2.1.85 The Vendor should develop a system for managing improperly cashed or issued payroll checks, stop payment on checks, and for the re-issuance of lost, stolen or improperly issued checks including, but not limited to:

Morning Sun has documented procedures, which will be customized for West Virginia, for managing these issues regarding payroll checks, including maintaining a log, proper authorization, and timeframe.

4.2.1.85.1 Maintenance of a log of voided and reissued checks, including detailed information.

4.2.1.85.2 Proper authorization of all stop payments and re-issuances.



4.2.1.85.3 Timeframe to be mutually agreed upon between vendor and state for re-issuance of checks (i.e., within three (3) business days of notification of lost/stolen check) and issuance of stop payment request.

See above.

4.2.1.86 The Vendor should research, track, and resolve all tax notices, including those received from the IRS, West Virginia State Tax Department and West Virginia Job Service/Unemployment program regarding DCSWs' tax liabilities/liens, including all information and steps to resolution.

Morning Sun will research, track and resolve all tax notices from all sources regarding DCSW's tax liabilities/liens.

4.2.1.87 The Vendor should maintain copies of all documentation related to electronic West Virginia tax filings and payments in the Subagent-F/EA FMS entity's file.

Morning Sun will maintain in its file all documentation related to electronic tax filings and payments in West Virginia.

4.2.1.88 The Vendor should verify that each DCSW's social security number matches the name and date of birth information obtained from the Social Security Administration prior to submitting IRS Forms W-2 to the employer, the West Virginia State Tax Department, and the Social Security Administration each calendar year.

Morning Sun will verify that each DCSW's social security number matches the name and date of birth obtained from the Social Security Administration prior to submitting IRS Forms W-2 to the relevant agencies names above.

4.2.1.89 The Vendor should file the annual reconciliation, by January 31<sup>st</sup> of West Virginia state income tax withholding for each



member/representative-employer using the West Virginia State Tax Department Form WV/IT-103, Annual Reconciliation of West Virginia Income Tax Withheld for each West Virginia resident and qualifying non-resident member/representative-employer, and the member/representative-employer's employer identification number and maintain copies of the form and related documentation in each member/representative- employer's file.

Morning Sun's end of year tax procedures include filing the annual reconciliation of state income tax withholding for each member-representative. We will modify our procedures to include the proper West Virginia forms. We will maintain copies of all forms and documentation in each member's file.

4.2.1.90 The Vendor should process refunds of over-collected FICA as required by the IRS for eligible member/representative-employers to DHHR and eligible DCSWs.

For those DCSWs who do not meet the FICA threshold, we will make year-end adjustments using IRS Form 941-X, Adjusted Employer's Quarterly Federal Tax Return or Claim for Refund. These refunds are processed by December 31st of the year.

4.2.1.91 The Vendor should maintain documentation related to FICA refunding in each applicable member/representative-employers' and DCSWs' files

Morning Sun will maintain documentation of FICA refunding in each applicable member-representative-employer's and DCSW's files.

4.2.1.92 The Vendor should process, file, and distribute IRS Forms W-2, Wage and Tax Statement for all DCSWs and in accordance with IRS instructions for agents. As part of this process, the total gross payroll per the Form W-2 should be reconciled to the calendar year's total gross payroll and to gross payroll values filed on Forms 941 and 940.



Morning Sun will process, file and distribute IRS Form W-2 for all DCSWs in accordance to IRS instructions. We will reconcile the Form W-2 to the calendar year's total gross payroll and gross payroll values filed on Forms 941 and 940.

- 4.2.1.93 The Vendor should maintain copies of the federal copy of Forms W-2 and related documentation in each DCSW's file.

Morning Sun will maintain copies of Forms W-2 and related documentation in each DCSW's file.

- 4.2.1.94 The Vendor should process and file the IRS Form W-3, Transmittal of Wage and Tax Statement, as applicable and maintain a copy of the form in the member/representative-employer's file.

Morning Sun will process and file IRS form W-3 as applicable and maintain a copy of the form in the member-representative-employer's file.

- 4.2.1.95 The Vendor should process any returned DCSWs' payroll checks in accordance with the West Virginia Unclaimed Property Act, which can be found at: <https://wvtreasury.com/>, and CFR 42 Part 433 Section 40, which can be found at: <https://www.cms.gov/files/document/cms-1734-p-pdf.pdf>.

Morning Sun will process any returned DCSW's payroll checks according to the West Virginia Unclaimed Property Act, as noted above.

- 4.2.1.96 The Vendor should maintain copies of West Virginia Unclaimed Property-related documentation including returned DCSWs' payroll checks or providers' and/or vendors' payments in its files.

The following is an example from a different state of Morning Sun's Unclaimed Property documentation process. This process will be modified for West Virginia.

**Policy:** Morning Sun Financial Services (MSFS), the Fiscal Employer Agent (FEA) will consider any expense or other reimbursement checks that are outstanding after three years from the date of issuance and any MSFS payroll checks that are outstanding after one year from the date of issuance as unclaimed





property and will be processed in accordance with the West Virginia contract concerning Unclaimed Property.

### Procedure:

The MSFS Accountant position along with the Payroll and A/P Supervisors are responsible for reporting unclaimed property to the Agency.

A list of checks reportable under WV's Unclaimed Property Act will be maintained. The report includes the first and name of the person/entity to whom the check was issued, check number, issue amount and last known address.

For all unclaimed property meeting abandoned property dormancy requirements; 3 years for reimbursement checks and 1 year for wages, notification will be sent no more than 120 days before the state required filing report to the presumed owner at the last known address informing the owner of the unclaimed property. If claimed, the property must be turned over to the owner. If left unclaimed, checks will be voided, the property will then be turned over to the Agency pursuant to the contract.

A report of unclaimed checks will be sent to the Agency before November 1 for each preceding year ending June 30. This report will include the name, last known address and amount owed of each check known to be the owner of unclaimed property. In addition to the report, MSFS will also pay to the Agency one hundred per cent of the aggregate amount of unclaimed property included on the report. The Agency shall assume responsibility for managing the abandoned property filing and for performing any reconciliation related to Medicaid escheatment or CMS-64 reporting. If a reported unclaimed check is presented to Morning Sun after the property has been transferred to the Agency, we will direct the owner to the Agency, which will be responsible to remit the funds to the owner.

- 4.2.1.97 The Vendor should process, issue and track payments to vendor of approved participant-directed services (PDGS, EAA, etc.) Tasks/requirements include, but are not limited to, the following:

Morning Sun has a modern, robust web-based system (<http://morningsunfs.net>) that provides FAS services to several states across the country. The platform we will customize for the State of West Virginia



property and will be processed in accordance with the West Virginia contract concerning Unclaimed Property.

**Procedure:**

The MSFS Accountant position along with the Payroll and A/P Supervisors are responsible for reporting unclaimed property to the Agency.

A list of checks reportable under WV's Unclaimed Property Act will be maintained. The report minimally includes the first and name of the person/entity to whom the check was issued, check number, issue date, amount and last known address.

For all unclaimed property meeting abandoned property dormancy requirements; 3 years for expense and reimbursement checks and 1 year for wages, notification will be sent no more than 120 days before the state required filing report to the presumed owner at the last known address informing the owner of the unclaimed property. If claimed, the property must be turned over to the owner. If left unclaimed, all checks will be voided, the property will then be turned over to the Agency pursuant to the contract.

A report of unclaimed checks will be sent to the Agency before November 1 for each preceding year ending June 30. This report will include the name, last known address and amount owed of each person known to be the owner of unclaimed property. In addition to the report, MSFS will also pay to the Agency one hundred per cent of the aggregate amount of unclaimed property included on the report. The Agency shall assume responsibility for managing the abandoned property filing and for performing any reconciliation related to Medicaid escheatment or CMS-64 reporting. If a reported unclaimed check is presented to Morning Sun after the property has been transferred to the Agency, we will direct the owner to the Agency, which will be responsible to remit the funds to the owner.

- 4.2.1.97 The Vendor should process, issue and track payments to vendors of approved participant-directed services (PDGS, EAA, etc.)  
Tasks/requirements include, but are not limited to, the following:

Morning Sun has a modern, robust web-based system (<http://morningsunfs.net>) that provides FMS services to several states across the country. The platform we will customize for the State of West Virginia



will be built for 508 compliance and will be tested prior to deployment to ensure that website users with disabilities have access to and use of the information and data it contains. Our technology employs the Microsoft stack of technologies (IIS, Windows Server and MS SQL Server).

The website has a secure portal system in which providers or other designated individuals can access our electronic goods and services and reporting systems. The web-based electronic goods and services system allows providers or other designees to submit claim payment requests by uploading a form or through data entry. In the event it is necessary, alternative methods of submission through either secure email or fax is available so that payments can be made on time. The online reporting system contains real-time utilization reports for participant spending that can be accessed at any time. In addition, upon request, Morning Sun will develop any ad-hoc reporting for State personnel to view online through the web portal system.

The website platform is tested for functionality quarterly. The website is patched for security updates within 30 days of the patch availability. It is also externally scanned for vulnerabilities quarterly.

4.2.1.97.1 The Vendor should receive, verify, and process all invoices from approved vendors in accordance with the member's Spending Plan and monitor expenditures against it and maintain this documentation in the provider/vendor's file and electronic exchange data information with the Agency.

Morning Sun will receive, verify and process all invoices from approved vendors according to the member's spending plan. We will monitor expenses against this plan and maintain documentation in the vendor's file and our files.

4.2.1.97.2 The Vendor should obtain receipts and/or other proof of the goods or services purchased with PDGS or EAA funds to ensure funds were spent per the approved plan.

Morning Sun will obtain receipts and/or other proof of goods and services purchased with PDGS or EAA funds to ensure compliance with the approved plan.

4.2.1.97.3 The Vendor should pay vendors' invoices for



approved participant- directed services (PDGS, EAA, etc.) in accordance with the member's Spending Plan within thirty (30) calendar days of receiving the invoice and maintain this documentation in the provider/vendor's file.

Morning Sun will pay approved invoices for participant-directed goods or services within thirty (30) calendar days of receiving the invoice and maintain documentation in the provider/vendor's file.

4.2.1.97.4 The Vendor should process any returned provider or vendor payments in accordance with the West Virginia State Treasury Department's Division of Unclaimed Property requirements and procedures and in compliance with CFR 42 Part 433 Section 40 (See. 4.2.1.95).

Morning Sun will process any returned vendor payments in accordance with West Virginia's Unclaimed Property requirements and in compliance with CFR 42 Part 433 Section 40.

4.2.1.97.5 The Vendor should maintain copies of West Virginia Unclaimed Property-related documentation in the service provider's and vendor's file.

Morning Sun will maintain copies of this documentation in the service provider's and vendor's file.

4.2.1.97.6 The Vendor should distribute IRS Forms SS-8, Determination of Worker Status for Purpose of Federal Employment Taxes, and Income Tax Withholding when there is a question of whether a participant- directed vendor is an independent contractor.

When there is a question of whether a participant-directed vendor is an independent contractor, Morning Sun will distribute IRS forms SS-8.

4.2.1.97.7 The Vendor should distribute, collect, and process IRS Forms W-9, Request for Taxpayer Identification and Certification as appropriate for vendors of Participant-directed services (PDGS, EAA, etc.).



Morning Sun will distribute, collect and process IRS Forms W-9 for vendors of participant-directed services.

4.2.1.98 The Vendor should provide reports as requested by the Agency within seven (7) calendar days of the request or other schedule that is mutually agreed upon by the Agency and the Vendor.

Morning Sun uses Crystal Reports ,which are generated by our Great Plains and M-files integrated system. We will work with the Agency to determine a list of standard reports and a schedule of when they should be delivered. Additionally, Morning Sun will create new reports as requested and deliver them within seven (7) calendar days of the request.

4.2.1.99 The Vendor should provide ad hoc reports requested by the Agency within seven (7) calendar days of the request or other schedule that is mutually agreed upon by Agency and Vendor.

Morning Sun uses Crystal Reports to generate all reports regarding data stored in our accounting and m-files systems. We will provide ad hoc reports that the Agency may request within seven (7) calendar days of any request or other mutually agreeable schedule.

4.2.1.100 The Vendor should provide the Agency a copy of the monthly statement from the dedicated payroll bank accounts within fifteen (15) calendar days of the request along with any other financial information that may be necessary for the Agency to oversee the delivery of Subagent-F/EA FMS. The Vendor should maintain relevant documentation in the Vendor's files.

Morning Sun will provide the Agency with a copy of the monthly statement from the dedicated payroll bank accounts within fifteen (15) calendar days of the request along with any other financial information that the Agency requires. We will maintain relevant documentation in our files.

4.2.1.101 The Vendor should provide the Agency with a monthly Discovery and Remediation Report one (1) week prior to scheduled contract meetings based on performance measures identified by the Agency.

Morning Sun will provide the Agency with a monthly Discovery and Remediation Report one week prior to scheduled contract meetings based on performance measures identified by the Agency.



Morning Sun will distribute, collect and process IRS Forms W-9 for vendors of participant-directed services.

4.2.1.98 The Vendor should provide reports as requested by the Agency within seven (7) calendar days of the request or other schedule that is mutually agreed upon by the Agency and the Vendor.

Morning Sun uses Crystal Reports ,which are generated by our Great Plains and M-files integrated system. We will work with the Agency to determine a list of standard reports and a schedule of when they should be delivered. Additionally, Morning Sun will create new reports as requested and deliver them within seven (7) calendar days of the request.

4.2.1.99 The Vendor should provide ad hoc reports requested by the Agency within seven (7) calendar days of the request or other schedule that is mutually agreed upon by Agency and Vendor.

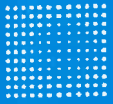
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Morning Sun will provide the Agency with a copy of the monthly statement from the dedicated payroll bank accounts within fifteen (15) calendar days of the request along with any other financial information that the Agency requires. We will maintain relevant documentation in our files.

4.2.1.101 The Vendor should provide the Agency with a monthly Discovery and Remediation Report one (1) week prior to scheduled contract meetings based on performance measures identified by the Agency.

Morning Sun will provide the Agency with a monthly Discovery and Remediation Report one week prior to scheduled contract meetings based on performance measures identified by the Agency.



4.2.1.102 The Vendor should provide the Agency with quarterly and year-end financial reports within forty-five (45) calendar days of the end of the quarter or end of the year.

Quarterly and year-end financial reports will be provided to the Agency within forty-five (45) calendar days of the end of quarter or end of year.

4.2.1.103 The Vendor should provide an up-to-date monthly spending report upon request to members who do not have access to the Internet within five (5) business days following the end of the payroll period that includes the last day of the month.

Morning Sun will provide up-to-date monthly spending reports delivered by mail to members without Internet access within five (5) business days after the end of the payroll period that includes the last day of the month.

4.2.1.104 The Vendor should ensure that copies of information and reports are not distributed to other parties without the written permission and direction of the Agency.

All Morning Sun staff are trained on HIPAA and other privacy requirements and will ensure that no reports are distributed to other parties without written permission and direction of the Agency.

4.2.1.105 The Vendor should propose a system and policies, procedures, and internal controls for establishing and managing member/representative-employer, DCSW and vendor files in a secure manner for the length of the contract and for the period of time mandated by applicable federal and West Virginia rules and regulations, <https://www.govinfo.gov/app/details/CFR-2002-title42-vol3/CFR-2002-title42-vol3-sec431-17>.

The system for establishing and securely managing member-representative, DCSW and vendor files is documented in the Policies and Procedures Manual that will be customized to reflect all federal and state regulations. Every fiscal activity has a policy and a set of procedures. Files are managed by the Great Plains Accounting System integrated with M-files, which incorporates all necessary workflows.

4.2.1.106 The Vendor should have a master checklist, to be approved by



the Agency, for each file type to ensure that all required documents are included in each of these files used by the operating agencies for each of the waiver programs.

Morning Sun will submit for Agency approval a master checklist for each file type to ensure that all required documents are included with each of the files that we use for each of the waiver programs.

4.2.1.107 The Vendor should have a master checklist, to be approved by the Agency, for each type of archived files to ensure that all required documents are included in each of these files.

Morning Sun will submit for Agency approval a master checklist for each type of archived files.

4.2.1.108 The Vendor should meet all HIPAA requirements, which can be found at: <https://www.hhs.gov/hipaa/for-professionals/privacy/index.html>, for current and archived files and documentation.

Morning Sun Financial Services maintains all data systems within our data center in our Minnesota office. Morning Sun continuously invests in its technology systems each year in order to maintain a “best practices” technology environment. As a result, **Morning Sun has the capacity, security, and expertise in place to ensure the smooth processing, transfer, and storage of information.** The cost for all Morning Sun technology systems, and any development or enhancements needed for a Maryland contract, are the responsibility of Morning Sun throughout the duration of the contract.

### Data Security and Confidentiality

Morning Sun regards the confidentiality of participant information among the highest priorities of the organization. We employ a suite of processes, procedures, internal team members and 3<sup>rd</sup> party vendors to ensure that we are taking advantage of the latest training and technology to prevent unauthorized access to participant data. Many details of our security and privacy policies are explained throughout this document. Highlights include the following:

- Morning Sun’s Chief Information Officer, a national expert on cyber security, provides insights into cyber security best practices and implements appropriate technologies to adhere to those best practices.
- A 3<sup>rd</sup> party company, FRSecure, specialists in HIPAA compliances processes and procedures, has helped us draft 13 separate policies that we follow to ensure participant data privacy.





- Morning Sun utilizes least-privileged access to all participant and employee data regardless of the system in which it is stored. “Least-privileged access” means that any user account or process is only allowed privileges that are essential to perform its intended function. This includes both electronic and physical records.
- Morning Sun employs encryption-in-motion and encryption-at-rest solutions across ALL systems that contain private data.
- Cyber security and data privacy awareness training occurs annually for all team members that may have access to participant data. New employee orientation includes cyber security and data privacy training.

Creation and implementation of all data security practices and controls are the responsibility of our Information Technology Security Committee. This committee is composed of high-level representatives from all departments within the company. Numerous policies have been created and implemented in order to protect private health information (PHI) and personally identifiable information (PII). Following is a list of our security policies:

- **Acceptable Use** - establishes acceptable practices regarding the use of information resources to protect the confidentiality, integrity and availability of information created, collected, and maintained.
- **Access Management** - ensures that access to information resources is managed in accordance with information security requirements such as the concept of least-privilege, complex passwords, multi factor authentication, and encrypted connections.
- **Asset Management** - establishes the rules for full lifecycle control of hardware, software, applications, and information from procurement through retirement.
- **Auditing Policy** - establishes the requirements for conducting audit-related reviews of information security-resources.
- **Change Control** - establishes the rules for the creation, evaluation, implementation, and tracking of changes made to information resources.
- **Disaster Recovery** - provides direction and general rules for the creation, implementation, and management of the disaster recovery plan.
- **Encryption Management** - establishes the rules for acceptable use of encryption technologies.



- **Incident Management** - describes the requirements for dealing with security incidents.
- **Information Security** - establishes the framework from which other information security policies may be developed to ensure that the enterprise can efficiently and effectively manage, control and protect its business information assets.
- **Information Classification** - provides a system for classifying and managing Information Resources according to the risks associated with its storage, processing, transmission, and destruction.
- **Network Management** - establishes the rules for the maintenance, expansion, and use of the network infrastructure.
- **Personnel Security** - ensures adequate checks are established to determine and/or confirm, within appropriate legal and professional limits, the qualifications and suitability of a job candidate.
- **Physical Security** - establishes the rules for the granting, controlling, monitoring, and removal of physical access to Information Resource facilities.
- **Risk Management** - requirements for the assessment and treatment of information security-related risks.
- **Security Training** - describes the requirements to ensure that each user of information resources receives adequate and annual training on information security issues.
- **Vendor Management** - describes the actions and behaviors required to ensure that due care is taken to avoid inappropriate risks from its business partners, and its stakeholders from any of its vendors. Requires contractors to follow all Morning Sun's security policies.
- **Vulnerability Management** - rules for the review, evaluation, application, and verification of system updates to mitigate vulnerabilities in the IT environment and the risks associated with them.

Morning Sun prides itself on information security. It is simply not enough to have a security program with strong controls. We are committed to an information security program that meets recognized IT Security standards in our industry.



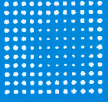
Morning Sun prevents unauthorized access to confidential data by physically controlling access to our facilities. All entrances to our offices are either locked or monitored by a staff person. Employees and guests must wear badges to identify themselves. Areas such as mailrooms and data centers are further secured by requiring access cards to enter. Contractors working in these secure areas are supervised. Employee print jobs are not released to printers until the employee is at the machine to retrieve the printout. Mail that may contain confidential data is sent using secure envelopes. These are just some of the controls in place within Morning Sun locations to ensure the confidentiality of physical data.

Morning Sun also protects confidential data on our technology resources. Strong user authentication controls are used to access data within our network including complex passwords, account lockouts, and dual authentication. Behaviors on our network and authentication attempts are logged in a central Security Event Manager, which is monitored on a regular basis. Best-practice firewalls are used to segment our networks and control the flow of data in and out of our network. Regularly updated antivirus is installed on all our workstations and servers to scan for and detect threats. Data saved on our servers and workstations is encrypted with at least AES128 bit encryption. Electronic communication is sent securely using a secure FTP server and encrypted email.

**The sum of all the above-mentioned controls, along with our IT Security policies and procedures and a best-practice security mindset, ensures that all Morning Sun confidential data that is either at rest or in motion, is safe and secure.**

Morning Sun has a secure virtual network environment consisting of over 20 file servers and has the capacity to expand the existing system to accommodate all the anticipated members and member growth in West Virginia. By staying up to date on technology best practices, **Morning Sun has created an environment that is efficient and reliable.** These best practices include:

- Redundant server hardware for all production systems.
- Redundant Internet connectivity at Morning Sun's primary datacenter, as well as at any site that can accommodate more than 50 team members.
- Redundant storage (RAID 5 or RAID 10 technology) for all production data systems.



- Data is encrypted at rest to FIPS 140-2 standards. This includes production systems, local backup storage and offsite backup storage. All transmission of sensitive data is encrypted using AES256 technology.
- Backups performed every hour for on-site data integrity purposes and every 4 hours to a separate physical storage device for hardware failures, ransomware attacks, etc., resulting in a 4-hour maximum Recovery Point Objective (RPO) for all local storage. Most local storage has a 1-hour RPO for 80% of all disaster recovery scenarios examined.
- Off-site asynchronous backups performed every 8 business hours, resulting in an 8-business-hour maximum RPO for all off-site data storage.
- Anti-virus software on all servers and workstations.
- Multi-factor authentication requirements for access to email and all off-site access requests.

Morning Sun partners with an outside technology firm to ensure that all its technology systems are working efficiently and effectively. This partner company, Marco Technologies, LLC (Marco), monitors all of Morning Sun's server hardware and software 24 hours per day, 7 days a week, to ensure that all systems are working properly. In the event a system issue arises, Marco technicians are notified immediately through system alerts and alarms thus providing for immediate reaction and remediation which equates to continuity of service. Marco also ensures that all system hardware and software is up to date regarding software versions, patches, and periodic updates.

Security is an essential component of Morning Sun's commitment to its data systems and its customers. Morning Sun's Information Technology Security Committee has developed and implemented numerous data security policies and procedures to ensure the integrity and security of all data. Morning Sun also requires its technology partners to adhere to a similar level of Information Security for their systems as well.

4.2.1.109 The Vendor should establish and adhere to an incident/disaster management procedure, to be approved by the Agency, outlining the steps and related timeframes to report, document, mitigate, and recover from computer/network and HIPAA security breaches and noncompliance



Orion Associates, of which Morning Sun is a part, has a robust Disaster Recovery Policy and Procedure that includes incident management, business continuity and resiliency, including maintaining and restoring back-up files. This plan is tested at least annually. In this item we are also responding to items [4.2.1.110](#) and [4.2.1.111](#).

## **Disaster Recovery**

Morning Sun Financial Services has a comprehensive, well-documented, and tested disaster recovery plan that ensures Morning Sun's ability to service our customers in the event of natural or human-induced disasters, as well as guarding against business disruption if issues of a technical nature occur. This plan includes acknowledging disaster conditions apart from our own facilities, such that we would provide extra time for Members and providers to electronically submit time entries for payroll and invoice payment. **Servicing our customers with secure and always available technology systems is a key component of our commitment to provide unparalleled customer service.** That commitment is seen not only by the level of thought, planning, redundancy, and overall detail that is contained within our disaster plan, but also by the continuous testing and improvement process that strengthens our plan.

The Morning Sun Disaster Recovery Plan is part of the Orion Associates Technology Incident Response Plan. It is managed by Bryce Austin, Chief Information Officer, who provides oversight and development of Morning Sun's technology security systems. This document describes the policies and procedures for technology incident identification and response, as well as our process-level plans for recovering critical technology platforms and telecommunications systems. In the event of a live incident, modifications to this document may be made in real-time to ensure the safety and security of our people, our systems, and data.

We include here the Statement of Intent, Policy Statement, Objectives, and the Table of Contents from the Orion Associates Technology Incident Response Plan.

### **Information Technology Statement of Intent**

Our mission is to ensure business productivity by maximizing critical technology system uptime, data integrity and availability, and business continuity.

### **Policy Statement**

Orion executive management has approved the following policy statement:



- The company shall develop a comprehensive technology incident response plan. The incident response plan will comply with HIPAA and SOC2, type 2 report requirements.
- The incident response plan should cover all essential infrastructure, systems and data, in accordance with key business activities.
- The incident response plan should be tested a minimum of once per year to ensure that it can be implemented in emergency situations and that team members understand how it is to be executed.
- All named staff in the incident response plan must be made aware of the incident response plan and their own respective roles.
- The incident response plan is to be periodically reviewed to ensure that it is kept up to date with changes in personnel, in technology systems, and in the changing landscape of cybersecurity threats.

## Objectives

The principal objective of the incident response program is to develop, document and test an easily understood plan which will help Morning Sun respond to and recover from incidents as quickly as possible. Additional objectives include:

- The need to ensure that all team members understand their duties in implementing such a plan
- The need to ensure that operational policies are adhered to within planned activities
- The need to ensure that proposed contingency arrangements are cost-effective
- The need to consider physical, technical and cybersecurity incidents as part of the plan.
- Disaster recovery capabilities as applicable to service key customers, receive services from key vendors, and to restore business operations.

The Table of Contents for our plan is illustrated below to document its thoroughness.



## Table of Contents

- Information Technology Statement of Intent.....**
- Policy Statement .....**
- Objectives .....**
- Location Information.....**
- Key Personnel Contact Info .....**
- 1 Plan Overview .....**
  - 1.1 Plan Updating procedures overview.....**
  - 1.2 Plan Documentation Storage.....**
  - 1.3 Backup and Disaster Recovery Failover Strategy .....**
  - 1.4 Risk Management.....**
- 2 Emergency Response.....**
  - 2.1 Alert, escalation and plan invocation .....**
    - 2.1.1 Plan Triggering Events .....
    - 2.1.2 Assembly Points.....
    - 2.1.3 Activation of Incident Response Team.....
  - 2.2 Disaster Recovery Team.....**
  - 2.3 Emergency Alert, Escalation and IRP Activation.....**
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    - 2.3.2 DR Procedures for Management.....
    - 2.3.3 Contact with Employees .....
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- 3 Media .....**
  - 3.1 Media Contact.....**
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  - 3.4 Process to address Media requests .....**
- 4 Insurance.....**
- 5 Financial and Legal Issues.....**
  - 5.1 Financial Assessment.....**
  - 5.2 Financial Requirements .....**
  - 5.3 Legal Actions .....**
- 6 Incident Response Exercises .....**
- Appendices for Specific Disaster Recovery Plans**

Morning Sun recognizes that disaster planning should not be relegated only to significant acts of Mother Nature, but also for any scenario where the use of locations and/or data systems could be interrupted



including acts of terrorism (cyber or physical) and outages resulting from local construction or police action. Scenarios considered by the plan include the following:

- Total loss of data communications
- Total loss of phone communications
- Total loss of power
- Flooding of the premises
- Loss of access to the building, via a local incident (fire, tornado, etc.) natural disaster (snowstorm, etc.), police action or other acts of Mother Nature.
- Loss of the use of a critical technology system due to system unavailability, corruption, etc.
- Loss of production data/systems due to hardware failure, intentional or unintentional file deletion, ransomware attack, destructive malware (such as the NotPetya attack of 2017), etc.

The proper implementation of a strong incident response plan requires leaders with the proper technical, operational, and procedural expertise to make appropriate decisions, carry out necessary changes and have strong communication internally and externally during a crisis. These leaders have all been identified within the incident response plan as members of the Morning Sun Incident Response Team (IRT). The document describes the roles and responsibilities of all members of the IRT, the decisions they need to make in the event of an incident, and their role in declaring the start and end of an incident.

Additionally, the Incident Response Team (IRT) is responsible for activating the larger Disaster Recovery Team (DRT). The DRT team members are also listed within the incident response plan, and those members include experts on all physical sites and technical systems that Morning Sun requires in order to be successful. The role of the DRT is to establish access to physical facilities for an emergency level of service, restore key technology services, restore a minimal level of business operations, coordinate activities among various internal and external agencies, and to report progress to the Incident Response Team.

The incident response plan is reviewed and updated annually or whenever a significant change in technology or in the company leadership team occurs. The plan must be reviewed and approved by the executive leadership team of Morning Sun.





Morning Sun will deliver the entire Technology Incident Response Plan to the Agency for approval within thirty (30) days of contract award.

4.2.1.110 The Vendor should establish and maintain a Business Continuity and Resiliency Plan and a Disaster Recovery Plan, to be approved by the Agency, for maintaining back-up files and for restoring software and files, as needed. The plan should be provided to the Agency within thirty (30) calendar days of contract award.

(See above response)

4.2.1.111 The Vendor should test its Business Continuity and Resiliency Plan and a Disaster Recovery Plan at least annually, at a schedule to be mutually agreed upon Vendor and the Agency. Results of testing of the Vendor's Disaster Recovery Plan should be available and provided to the Agency, its designee, and member/representative- employers within in five (5) business days of request.

(See above response)

4.2.1.112 The Vendor should make all documents and records available for receipt and inspection by the Agency, its designee, and member/representative-employers, within five (5) business days of request.

Morning Sun will make all documents and records available for receipt and inspection by the Agency, its designee, and member-representative-employers within five (5) business days of request.

4.2.1.113 The Vendor should dis-enroll member/representative-employers from receiving Subagent-F/EA FMS and terminate their employment status within one (1) business day of being informed of the member's change in status-i.e., no longer Medicaid eligible, deceased, opted off the program, etc.

4.2.1.114 The Vendor should describe its plan/process to revoke the IRS Form 2678, Employer/Payer Appointment of Agent with the member/representative-employer, when appropriate, per IRS Form instructions.



This process is recorded in the Morning Sun Policies and Procedures Manual, which will be customized as needed for West Virginia:

## I. Revoking Fiscal Employer Agent Status:

- 1. Terminate Federal Employer Agent Status:** To terminate the employer agent status previously authorized by submission of IRS form 2678 under IRS code 3504, a new form 2678 should be filled out and a check mark placed in the "You want to revoke an existing appointment" box in Part 1 on Page 1. Only one signature is required to revoke agent status. Notice of termination is considered given by the IRS when the IRS LTR 4228C termination letter is received.

A copy of Form 2678 and IRS LTR 4228C will be maintained in the program participants folder within the M-files data storage system as a permanent record.

4.2.1.115 The Vendor should maintain a copy of the revoked IRS Form 2678, Employer/Payer Appointment of Agent, and IRS Notice of Agent Revocation in the member/ representative-employer's archived file, per IRS Form instructions.

Included with Item 4.2.1.114, above.

4.2.1.116 The Vendor should revoke the IRS Form 8821 with the participant/authorized representative-employer, when appropriate and per IRS Form instructions.

From the Policies and Procedures Manual:

**Revoke Tax Information Authorization:** To revoke the tax information authorization previously allowed by submission of IRS form 8821, *Tax Information Authorization*, a copy of the previously executed form 8821 must be filed with the IRS service center in Ogden, UT. The copy must have a current signature of the taxpayer (Employer) under the original signature on line 7, and the word REVOKE must be written across the top of the form.



4.2.1.117 The Vendor should maintain a copy of the revoked IRS Form 8821, Tax Information Authorization in the participant/authorized representative-employer's archived file.

Morning Sun will maintain a copy in the member-representative-employer's archived file.

4.2.1.118 The Vendor should retire the member/representative-employer's FEIN, when appropriate. Note: The IRS requests to be notified if the member/representative- employer is deceased when being informed that a FEIN needs to be retired.

From the Policies and Procedures Manual:

#### **Retiring Federal and State Tax Identification Numbers:**

**Closing a FEIN:** The IRS will not cancel an EIN number once it has been issued, but it will close the business account upon written request. A written request to close the business account number must be sent to the Entity Control Unit at the IRS Service Center, Mail Stop 6273, Ogden, UT 84201. State within the request that you wish to close the account, and if you have a copy of the original EIN Assignment Notice include a copy with your request. The request must be signed by the employer.

All copies of letters submitted, and correspondence collected to and from the IRS must be maintained in the participants program file within the M-files data storage system.

4.2.1.119 The Vendor should maintain a copy of the documentation of the FEIN retirement in the participant archived file.

(See above response)

4.2.1.120 The Vendor should withhold, file and deposit final West Virginia state income tax (even when the final filing is zero wages) for each applicable member/representative-employer.

The process defined here is from our Policies and Procedures Manual which will be customized for West Virginia:



## State Income Tax Withholding, Depositing and Filing:

### **POLICY:**

The Great Plains payroll system will automatically calculate state income tax withholding based on the deduction information received on the workers *W-4 form* and the 2014-7 Difficulty of Care certification. West Virginia does not have state income tax withholding.

## FUTA Tax Depositing, Filing, and Refunding

### **POLICY:**

The Great Plains payroll system will automatically calculate federal unemployment tax (FUTA) based on the federal unemployment tax rate (0.6% for 2019) on the first \$7,000.00 of wages paid, or whatever the ceiling is in any specific year. Morning Sun will file the Federal IRS form 940 and Form schedule R, **in the aggregate**, using Morning Sun FEIN. Morning Sun will send the filings and the appropriate tax deposits when due.

### **PROCEDURES:**

1. Do not count as FUTA wages any wages paid to:
  - a. The employer's spouse.
  - b. The employer's child, if under the age of 21.
  - c. The employer's parent.
2. If the employer pays wages totaling \$1,000.00 or more, to all workers (excluding those listed in #1 above) in any calendar quarter of the previous year or current year, the first \$7,000.00 of wages paid to all workers in the current year and subsequent year are FUTA wages.
3. FUTA taxes are calculated on the first \$7,000.00 of wages, .6% for 2019. The FUTA tax rate is 6.0% without any kind of state credit. A state credit of 5.4% can be taken providing all required state contributions for a given year are paid to the state unemployment fund by January 31<sup>st</sup> of the following year.
4. Morning Sun will calculate FUTA taxes on each payroll and deposit FUTA taxes electronically, for each employer in the aggregate on a quarterly deposit schedule, by the last day of the first month that follows the end of the quarter, unless the FUTA tax liability for any given quarter is \$500.00 or less, at which time, the liability will be carried forward and added to the next quarter's liability.
5. Morning Sun will file the annual Form 940 and Form Schedule R in the aggregate for each employer, by January 31<sup>st</sup> of the following year. Morning Sun will retain a copy of the completed Form 940 and Schedule R in our electronic data storage system.



4.2.1.121 The Vendor should maintain a copy of the final West Virginia state income tax withholding filing and deposit documentation and related correspondence in the member/representative-employer archived file.

Morning Sun will retain a copy of this documentation in the member-representative-employer's file.

4.2.1.122 The Vendor should compute, withhold, file and deposit final West Virginia unemployment taxes (even when the final filing is zero wages) for each applicable member/representative-employer.

The process here is from our Policies and Procedures Manual which will be customized for West Virginia as needed.

### **State Income Tax Withholding, Depositing and Filing:**

#### **POLICY:**

The Great Plains payroll system will automatically calculate state income tax withholding based on the deduction information received on the workers *W-4 form* and the 2014-7 Difficulty of Care certification. West Virginia does not have state income tax withholding.

### **FUTA Tax Depositing, Filing, and Refunding**

#### **POLICY:**

The Great Plains payroll system will automatically calculate federal unemployment tax (FUTA) based on the federal unemployment tax rate (0.6% for 2019) on the first \$7,000.00 of wages paid, or whatever the ceiling is in any specific year. Morning Sun will file the Federal IRS form 940 and Form schedule R, **in the aggregate**, using Morning Sun FEIN. Morning Sun will send the filings and the appropriate tax deposits when due.

#### **PROCEDURES:**

1. Do not count as FUTA wages any wages paid to:
  - a. The employer's spouse.
  - b. The employer's child, if under the age of 21.
  - c. The employer's parent.
2. If the employer pays wages totaling \$1,000.00 or more, to all workers (excluding those listed in #1 above) in any calendar quarter of the previous year or current year, the first



\$7,000.00 of wages paid to all workers in the current year and subsequent year are FUTA wages.

3. FUTA taxes are calculated on the first \$7,000.00 of wages, .6% for 2019. The FUTA tax rate is 6.0% without any kind of state credit. A state credit of 5.4% can be taken providing all required state contributions for a given year are paid to the state unemployment fund by January 31<sup>st</sup> of the following year.
4. Morning Sun will calculate FUTA taxes on each payroll and deposit FUTA taxes electronically, for each employer in the aggregate on a quarterly deposit schedule, by the last day of the first month that follows the end of the quarter, unless the FUTA tax liability for any given quarter is \$500.00 or less, at which time, the liability will be carried forward and added to the next quarter's liability.
5. Morning Sun will file the annual *Form 940 and Form Schedule R* in the aggregate for each employer, by January 31<sup>st</sup> of the following year. Morning Sun will retain a copy of the completed *Form 940 and Schedule R* in our electronic data storage system.

4.2.1.123 The Vendor should maintain a copy of the final West Virginia unemployment tax, filing and payment documentation and related correspondence in each member/representative-employer's archived file.

Morning Sun will maintain copies of the final unemployment tax, filing and payment documents and related correspondence in the member-representative-employer's file.

4.2.1.124 The Vendor should compute, withhold, file, and deposit any final municipal taxes.

Morning Sun will use a similar process to those above to compute, withhold, file and deposit any final municipal taxes.

4.2.1.125 The Vendor should maintain copies of all documentation and related correspondence in each member/representative-employer's archived file.

Copies of all documentation will be maintained in the member-representative-employer-s file.



4.2.1.126 The Vendor should retire the member/representative-employer's West Virginia Department of Taxation and Bureau of Employment Programs, Unemployment Insurance employer identification numbers.

When a member is disenrolled, Morning Sun will retire their West Virginia Department of Taxation and Bureau of Employment Programs Unemployment Insurance employer identification numbers.

4.2.1.127 The Vendor should maintain copies of all documentation and related correspondence in the member/representative-employer's archived files.

Morning Sin will maintain copies of all documentation and correspondence in the member-representative-employer's archived file.

4.2.1.128 The Vendor should retire the member/representative-employer's municipal tax account and identification number. The Vendor should maintain the documentation and related correspondence in the member/representative- employer's archived files. The Vendor should inform the state department of labor of any DSCWs no longer employed when the member/representative-employer stops being an employer for any reason.

When a member is disenrolled, Morning Sun will retire their municipal tax account and ID number, maintaining copies of all documentation and correspondence in their archived file. Morning Sun will inform the state department of labor of any DCSWs who are no longer when the member-representative-employer stops being an employer for any reason.

4.2.1.129 The Vendor should maintain documentation and related correspondence with the State Department of Labor in each DSCW's archived file.

Morning Sun will retain copies of all documentation and correspondence in the DSCW's archived file..

4.2.1.130 The Vendor should coordinate and communicate its role, responsibilities and activities as the Subagent-F/EA FMS Vendor with Case Managers, Utilization Management staff and Claims Payer staff to ensure that all required procedures and forms are completed and processed so that members do



not experience disruptions in service.

Morning Sun will communicate with Case Managers, Utilization Management staff and Claims Payer staff soon after the contract is awarded. We will discover each one's preferred method of communication with us and establish a cadence of regular communication and coordination. We will work with them to ensure that all required procedures and forms are completed and processed so that members do not experience disruptions in service.

4.2.1.131 The Vendor should establish and maintain an on-line searchable DCSW Registry.

Morning Sun's Operations Department, with assistance from HR, will establish and maintain an online searchable DCSW registry for West Virginia.

4.2.1.132 The Vendor should participate in annual quality reviews conducted by the Agency or its contractor for each program using a quality review tool and web-based systems approved by the Agency.

Morning Sun welcomes the opportunity to participate in annual quality reviews conducted by the Agency or its contractor. We participate in quality review processes for each of our other state contracts, and we conduct an internal quality review quarterly and annually.

4.2.1.133 The Vendor should propose a plan to develop, implement and maintain a system for collecting information and following up with program members and their representatives who express an interest in using participant-directed services.

Efficiency and transparency of the enrollment process is a component of Morning Sun's high ratings from all constituents involved in delivering Member-directed services. Morning Sun typically receives referrals of members who are interested in using member-directed services. We assume referrals would come from the Agency and/or Case Manager.

Morning Sun will exchange program referral transmissions in the manner that each referral source prefers. Upon receipt of a referral, Morning Sun's supervisor for the appropriate waiver program will





review the referral and document the information. Documents will be saved in the New Referral workflow. Within two days, The Project Lead will assign a Program Coordinator, who will receive notification of the new referral information in order to initiate contact within two business days.

The supervisor will provide the Case Manager or Agency with the assigned program coordinator's contact information via email, documenting that communication in the web portal. Within five calendar days of the receipt of the referral, the program coordinator will complete an introductory call to the person supported or member, and provide them with her/his contact information, confirm demographics, discuss general information on self-directed services, and other items needed to proceed with the enrollment process. The program coordinator will document his/her discussions, calls and attempts at contacts and scheduling. The Program Coordinator will conduct an in-person visit with the member within ten business days of being assigned to a new referral. For all programs, during the face-to-face meeting, the Program Coordinator will conduct a thorough orientation on Member direction, review the program binder and the individualized training that is available, and discuss program policies and procedures. Finally, the Program Coordinator will assist all parties, including the supported person or member who is completing the new enrollment paperwork, in the completion of the employment packet forms.

Upon request, Morning Sun will assist the Case Manager or Agency in identifying and addressing any additional risk associated with each Member's decision to self-direct, as applicable, in the risk assessment and person-centered planning process.

Coordinators will submit these new enrollment Employer packets to the finance department within one business day of completing the face-to-face visit. Within three business days of receiving a completed enrollment packet, the finance department will process all required forms. The new employee forms will be submitted to the human resource department within one business day of obtaining a completed packet. The new employee packets will be fully processed within three business days.



When the Coordinator receives notification from human resources that the worker's employment packet is complete and all training has been verified with an assigned Medicaid ID, the program coordinator verifies that Morning Sun has received a service authorization within five days and distributes it to the Member, case manager and Agency places it in the electronic files.

The supervisor of the relevant waiver program will monitor the referral process to ensure that each account is on track for initiation of self-directed service within 60 days.

4.2.1.134 The Vendor should propose a plan to develop and implement a system for receiving and processing member enrollment, DCSW employment and vendor information including the preparation of enrollment and employment packets and monitoring the effectiveness of the system.

Morning Sun has documented its system to perform these functions in its Policies and Procedures Manual, which will be customized for West Virginia and submitted to the Agency for review and approval. Details of these process have been discussed in other sections of this proposal.

4.2.1.135 The Vendor should propose a plan to develop, implement and maintain an electronic system for receiving, responding to, tracking all communications from any source (including complaints and grievances), and maintaining a log that includes the individual's name; who received the communication; the reason for the communication; action taken; if any mandatory reporting occurred; and the final resolution of the issue.

Morning Sun's Customer Service desk maintains an electronic log of all communications including the individual's name, who received the communication, reason for the communication, action taken (if any), if mandatory reporting occurred and the final resolution. Program Coordinators also electronically log all their communications with members. If any actions are required, complaints received, or mandatory reporting is required, the Program Coordinator submits this information to the Supervisor of the relevant waiver program for action. This communication is recorded in the electronic log.



4.2.1.136 The Vendor should propose a plan to respond to all member and representative communications within one (1) business day from receipt of the communication.

Morning Sun staff are trained to respond to all member-representative communications within one (1) business day of receipt. Our goal is to respond the same day.

By way of illustration, here is a call log from February 2022 from another program summarizing communications received and acted upon:

Total calls received	309
Total calls answered	237
Average talk time	5:16
Voicemails returned	75
Percentage answered/received	77%
Percentage of voicemails returned same day or within 24 hours.	100%

4.2.1.137 The Vendor should propose a plan for identifying and reporting critical incidents involving a program member to the Agency's Incident Management System (IMS) within 24 hours of becoming aware of the incident.

All Morning Sun staff are trained to report suspected cases of abuse, neglect and/or exploitation of any participant employer. This training is completed upon hire and annually thereafter. All suspected abuse and neglect will be reported to the Agency. We will also immediately report any knowledge of critical incidents or suspected abuse or neglect to the case manager for the participant. If it appears that immediate action to protect the participant needs to involve law enforcement, we will contact law enforcement in the appropriate community. If we become aware of any changes in the participant's program status, we will report any incidents to our Agency contact.



4.2.1.138 The Vendor should propose a plan to identify any cases of substandard performance on the part of a member or representative, or a staff from Subagent- F/EA FMS. This plan should include notifying the member/representative and the Agency of the substandard performance, providing appropriate remedial skills training as appropriate, assisting the member/representative to develop and implement a written plan of correction to address the area(s) identified for correction, monitoring the successful implementation of the corrective action plan by the member/representative and informing the Agency of final disposition and any need to initiate involuntary termination proceedings with the member/representative. Examples of substandard performance include, but are not limited to:

Morning Sun will develop a plan and a policy and procedure to identify substandard performance on the part of the member or representative or of a Morning Sun staff person. We will notify the Agency and the member of issues related to the performance of the member. We will notify the agency if a key staff member of Morning Sun is involved in a correction plan. Our intervention with the members will be undertaken in a progressive manner, with re-training as the first step and a correction plan created if further action needs to be taken. We will involve the Agency at each level in the process. If a member or a Morning Sun staff engages in conduct that rises to the level of unlawfulness, the issue may need to be reported to law enforcement or another agency. There may be occasion to initiate involuntary termination immediately.

4.2.1.138.1 Repeated or intentional incorrect reporting and/or late submission of DCSWs' hours worked.

4.2.1.138.2 Incorrect and/or late submission of vendors' invoices for participant- directed services. (PDGS, EAA, etc.)

4.2.1.138.3 Hiring of ineligible DCSWs.

4.2.1.138.4 Monthly or cumulative overutilization of the member's individual- budget.

4.2.1.138.5 Ineffective emergency CSW back-up plan.



4.2.1.138.6 Inappropriate firing of DCSWs.

4.2.1.138.7 Failure to comply with the waiver programs' policies and procedures.

4.2.1.139 The Vendor should propose a plan to develop and distribute a Member/Representative-Employer Handbook, to be approved by the Agency, that provides information about the participant-directed services, the role, responsibility and function of Subagent-F/EA FMS and the role and responsibilities of the member, representative and DCSW, and on the member/representative performing employer-related tasks.

Morning Sun has an Employer Handbook that will be customized to meet the needs and requirements of West Virginia. We will submit our modified Handbook to the Agency for approval and make any required revisions.

4.2.1.140 The Vendor should propose a plan to develop, implement, analyze, and summarize the results of a Member/Representative Satisfaction Survey and submit a report to the Agency annually, at a schedule and format to be mutually agreed upon by Vendor and Agency, that should include a plan of correction for the Subagent-F/EA FMS based on the results of the Survey. The Survey developed and the format for the annual report are to be approved by the Agency.

Morning Sun welcomes the opportunity to participate in annual quality reviews conducted by the Agency or its contractor. We follow a quality review process for each of our other state contracts.

Morning Sun is accustomed to conducting annual Satisfaction Surveys for member-representatives. We will submit our proposed process and forms for the survey and annual report to the Agency for approval. We will include a plan of correction based on the results of the survey.



We are proud of our record of customer satisfaction services. Here is chart showing the percentage of members who responded, "Very Satisfied" or "Satisfied" to the question, "How satisfied are you with the overall quality of Morning Sun's services?"



4.2.1.141 The Vendor should propose a plan to have a system in place for acting as a mandatory reporter, as required by the state program agency.

Morning Sun's reportable event process is explained in item **4.3.1.52.10**.

4.2.1.142 The Vendor should propose a plan to develop and implement the provision of orientation and skills training and related materials for members and their representatives and monitor its effectiveness.



Morning Sun has explained that plan in item **4.2.3.50**.

4.2.1.143 The Vendor should propose a plan to develop and implement customer service training and related materials for Subagent-F/EA FMS and monitor its effectiveness.

Morning Sun has a methodology to provide customer service training and monitor its effectiveness. This training is provided to all Customer Service representatives and Program Coordinators. A version is provided to Supports Brokers if they are engaged in a contract. Morning Sun will submit this plan to the Agency for review and approval after the award of the contract.

4.2.1.144 The Vendor should propose a plan to establish, operate and maintain a customer service system that serves members, their representatives and DCSW and service providers and vendors in a culturally and linguistically sensitive manner. All communication methods should be accessible, including alternative formats upon request. The Vendor should describe the system and written policies, procedures, and internal controls, to be approved by the Agency, that will be used to implement and perform the following tasks:

- 4.2.1.144.1 Have a toll-free number with voice mail functional capabilities.
- 4.2.1.144.2 Have a TTY line or alternative method of communicating with members and their representatives with hearing impairments.
- 4.2.1.144.3 Have a functioning fax machine and number.
- 4.2.1.144.4 Have internet e-mail capacity.

The initial set-up for our customer service follows the following process from our Implementation Components guide:

### Communication Setup

- Create toll free phone lines
- Test once created
- Create toll free fax lines



- Test once created
- Develop automated attendant script for calls to following departments:
- Program/Customer Service
- Payroll
- Accounts Payable
- Billing
- After-hours contact
- After-hours voicemail
- Create departmental shared email accounts
- Test each account
- Review staff hours to ensure staffing is in place for required business hours

The Morning Sun business model calls for most customer service activities to be performed by the program supervisors and a team of program coordinators who live and work in West Virginia. The coordinators directly support the member-representative-employers and their DCSWs in understanding and carrying out all the requirements of being employers and employees within the state's programs. The coordinators manage all the various means of communication that are available to individual participants and employees, consult with them when they don't understand, help them fix mistakes, answer all their questions by phone, email, or in person, and in general go the extra mile to be sure they get whatever answers they need.

Program coordinators and other members of the customer support staff are trained in culturally-appropriate communication and person-centeredness. They are trained in all the alternate means of communication available to them and how to use them. These communication methods include voice, text, email and a dedicated TTY line. They have access to a language translation line with 176 languages available. They can provide American Sign Language communication as well as materials in any language, including Braille.

Morning Sun welcomes questions at any time about forms, payroll, invoices and other matters. In addition to the West Virginia program coordinators, the Golden Valley staff responsible for payroll, expenses,





budgeting, and reporting are trained in customer service. We have found that for some participants or their representatives, many questions about payments can be addressed with effective informational packets and early coaching from the program staff. Morning Sun will provide information and training to participants and providers through the call system or in person. Pre-filled-out forms with instructions and user guides for filling out forms and time entries will be provided, making the process easier. We will communicate and provide training on any changes in procedures or reporting or other systems. Training will also be provided on individual rights and responsibilities of waiver participants for self-directed services.

We have excellent technology to meet the needs of participants and employees who can take advantage of our web-based, online services. But we also work hard to meet the needs of those who cannot use those services, who are outside the reaches of high speed-internet or simply lack the resources or the preference to take advantage of technology. For more than a few, the ability to meet with a coordinator in person is a real benefit that is greatly appreciated. These practices set Morning Sun apart from its competitors.

Morning Sun Financial Services also provides each employer with a Customer Service Manual after start-up of services. The Employer Customer Service Manual includes customer service information, policies such as grievance or complaint policies, pay dates and other information helpful to the employer. Questions from either the participant or the employee/provider will be addressed quickly by either the West Virginia supervisor, project administrator, program coordinator or by appropriate personnel in Minnesota.

Several of our competitors tout their national call centers and the tens of thousands of participants and employers that they can manage in that distributed fashion. But we know that participant/employers and their employees benefit from having a local program coordinator assigned to their county. Most of the time when they have a question, they are going to call or email the same person each time, someone whom they have come to know and trust. We cannot overemphasize what a difference that makes to the person on the receiving end of our services! Moreover, our administrative staff in Minnesota are subject matter experts, so if a coordinator needs to forward the call or a participant or employee wants to speak directly to HR or Payroll or Benefits, they can do that directly, not through a call tree.



In addition to providing each member/representative with the cell phone number and email of their program coordinator, Morning Sun also operates a Customer Service desk during normal business hours, with voice mail and an emergency after-hours number which is answered by a live person. We maintain a record of each call, response time, and action taken.

4.2.1.145 The Vendor should propose to plan to develop, implement and maintain a secure web portal and secure web-based interactive payroll and accounts payable system that includes specific user roles for the Agency, member/representative employers, DCSWs, vendors and the members' Case Managers. The web portal should provide users with real time 24/7 access to member, DSCW and vendor data and the ability to submit and monitor processing of DCSW hours worked and vendor invoices.

Morning Sun maintains a secure website with 24/7 access at <https://morningsunfs.com>. The website features an interactive portal for each state in which we have programs. The portal permits members and DCSWs to download most of the forms that they will require. DCSWs and vendors may submit time entries and invoices through the portal. Passwords are issued based on use cases. Members and case managers can access timely information on budgets and expenditures.

4.2.1.145.1 The Case Manager user role should allow the member's assigned Case Manager to perform the tasks required of a Resource Consultant (Support Broker), including creation and revision of Spending Plans, monitoring service utilization, etc. If the Vendor provides optional Resource Consultant services, the Case Manager user role will have "read only" access to the Vendor's web portal.

The Case Manager user role will allow the member's Case Manager to perform the tasks required of a Resource Consultant as specified. If you choose to have us provide Resource Consultants, the Case Managers will have read-only access.

4.2.1.146 The Vendor should propose a plan to verify that the Vendor will not bill the Agency in advance for participant-directed



vendors' services. (PDGS, BAA, etc.).

The accounting system, as documented in the customized Policy and Procedures Manual for West Virginia, will include a procedure to prevent Morning Sun to bill the Agency in advance for venter services. It will require evidence that the service has been performed before the Agency can be billed.

4.2.1.147 The Vendor should describe their plan for processing invoices and payments for Aged and Disabled and Traumatic Brain Injury Waiver Community Transition Services on approved Transition Plans including the process for qualifying vendors of these services.

Morning Sun has experience and processes for paying approved vendors. We will require that the vendor is part of the authorization or spending plan. We will ask new vendors for a W-9. We will match invoices to spending plans to ensure that they are approved. Once we are provided with the W-9 and approved invoice, payment will be scheduled within a week. For example, payment requests may be due on Thursday one week and paid on Tuesday the following week. We will establish such a schedule with the Agency. We will include the process in our member/employer manual as well as the Vendor packet.

4.2.1.147.1 The plan for processing invoices and payments for Community Transition Services should include electronic payments for purchases from online vendors.

Morning Sun will include electronic payments for purchases from online vendors.

4.2.1.147.2 Claims for Community Transition Services payments that are issued prior to the member's transition to the community should specify the member's transition date as the date of service.

Morning Sun will develop a procedure to specify the member's transition date as the date of service in the case of payments issued prior to the member's transition to the community.

4.2.1.148 The Vendor should describe the process for notifying the Agency, within one (1) business day of becoming aware of any interruptions, delays or errors regarding the payroll process and payments to members' vendors.



Morning Sun will notify the Agency if there are interruptions, delays or errors regarding the payroll process or payment to vendors. The Agency contact will be notified immediately if there are budget or authorization issues for specific members. All other errors that potentially delay payroll for a person are likely individual errors. This may be a time entry that includes missing information, for example. Morning Sun has not experienced any systemic issues that have caused widespread delays or interruptions.

4.2.1.149 The Vendor should propose a plan to correct any discrepancies or reimburse the Agency of overpayments/underpayments, if any, and detail the credit on the next submitted claim within thirty (30) calendar days.

In the event Morning Sun needs to correct a discrepancy or overpayment/underpayments, we will notify the Agency and plan to detail the credit on the next submitted claim.

## 4.3 Optional Services



**MORNING SUN**

Morning Sun Financial Services  
9400 Golden Valley Road  
Golden Valley, MN 55427  
[www.morningsunfs.com](http://www.morningsunfs.com)

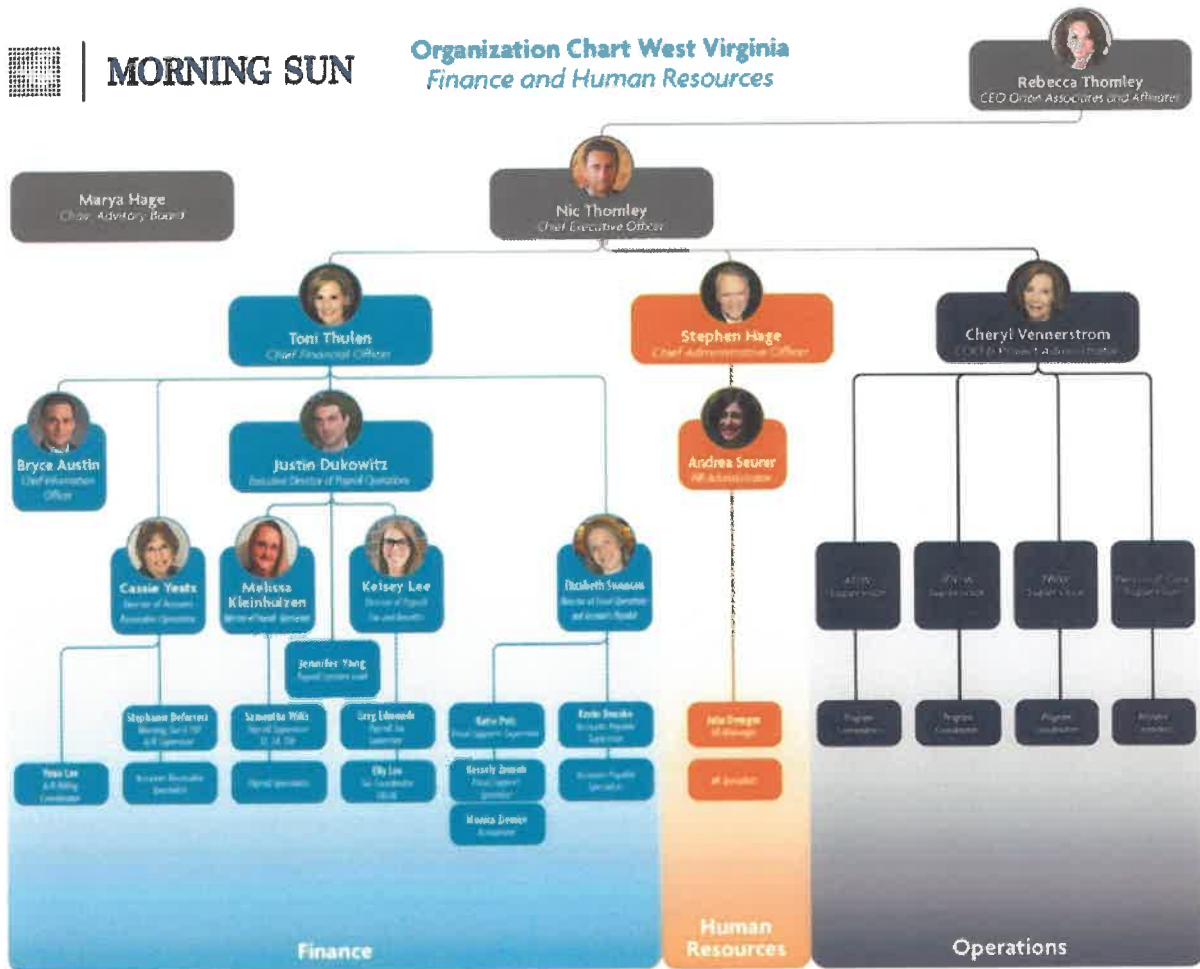


#### 4.3 The Vendor should propose the optional service(s) listed below:

4.3.1 The vendor should propose a system and policies, procedures, and internal controls for providing Resource Consulting (RC) (Support Broker) services statewide to support members enrolled in Personal Options in all areas of directing their services. The Vendor's proposal should include an organizational chart for RC services and address, but need not be limited to, the following tasks:

Morning Sun has experience in providing Resource Consulting (Support Broker) services in the states of Tennessee and Minnesota. Additionally, our teams of locally based Program Coordinators provide many of the RC services in programs that do not include a Resource Consulting option.

The organizational chart for Resource Consulting services is included here:



Morning Sun has completed a section on Resource Consulting (Support Broker) in our Policies and Procedures Manual. The Policy Statement reads:

**“Policy:** Morning Sun Financial Services of West Virginia offers Resource Consulting (Support Broker) services in addition to Fiscal Management Services. Support Brokers play a unique role in supporting Participants who consumer direct including providing assistance with recruiting, hiring, training and managing their services. Each participant will have an assigned Support Broker.”



Morning Sun's responses to the items below are primarily drawn from our Policies and Procedures Manual, which will be customized to West Virginia should you choose to add RC services to members enrolled in Personal Options.

#### 4.3.1.1 Assisting interested and eligible members and their employees to enroll in Personal Options, including the completion and submission of Employer Enrollment and DCSW Employment and Vendor and Service Provider Packets.

Within 10 business days of referral, a face-to-face meeting will be conducted with the member-representative unless the member requests a meeting outside of this timeframe.

- During the face-to-face meeting, the Resource Consultant will explain each form in the Employer Enrollment Packet and how to fill it out. At this meeting or a subsequent meeting, the Resource Consultant will assist the member and their employees to complete the DCSW Employment and Vendor Service Provider Packets.
- Resource Consultants will double check the forms before leaving the meeting to correct any errors.
- Resource Consultants will answer questions about the forms and assist members and workers to complete them until all forms have been correctly submitted.

#### 4.3.1.2 Entering member and representative (when applicable) information into the web-based portal utilized by the Agency for project management and reporting.

- Resource Consultants will submit enrollment packets to the finance Consultant and human resource specialist within 1 day of completing them with the member-representative during the face-to-face meeting.
- Resource Consultants will scan the enrollment paperwork to the Golden Valley offices as indicated on the forms.

#### 4.3.1.3 Conducting monthly phone calls with members to provide oversight and support while members are using Personal Options.

The Resource Consultant will conduct a phone call with each assigned member once each month to provide oversight and support while members are using Personal Options. The Resource Consultant will





keep notes on each meeting and scan them for inclusion in the member's file. Each RC will maintain their own schedule of calls and visits, reporting to the Resource Consultant Supervisor.

4.3.1.4 Assisting members and representatives, as appropriate, in developing and implementing their initial Service/Spending Plan and subsequent updates and reviewing Service/Spending Plans with members and their representatives, as appropriate, during the monthly calls and during the six (6) month in-person visits. The monthly phone call can be made on any day during any given month.

b. Resource Consultants will assist the member-representative with developing and implementing their initial Service/Spending Plan and subsequent updates. The RC may assist with calculating the budget allotment by providing payroll schedules, training on the budget calculator, and whatever else is necessary to assist the member-representative in completing this task.

- Resource Consultants will assist members with the budget by determining the cost of scheduled hours based on wages and accompanying employer taxes.
- Resource Consultants will review the Service/Spending Plan with members during monthly phone calls and the 6-month in-person visits.

4.3.1.5 Assisting members and representatives, as appropriate, to ensure DCSWs meet qualification referenced in the program policy manuals, including the WV CARES background check and training requirements. DSCWs cannot provide or bill for services unless qualifications are current.

Resource Consultants will assist members-representatives as needed to ensure that their DCSWs meet all required qualifications as referenced in program policy manuals

4.3.1.6 Assisting the Subagent-F/EA FMS Division to develop and maintain an up-to-date searchable directory of potential DCSWs.



Resource Consultants will assist Morning Sun's Operations area to develop and maintain an up-to-date searchable directory of potential DCSWs. COO Cheryl Vennerstrom's team maintains these directories for each of our contracts with assistance from the HR department.

4.3.1.7 *Assisting members and representatives, as appropriate, to identify and retain services of qualified agencies and/or individuals for services available under each Self-Directed program.*

As appropriate, Resource Consultants are available to assist member-representatives to identify and retain the services of qualified individuals and/or agencies to provide services that are available to them. Resource Consultants will also assist the member-representative with training new workers and assist with training refreshers as needed.

- Resource Consultants will provide coordination of training and validate training provided by others for new workers as well as training refreshers.
- Resource Consultants will review the worker packet and how to train member and/or complete forms with the worker.
- Resource Consultants will ensure the member/representative has trained the new worker on individualized needs.
- Resource Consultants will ensure that workers are trained on Self-Direction of Health Care Tasks as needed.
- Resource Consultants will ensure that all training is completed prior to initiation of services by a Worker.
- Resource Consultants will notify and verify to Morning Sun that the Worker has completed all required training for initiation of services.

4.3.1.8 *Assisting the member or representative, as appropriate, in identifying and providing DCSW benefits, as applicable.*



Resource Consultants will receive training on how to assist the member-representative to identify and provide DCSW benefits, as applicable.

4.3.1.9 Conducting in-person home visits at least every six (6) months with members that do not receive Case Management services. The purpose of the visits is to monitor the member's health and welfare and to provide guidance and support to members/representatives and their DCSWs.

For members who do not receive Case Management services, the Resource Consultant will conduct an in-person home visit at least every six (6) months to monitor the member's health and welfare and to provide guidance and support to member-representatives and their DCSWs.

4.3.1.10 Assisting members and representatives, as appropriate, to purchase authorized participant-directed services. (PDGS, EAA, etc.)

Resource Consultants will assist member-representatives to purchase authorized participant-directed services as appropriate. Morning Sun will train Resource Consultants on these services and how to assist members to access them.

4.3.1.11 Monitoring members' health, safety, and welfare through the enrollment and initial planning process and required monthly calls and six (6) month in-person visits with members.

Resource Consultants will identify problem areas for those Members who are not successful at Consumer Direction.

- Resource Consultants will identify and report any issues with implementing self-direction to the Personal Care Supervisor.
- Resource Consultants will problem solve and provide additional assistance so the member-representative can be successful. Resource Consultants will consider all members-representatives as unique individuals who need varying levels of support to learn the functions required for self-direction.



- Support Workers will immediately report any other concerns including member health, safety and welfare and/or change in condition and concerns regarding workers.

#### 4.3.1.12 Maintaining member and representative files and records including member notifications in automated systems.

Morning Sun Resource Consultants will work with the Operations and Finance teams to ensure that all member and representative materials, including files and records, are properly recorded and input into the Accounting and M-files system. Member notifications are included in this process.

#### 4.3.1.13 Documenting and reporting evidence and observations of members' and representatives' inability to self-direct.

Morning Sun Resource Consultants are charged with the responsibility to observe members' and representatives' ability to self-direct. RCs are required to document and report to the Personal Care Supervisor any evidence or observation of inability to self-direct. The Personal Care Supervisor is required to take the next action in light of such observations, to assist the member-representative in becoming able or to take other actions.

#### 4.3.1.14 Reporting and responding to all member/representative complaints and grievances regarding Subagent-F/EA FMS and RC services.

All Members are provided with the contact information of the staff involved in Morning Sun's service delivery. In the case of a discrepancy or complaint, Members are urged first to contact their Resource Counselor. They are also provided with information on how to contact their Resource Counselor's supervisor, the program administrator and Morning Sun's chief operating officer if the issue remains unresolved or if the Member feels it necessary.

All members of the Morning Sun team maintain a log of their contacts with Members to record requests, complaints, and actions taken. We respond to all complaints within one (1) business day, and corrective actions are taken to resolve the issue within five (5) business days. Resolving complaints within five days includes notifying the Member verbally or in writing. If resolution is not accomplished within five days, the resolution will be provided to the Member in writing as soon as possible, but no later than 30 days from the complaint. The Morning Sun program administrator keeps a master record of complaints. The



complaint record is reviewed for patterns at internal Morning Sun staff meetings and is the basis for internal systems change. A complaint report will be provided to the Agency each quarter or whenever requested.

If a member has a complaint the following process will be followed:

**Complaint Defined:** A complaint is verbal or written notice that a member makes about unsatisfactory service received.

**The Complaint Process:** If Members have a complaint or problem, the first step is to let the Morning Sun Resource Counselor know immediately.

If the person making the complaint is not satisfied with the response from their Resource Counselor, the second option is to contact the Personal Care Supervisor. Members may choose to contact any of the following individuals:

- Personal Care Supervisor
- Payroll Manager
- Chief Operating Officer, Cheryl Vennerstrom at 612-239-3768, [cheryl@morningsunfs.com](mailto:cheryl@morningsunfs.com)
- Chief Financial Officer Toni Thulen at 763-450-3780, [tthulen@morningsunfs.com](mailto:tthulen@morningsunfs.com)

All this information is part of the Member Enrollment Packet.

4.3.1.15 Acting as a mandatory reporter and report and respond to all required incidents, including, but not limited to, any allegations or reports of suspected abuse, neglect, and exploitation.

Resource Consultants will report any instances of abuse, neglect, exploitation to other State entities per policy. Resource Consultants will be trained on reporting and timelines for reporting. All reportable events will also be reported to the Morning Sun Chief Operating Officer.

4.3.1.16 Assisting members and representatives as needed to be re-evaluated for eligibility for services, request for a change in level of care, request for dual service provision, and request for transfer to traditional agency-directed services.



Resources Consultants will assist members and representatives as need to be re-evaluated for eligibility for services, level of care, dual service provision or request for transfer to traditional agency-directed services. The Personal Care Supervisor and, if needed, the program administrator are available to assist with this process.

#### 4.3.1.17 Interacting and collaborating with staff from the Subagent-F/EA FMS Division and other state program staff to ensure efficient program operation.

Morning Sun has an excellent reputation for interacting and collaborating among our departmental staff and other state program staff to ensure efficient operation and quality of services to members. Resource Consultants are key to this collaboration as they have specific responsibilities for members-representatives as detailed in other items of this section. Resource Consultants are trained in best practices for interacting with other staff.

#### 4.3.1.18 The Vendor should assist with the development and approve all self-directing members' spending plans.

Morning Sun will assist with the development and approval of all self-directing members' spending plans. Our Resource Consultants work closely with the members-representatives, Care Managers or others in a similar role, and Morning Sun financial personnel to ensure that each self-directing member has an appropriate spending plan. Morning Sun closely monitors all spending against that plan.

#### 4.3.1.19 RCs should review spending plan utilization with members or their representatives during their monthly telephone contacts and home visits (if applicable).

Resource Consultants will review the members'-representatives' spending plan utilization during monthly telephone contacts and home visits as needed.

#### 4.3.1.20 The Vendor should ensure that all RC's are current Notary Publics.

Morning Sun will ensure that all RCs are current Notary Publics.

### 4.3.2 The Vendor should propose a system and policies, procedures, and



internal controls for providing Fiscal/Employer Agent (F/EA) Financial Management Services (FMS) and optionally Support Brokerage (otherwise known as Resource Consulting (RC) services on Agency behalf to eligible West Virginia State Plan Personal Care (PC) members who choose to self-direct services should the state elect to include the Personal Options service delivery model to the Personal Care program. The Vendor's responsibilities for F/EA FMS and optional RC services for the Personal Care program would be consistent with the responsibilities for the Personal Options service delivery model in the waiver programs.

4.3.3 The Vendor may bill administrative fees only once per month for Waiver program members who are eligible to also receive Personal Care services.

Morning Sun is prepared to bill administrative fees only once per month for Waiver program members who are eligible to also receive Personal Care services.

<b>PERSONAL CARE UTILIZATION</b>	
SFY 2022 Total served number of PC participants	700

## 4.4 Mandatory Project Requirements







**4.3 Mandatory Project Requirements** - The following mandatory requirements relate to the goals and objectives and must be met by the Vendor as a part of its submitted proposal. Vendor should describe how it will comply with the mandatory requirements and include any areas where its proposed solution exceeds the mandatory requirement. Failure to comply with mandatory requirements will lead to disqualification, but the approach/methodology that the vendor uses to comply, and areas where the mandatory requirements are exceeded, will be included in technical scores where appropriate. The mandatory project requirements are listed below.

4.3.1 The Vendor must perform the Subagent-F/EA FMS tasks as a Subagent to the West Virginia Government F/EA FMS (the Agency) directly and without the use of a subcontractor.

Morning Sun will perform the F/EA FMS tasks as a Subagent to the West Virginia Government (the Agency) directly. We never use a subcontractor for this purpose.

4.3.2 The Vendor must provide F/EA FMS directly and not subcontract with another entity to perform any of the related or optional tasks.

Morning Sun provides all F/EA FMS directly and will not subcontract with another entity for any of the related or optional tasks. It is not our practice to use subcontractors.

4.3.3 The Vendor must develop and maintain a Subagent FEA FMS Policy and Procedures Manual, to be approved by the Agency, within 30 calendar days contract award and update manual at least annually by August 31.

Morning Sun has a generic Policies and Procedures Manual, which we will customize specifically to West Virginia. We will submit this Manual to the Agency within 30 calendar days of contract award and update it at least annually by August 31. We will modify the Manual prior to the end of an annual update if significant changes occur.

4.3.4 The Vendor must maintain an auditable system for managing members' spending plans, payroll processing and related reporting, and claims submission.



Morning Sun uses Microsoft's Great Plains Accounting System with M-files document management integrated. Spending plans, payroll processing and reporting, and claims submissions, plus all other transactions, are managed through this system. Crystal Reports is used to create reporting from this system.

This is an auditable system. Morning Sun conducts internal audits of all systems quarterly. We engage an external audit annually. Financial audits will be submitted to the Agency on request.

#### 4.3.5 The Vendor must have and maintain the capacity to receive funds by electronic funds transfers (EFT).

Morning Sun has and will maintain the capacity to receive funds by EFT.

#### 4.3.6 The Vendor must, as a Subagent - F/EA FMS, establish and maintain a separate administrative bank account for the sole purpose of receiving all payments from the Agency for Medicaid-funded self-directed services rendered and Subagent - F/EA FMS administrative fees. The Agency may, at any time and at its discretion, audit the Vendor's administration and use of public funds including the management of the separate administrative bank accounts for each Waiver Program.

Morning Sun will establish and maintain a separate administrative bank account for the sole purpose of receiving all payments from the Agency for Medicaid-funded self-directed services and Subagent fees. We are accustomed to doing so. We welcome and will facilitate the Agency's audit of our administration and use of public funds including separate administrative bank accounts for each Waiver program.

#### 4.3.7 The Vendor must receive, disburse, and track Medicaid and State funds as specified in this RFP.

Morning Sun is experienced in the appropriate receiving, disbursing and tracking of Medicaid and State funds. We will do so in strict accordance to the specifications in this RFP.

#### 4.3.8 The Vendor must have a process for reimbursing the State for any funds remaining in the separate bank account for managing participant-directed funds on June 30 of each state fiscal year.



Morning Sun has a process for reimbursing the State for any remaining funds and will do so on June 30 of each state fiscal year.

4.3.9 The Vendor must have a website available to members and their representatives, and the general public, that includes up-to-date information and internal controls documented for its West Virginia-specific Subagent-F/EA FMS Policies and Procedures Manual to monitor the accuracy and currency of the materials posted on the website and the effectiveness of the system.

Morning Sun maintains a website at <https://morningsunfs.com>. This is a public website with password-protected sections for each state plus those for the submission of time entries and downloading personal reports. Morning Sun will create a new section for West Virginia. We will ensure compliance with the West Virginia specific Policies and Procedures Manual to monitor the accuracy and currency of the posted materials and ensure the effectiveness of the system.

4.3.10 The Vendor must develop, implement, and maintain a web portal; a secure web-based interactive payroll and accounts payable system that provides the Agency, members enrolled in Personal Options, their representatives, Resource Consultants, and Case Managers (if applicable) with real time 24/7 access to member's budgets and spending history with the ability to electronically submit and monitoring processing of DCSW hours worked and invoices.

Morning Sun will develop, implement and maintain a secure web portal that will permit the Agency, members, representatives and case managers with 24/7 access to budgets and spending history. Documentation of hours worked and invoices may be submitted electronically through this portal.

4.3.11 The Vendor must agree to operate and maintain a customer center with representatives that are dedicated to the West Virginia Personal Options program. Hours of operation are at a minimum 9:00 a.m. to 6:00 p.m. (EST) Monday through Friday excluding federal holidays, which can be found at: <https://www.opm.gov/policy-data-oversight/pay-leave/federal-holidays/>.

Morning Sun provides customer service training for all our staff so that they deliver customer service that is courteous, efficient and knowledgeable. We will provide as much customer service support as needed



to make sure that each Member/employer has and understands the information she/he needs (including, but not limited to, assistance completing and submitting forms, updates on tax and labor laws, and other pertinent information). We regularly assess and attempt to meet the needs and preferences of each Member.

Morning Sun uses our Consultants or supports brokers for primary customer service. Each member-representative will have an assigned Consultant who will place outbound calls to the Member each month and answer in-bound calls as they are received. If a Member needed to reach someone immediately and cannot reach their assigned Consultant, they will be directed to our customer service call center. We will staff our customer service call center from 7 am to 5 pm Monday through Friday except for State of West Virginia holidays. We plan to have customer service and payroll representatives staff the call center each day. We will add additional staff during high volume times as needed to meet the contracted standards for call centers. Morning Sun will track the following call center information:

- Number of calls received
- Percentage of abandoned calls
- Average time to answer a call
- Percentage of calls answered within 30 seconds
- Average length of time on hold
- Average length of time on each call
- Number of voice messages received
- Number and percentage of voice messages returned within one business day
- Number of dropped calls
- List of reasons for each call and number of calls per reason, categorized by program

A toll-free high-speed fax number will be available for submitting documentation and written inquiries 24 hours a day. All our staff have secure voice mail and email communication available 24 hours a day. There is an after-hours phone contact that is accessed through our regular phone system. The after-hours calls are tied to a cell phone carried by a supervisor. If the phone isn't answered immediately, a message can be left, and the call will be returned the same day or within 24 hours.



Customer service training will be provided to all Consultants and all call center representatives. Customer service training includes:

1. Why customer service is important to these programs
2. Procedures for operation of the toll-free system
3. Procedures for when and how to transfer calls internally
4. Scripts for frequently asked questions
5. Training on specifics of each Waiver Program
6. Training on all employer/employee forms
7. Training on person centered thinking
8. Customer complaints-when to escalate the call
9. Follow-through on solutions provided
10. Training on use of the language line and use of interpreters

Morning Sun Financial Services strives to provide Members, workers, Agency personnel and care managers with excellent customer service. Our staff are trained to handle all customer questions and concerns as they arise in a courteous and friendly manner. Our goal is to be responsive to questions, concerns, and feedback.

4.5.111.1 The Vendor must have a voicemail system activated for after-hours receipt of messages for members using self-direction services and their representatives and DCSWs to access needed information concerning their services.

Morning Sun will have a voicemail system for after-hours receipt of member-representatives and DCSWs. Additionally, each Consultant will have a voicemail box associated with their Morning Sun phone number.

4.3.12 The Vendor must have the ability to provide translation and interpreter services that are compliant with language access laws, which can be found at: <https://www.hhs.gov/civil-rights/for-individuals/special-topics/limited-english-proficiency/index.html>, and the ability to provide materials to members and representatives in alternative print (i.e., Spanish, large print, and Braille).

Morning Sun routinely provides materials in Spanish and English plus any other language spoken by a significant population in the state. For many of our participant-representatives, we provide alternate



means of communication such as American Sign Language, Braille, large print format, or translation services. We have a telephone service that will translate into and from one of 176 languages. Morning Sun makes these services known during orientation and in all our materials. We are well-versed in serving diverse groups of persons with disabilities, and we are committed to meeting the communication needs of all member-representatives and workers.

4.3.13 The Vendor must establish a separate administrative bank account for each Self-Directed Program into which all payments received from the Agency may be deposited and should submit to the Agency written evidence that the bank accounts have been established. The Vendor entity shall complete all forms as specified by the Agency and the bank to establish electronic fund transfers from the Agency to the bank account. The separate administrative bank account must be:

Morning Sun will establish a separate administrative bank account for each Self-Director Program into which all payments from the Agency will be deposited. We will provide written evidence that the accounts have been established. We will complete all required forms to establish electronic funds transfer from the Agency to the bank account.

4.3.13.1 Maintained, to the extent legally permissible, in a manner that prevents creditors of the Vendor from in any way encumbering or acquiring funds in the separate bank account.

We will work with our bank to comply with this request. You should also know that Morning Sun is very fiscally responsible and has never had any problem with creditors or banking practices.

4.3.14 The Vendor shall absorb at no additional cost to the Agency all bank charges including monthly fees and stop payment fees that were initiated by the contractor and not reduce the balance of the separate administrative bank account or reduce the balance of the participant's self-directed budget. It should be noted that should the participant or his/her authorized representative requests a stop payment, the fee may be charged to him or her.



Morning Sun will absorb all routine bank charges and any fees that we initiate. We will not reduce the bank account balance or reduce the balance of any participant's self-directed budget, with the exception of a stop payment fee that the participant-representative initiated.

**4.3.15 The Vendor must not co-mingle other funds into the separate administrative bank account.**

Morning Sun never co-mingles funds from any separate bank accounts.

**4.3.16 The Vendor must ensure that funds deposited into the separate administrative bank account cannot be used by the entity or by any other agent or third party to satisfy, temporarily or otherwise, any Vendor liability or for any other purpose, except as provided under its contract with the Agency.**

Morning Sun will ensure that funds in the separate administrative bank accounts cannot be used by any agent or third party to satisfy any Morning Sun liability, temporary or otherwise, except as provided under our contract with the Agency. We have a superb record of handling funds and maintaining the requisite protections for each separate bank account.

**4.3.17 The Vendor must withdraw from the separate administrative bank account all payments made by the Agency for the Subagent - F/EA FMS administrative fees within seven (7) calendar days of receipt.**

Morning Sun will withdraw all administrative fee payments within seven (7) days of receipt.

**4.3.18 The Vendor must prepare and submit monthly reports to the Agency on separate administrative bank account activity.**

Morning Sun will prepare and submit monthly reports to the Agency on separate administrative bank account activity.

**4.3.19 The Vendor must provide the Agency a copy of the monthly statement from the dedicated payroll bank account within fifteen (14) calendar days of the request along with any other financial**



information that may be necessary for, or requested by the Agency to oversee the delivery of F/EA FMS services and to maintain relevant documentation in the Vendor's files.

Morning Sun will provide the Agency with a copy of the monthly statement from the dedicated payroll account within fifteen (14) calendar days of the request along with any other financial information that the Agency requests. We will maintain such document in our files.

4.3.20 The Vendor must work jointly with any subsequent Vendor upon expiration and/or termination to supply historical Employer of Record and Employee information need to ensure a smooth transition of services during the integration period.

Morning Sun is experienced in working jointly with both prior and subsequent Vendors upon expiration of contracts or start-up of new ones. It is very important to the Agency that both vendors work together well and with a commitment to smooth transitions. Morning Sun commits to fostering a smooth transition of services.

4.3.21 The Vendor must provide the Agency with sample versions of reports at least thirty (30) calendar days prior to the Operations Start Date for the Agency review and approval. The Vendor must not begin operations without the Agency approval of reports. Report formats may include paper reports or data files. Upon the Agency request, the Vendor must supply the underlying data to support any report submitted. The data is to be in an Agency -approved electronic file format.

Morning Sun will meet all reporting requirements of the Agency. We will provide sample versions of reports for review and approval at least thirty (30) calendar days prior to the Operations Start Date. At your request, we will provide the underlying data to support any report in an electronic file format that you approve. We understand that we may not begin operations without Agency approval of reports.

4.3.22 The Vendor must agree to be bound by the Service Level Agreement(s) (SLAs) included in Appendix A.

Morning Sun agrees to be bound by the Service Level Agreements in Appendix A.





4.3.23 The Vendor must enroll required workers in the Agency's current Fiscal Agents System/MMIS prior to their providing paid services.

Morning Sun will ensure that workers are enrolled in the current Fiscal Agents System/MMIS prior to their providing paid services.

4.3.24 The Vendor shall agree to invoice for FEA and optional services only once for any members who are dually enrolled in a waiver program and the TMH or Personal Care program.

Morning Sun agrees that we will invoice for services only one for members who are dually enrolled in a waiver program and the TMH or Personal Care program.

4.3.25 The Vendor must agree to complete all implementation activities within three (3) months.

Morning Sun agrees to complete all implementation activities within three (3) months.

4.3.26 If the Agency elects to utilize optional services, the Vendor must provide RC services directly and not subcontract with another entity to perform any of the RC tasks.

If the Agency elects to use optional services. Morning Sun will provide RC services directly. We will not subcontract any of these services to another entity.

## 4.5 Qualifications & Experience



**MORNING SUN**

Morning Sun Financial Services  
9400 Golden Valley Road  
Golden Valley, MN 55427  
[www.morningsunfs.com](http://www.morningsunfs.com)



**4.5 Qualifications and Experience Information:** Vendor should provide information and documentation regarding its qualifications and experience in providing services or solving problems similar to those requested in this RFP. Information and documentation should include, but is not limited to, copies of any staff certifications or degrees applicable to this project, proposed staffing plans, descriptions of past projects completed (descriptions should include the location of the project, project manager name and contact information, type of project, and what the project goals and objectives where and how they were met.), references for prior projects, and any other information that vendor deems relevant to the items identified as desirable or mandatory below

Morning Sun was founded for the purpose of providing Financial Management Services and Fiscal Employer Services for persons who are self-directing their services under Medicaid. We have been doing so for 16 years.

We are one of a family of companies collectively known as Orion Associates and Affiliates owned by Dr. Rebecca Thomley, who has been CEO since 2000. Mr. Nicolas Thomley owns 49% of Morning Sun Financial Services and is CEO of that company. The same people serve as senior executives of Orion Associates and Morning Sun (CFO, COO, and others), and they share the history and experiences across all the companies since 2000-2001. We have an extremely stable management group with a long history of collective experience. However, Morning Sun is an independent company; it does not have a parent company.

The Orion companies include:

- **Meridian Services, Incorporated**, was founded in Saint Cloud, Minnesota in 1980. The company began as one of the State's first licensed Semi Independent Living Services providers. Today Meridian Services operates Case Management Services, CADI/BI Independent Living Skills Services, CADI/BI foster care, Crisis Respite Services, Psychological Services, Licensed Respite Services, Supported Living Services, Semi-Independent Living Services and licensed In-Home Support Services.
- **Zenith Services, Incorporated**, started in 1998, is a nonprofit provider of Vocational Services to adults with disabilities.



- **Orion Associates**, founded in 1999, delivers administrative services to all five agencies, including fiscal and operational management services. Our organization began providing fiscal intermediary and employer of record services in Minnesota in 1999 with the launch of the state's self-determination initiative. In 2004, with the redesign of consumer-directed services in Minnesota, Orion ISO was certified as a fiscal support entity following a Minnesota Department of Human Service readiness review. Up until that time, most Members chose Employer of Record (Agency with Choice) services. Our organization implemented DHS's directive to educate Members about the Fiscal Employer Agent option, and the opportunity for greater authority and control as an employer persuaded more than half of the people we served to choose this new option. We also showed parents who served as paid care providers how to take advantage of the tax exemptions available under the fiscal employer agent model.
- **Orion Intermediary Services Organization (Orion ISO)**, incorporated in 2001, provides Financial Management Services exclusively in Minnesota to families and individuals with developmental disabilities or mental illness and the elderly using the Consumer Directed Community Support and Community Support Grant options under all five waived service programs. Orion ISO also provides licensed personal support services. Orion ISO is one of the oldest and largest providers of Member-directed services in the state of Minnesota.
- **Morning Sun Financial Services**, established in 2006, is a newer addition to this group of previously established and related social service and management companies that are collectively referenced as the Orion Companies. Morning Sun currently provides Financial Management Services to people in Utah, West Virginia, Alabama, Louisiana, South Carolina and Ohio who use self-directed services. Through a contract with Anthem, we provide check-writing services to individuals in Virginia, West Virginia, North Carolina, Nevada, Nebraska, Kentucky and West Virginia.
- **Headwaters Relief Organization**. Dr. Thomley is also the Founder and CEO of Headwaters Relief Organization, a nonprofit organization founded in 2008 to provide clean-up and re-building support for the city of New Orleans, now an international relief organization. All the Morning Sun executives support this organization, and many Morning Sun employees, who receive time off every year to volunteer for nonprofit organizations, choose to use their paid time and more to volunteer for Headwaters.



The Morning Sun team began providing fiscal intermediary and employer of record services in Minnesota in 1999 with the launch of the state's self-determination initiative. In 2004, with the redesign of consumer directed services in Minnesota, our related organization Orion ISO was certified as a fiscal support entity following a Minnesota Department of Human Service readiness review. Up until that time, most Members chose Employer of Record (Agency with Choice) services. We implemented DHS's directive to educate Members about the Fiscal Employer Agent option, and the opportunity for greater authority and control as an employer persuaded more than half of the people we served to choose this new option.

We also showed parents who served as paid care providers how to take advantage of the tax exemptions available under the fiscal employer agent model.

Currently, Orion ISO is the largest provider in Minnesota serving over 1950 people in Minnesota who choose the consumer-directed option. We began services to people outside of Minnesota when we formed Morning Sun Financial Services, which secured its first contract in Utah in 2006.

Since then, we have provided a broad range of FEA and FMS services in many states including Alabama, Colorado, Kentucky, Louisiana, Minnesota, Nebraska, Nevada, North Carolina, Ohio, Oklahoma, South Carolina, West Virginia, and Utah. We currently serve more than 5500 participants.

## **Certifications**

Morning Sun Financial Services complies with IRS, state and local regulations in all geographic areas in which it operates. Morning Sun operates as a F/EA FMS in accordance with section 3504 of the IRS code, IRS Revenue Procedure 70-6 as modified by IRS-137036-08a, and IRS Revenue Procedure 2013-39, for state and federal income tax withholding, Medicare and Social Security taxes (FICA), unemployment (FUTA and SUTA) taxes, state tax, and federal and state labor laws related to household employment, and all other applicable State and Federal laws and regulation.

We have received our most recent SOC 2 Type 2 report late in 2022. Developed by the American Institute of Certified Public Accountants (AICPA), SOC 2 Type 2, sometimes called SOC 2 Type II, is one of three prevalent types of security frameworks. All aim to address cybersecurity concerns in cloud-based systems. The report of a SOC 2 Type 2 assessment offers evidence that an organization is implementing the security controls they say they are and that those controls are working correctly to protect sensitive data. We await the SOC 2 Type 2 report from our most recent audit, late in 2022. Chief Information Officer Bryce Austin holds certifications in CISM, Six Sigma, ITIL Foundations, MCSE and CCNA. He is a nationally known public speaker, thought leader and cybersecurity expert. Bryce



has led the development of Orion Associates' state of the art Technology Incident Response Plan/ Disaster Recovery Plan. He has over ten years' experience with Medicaid information systems through his work on Morning Sun and Orion ISO contracts.

Orion Associates **CEO Rebecca Hage Thomley** (President of Morning Sun) holds these certifications:

- Licensed Psychologist, State of Minnesota
- Certified Rehabilitation Counselor, #18856
- Certified Women's Business Enterprises- WBENC

Rebecca is an award-winning CEO who has unmatched education and experience to oversee this contract to assure the quality of work that you expect from us to serve your Members.

## Resources

The Orion family of companies and its leaders will prove to offer exceptional resources to West Virginia's programs.

Co-founder and CEO of Morning Sun, Nicolas Thomley, is a recognized and awarded entrepreneur and business leader throughout the U.S. In 1999, he founded and continues to operate Pinnacle Services, an innovative, multi-service provider for children and adults with disabilities as well as older adults. Mr. Thomley holds an MBA and a master's in management, plus a certificate from the MIT Enterprise Forum. He is a leader who continually invests in the community and the Young Entrepreneur Council. He has a history of developing, implementing and managing programs, ensuring compliance with contracts, state and federal regulations. West Virginia can count on him to help develop any new approaches or services that you may require or to consult on program improvements.

While Nicolas is an expert on business systems and management Rebecca Hage Thomley, President of Morning Sun and CEO of Orion Associates, is an expert on the human side of health services. Dr. Thomley holds a Doctorate in Psychology and master's degrees in Organizational Management, PsychoPharmacology, and Public Health (emphasis in disaster response) and a Masters Certificate in Violence, Torture and Trauma.

The range of services provided by the Orion agencies include supervised living services, in-home services, semi-independent living services, respite services, social recreation services, independent living skills



services, case management service, service coordination, fiscal agency for self-directed services, psychological services and vocational rehabilitation. Rebecca is also a founding leader in self-directed services. We have leaders and employees in each of our related companies who have expertise and specialized knowledge that can be brought to bear for West Virginia as needed.

Both Nicolas and Rebecca have been recognized in Minnesota and nationally for their personal contributions and those of the companies that they operate.

Most of Morning Sun's management team has been together since the early 2000s, with newer members, who have been promoted from within, having been carefully vetted and made their way through the ranks at Orion and Morning Sun. We doubt that you will find a more capable, knowledgeable team to manage this contract for West Virginia.

Morning Sun is a privately held company that has carefully managed its growth since 2006. In comparison to several of its competitors, Morning Sun offers you the key advantages of a high-performing smaller company: personal attention of senior leadership, agility, flexibility, innovation, and a high degree of control coupled with over 16 years of experience.

**4.5.1 Qualification and Experience Information:** Vendor should describe in its proposal how it meets the desirable qualification and experience requirements listed below.

4.5.1.1 The Vendor should propose a work plan that should include, but not be limited to, the following components:

4.5.1.1.1 Organizational Chart for the overall organization and for the Subagent- F/EA FMS and related functions and includes the contractor's staff assigned to perform the required services.

Morning Sun is organized according to functional areas. Key leaders in each area oversee a team of staff members who perform all the functions required for F/EA FMS. The Organizational Chart for Morning Sun is included below:



# MORNING SUN

State of West Virginia  
Department of Health and Human Services  
Bureau for Medical Services  
CRFP #BMS 230000003

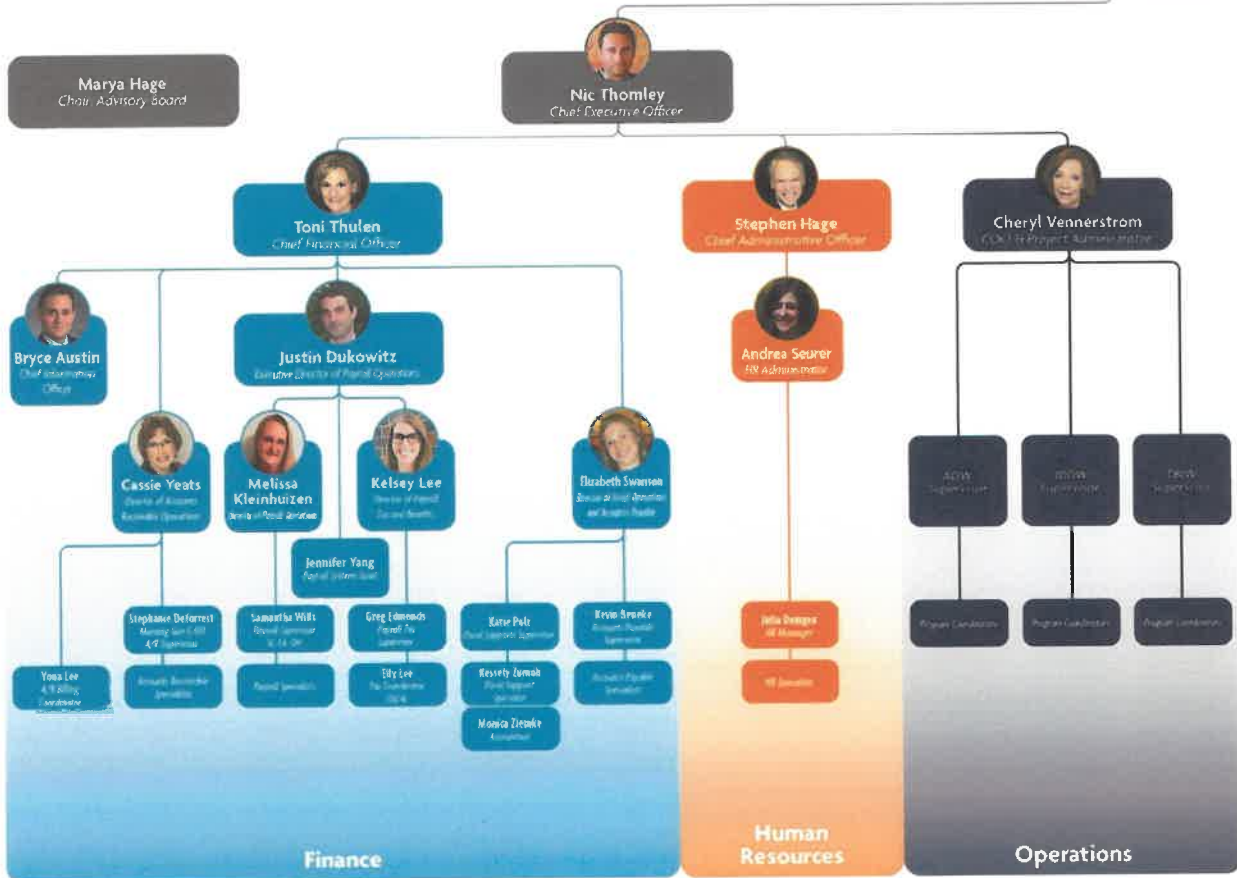


## MORNING SUN

### Organization Chart West Virginia Finance and Human Resources



**Rebecca Thomley**  
CEO Orion Associates and Affiliates



All financial management is performed at our headquarters office in Minnesota.

4.5.1.1.2 A description of the roles, responsibilities and skill sets associated with each position on the organizational chart, which should include the following:

The proposed project team for Morning Sun Financial Services is focused on customer service, efficiency and accountability. Staff members in every department are trained on customer service and person-centered thinking.





Morning Sun is organized functionally, with each senior executive leading a team of people in his or her area. This project will be led by Morning Sun's core leadership team, the senior administrative staff in the areas of Finance, Human Resources and Operations.

**Morning Sun's COO, Cheryl Vennerstrom**, will be the Project Administrator for the contract. Cheryl will hire, train, and supervise the staff who will be onsite in West Virginia. These include the supervisors of each waiver program and the Consultants who provide locally-based customer service customer.

**Morning Sun's CFO, Toni Thulen**, will manage all financial services and customer service personnel. Toni manages these services from our home office in Minnesota, but she will also participate in the education and training of our staff in both locations.

Our delivery model is to operate all financial systems from our home office in Minnesota and to build a team with a local team onsite in West Virginia. This has been our practice in most states. We will build on our administrative staff and utilize our systems to serve the waiver programs and to ensure the necessary support for the increased volume of payroll, claims processing and reporting. We will hire leadership personnel and Consultants in West Virginia and additional finance and human resources staff in Minnesota.

**Dr. Rebecca Thomley, President**, is a Licensed Psychologist who has extensive experience as a clinical psychologist, serving a population that includes veterans, children, adolescents and adults, and specializing in sexual abuse, women's issues, diagnostics, neuropsychology, minorities, people with HIV/AIDS, and crisis intervention. Rebecca is the chief executive officer of Orion Intermediary Services Organization and its related companies. She is the 51% owner of Morning Sun Financial Services and will provide leadership to the Morning Sun implementation team if this contract is awarded.

**Nicolas Thomley, Chief Executive Officer**, has more than twenty years of experience providing services to people with disabilities. As CEO of Morning Sun Financial Services, Nicolas has experience in overseeing operations of both Member support activities and financial administration. He has been involved in numerous human service committees, including Minnesota's Self-Determination Advisory Committee. Nicolas holds a Bachelor's Degree in Organizational Management and Communications, and a Master's Degree in Business Administration.



**Cheryl Vennerstrom, Chief Operating Officer**, has held this position with the organization since 2000. She oversees Orion ISO's fiscal employer agent/financial management services as well as Morning Sun's state contracts. Cheryl holds a bachelor's degree in English, and has completed Master's Degree course work in Organizational Management. She has over 40 years' experience working with people with disabilities and the elderly. With the award of a contract, Cheryl will oversee contract development, design and implementation of Financial Administration and Customer Support and resource consultant services, and provide training and oversight for the West Virginia-based program administrator and additional consultants. She will also coordinate with contract managers and leaders in West Virginia, as she has with our other state contracts.

**Toni Thulen, Chief Financial Officer**, has more than 30 years of experience in the field. Toni's education includes a Bachelor of Science degree in Accounting from the University of Minnesota, Duluth and a Master's Degree in Theology. In addition, she has completed several training courses related to computer network administration, database development, and various accounting systems. Since 2001, Toni has served as Chief Financial Officer for the Orion agencies, including Morning Sun Financial Services, where she supervises the accounting department and the development of financial systems and technical support, including the production of financial reports and payroll. Toni also coordinates and supervises the development of technology systems for the organizations.

**Stephen Hage, Chief Administrative Officer**, has more than 30 years' experience in human resources management. Stephen has Masters' Degrees in Religion and Organizational Management and has been Orion's chief administrative officer for 27 years. Stephen oversees all recruiting, staffing and human resource functions and oversees all legal matters for the organization.

**Bryce Austin, Chief Information Officer**, is our lead systems analyst who provides oversight and development of Morning Sun's technology and security systems and will ensure that West Virginia's financial management systems are in compliance with all requirements of the RFP. He takes the lead in emergency response and recovery of data systems. Bryce has led the development of Orion Associates state of the art Technology Incident Response Plan/Disaster Recovery Plan. He has at least ten years' experience with Medicaid information. Prior to this role, Bryce was the CIO and CISO for Digiener, a technology and management consulting company and provided similar services to companies in a variety of industries. Bryce holds certifications in CISM, Six Sigma, ITIL Foundations,



MCSE and CCNA. He is a nationally known public speaker, thought leader and cybersecurity expert. Bryce received a bachelor's degree in Chemistry from the University of Illinois at Urbana-Champaign and has completed extensive post-graduate education.

**Justin Dukowitz, Executive Director of Payroll Operations**, provides oversight and tax guidance for numerous self-directed programs in 6 U.S. states. He ensures all employer tax documents and filings follow IRS and state regulations and manages the taxation of active employees by applying IRS publication 926, IRS 2014-7 and state specific taxation exemptions for household employers. Justin joined Morning Sun Financial Services in 2014 and assumed responsibility of the day to day functions of the payroll department in a leadership role. He has implemented new technologies, procedures, and structure to provide our customers with the best experience possible. Justin created electronic workflows to communicate across multiple departments and revamped reporting and integration programs to increase efficiency. He led the organization to become almost 100% electronic regarding quarterly and annual payroll tax filings. He has oversight of thousands of quarterly and annual tax returns, including 941, 941b, 941r, 941x, W2, W3 and individual SUTA returns for more than 3000 employer accounts and has led the management of 5000 employer federal and state withholding accounts in 10 US states.

**Andrea Seurer, Administrator of Human Resources and Program Services**, serves as the Program and HR Executive Administrator for participant-directed services in Minnesota, Utah, Alabama, Louisiana, South Carolina and Ohio implementing and monitoring all state requirements for participant-directed fiscal agent services, managing and monitoring all new hire and on-going employee requirements in each state, overseeing all financial aspects of services provided, establishing services across multiple departments and providers. Andrea has been with the related companies since 2015.

**Cassandra Yeats, Billing Administrator**, has been with the organization and its related entities since 1993, starting as an accounting clerk, then becoming a financial manager, senior financial manager, and now billing administrator for Morning Sun Financial Services. Cassie has a Bachelor's Degree in Accounting. She oversees all billing functions for ten companies in six states and supervises a staff. Cassie is responsible for maintaining accounts receivable, coordinating the receivables portion of Morning Sun's annual audit, and overseeing monthly tie-out from sub-ledger to general ledger. Cassie reports to CFO Toni Thulen.



**Melissa Kleinhuizen, Director of Payroll Services**, joined Orion Associates and Morning Sun Financial Services in 2019. She executes project management and process development of cross-functional teams for all Morning Sun contracts. She provides leadership to multi-state payroll process teams, ensuring compliance with state and federal regulations and Morning Sun contracts. Melissa has strong analytical skills to identify issues and resolve problems. She redesigned payroll processes to reduce payroll errors and out of turn payroll processing.

**Kelsey Lee, Director of Payroll Taxes and Benefits**, has been with Orion Associates since 2013. She started as a payroll specialist, became a payroll Consultant in 2018, and began her current role in 2019. Kelsey is responsible for management and reconciliation of all individual and corporate employer accounts. She manages all year-end processes, audits and closing of each calendar year. Kelsey processes all W2s according to state and federal guidelines. She is responsible for payment, reconciliation, and expense of employee benefits and ensures quarterly internal audits are completed.

**Elizabeth Swanson, Director of Accounts Payable and Fiscal Operations**, has a degree in accounting. She has been with the related companies for 12 years. She began in her current position in 2022 after serving as an agency accountant for all 4 companies for 10 years. In her current role, Elizabeth manages self-directed authorizations, goods and services payments and reimbursements and monthly utilization reporting. She files monthly and quarterly sales and use tax filings, issues 1099 reporting and filing and oversees internal audits.

4.5.1.1.2.1 The Vendor should propose a key position of a project manager for the Subagent-F/EA FMS with experience leading and effectively managing F/EA FMS and optional RC operations. The project manager should have a bachelor's degree from an accredited four-year college or university and have three (3) years' experience managing the provision off/EA FMS, members' budgets and managing Subagent-F/EA FMS staff. The project manager's experience should include:



4.5.1.1.2.1.1 Leading and managing the enrollment and disenrollment of members and their representatives with a F/EA FMS entity.

4.5.1.1.2.1.2 Developing/completing Employer Enrollment and DCSW Employment/Service Provider and Vendor Engagement Packets

4.5.1.1.2.1.3 Implementing the provision of common law employer orientation and skills training for members and representatives.

**Morning Sun's COO, Cheryl Vennerstrom**, will be the Project Administrator for the contract. Cheryl will hire, train, and supervise the staff who will be onsite in West Virginia. These include the supervisors of each waiver program and the Consultants who provide locally-based customer service customer. Cheryl exceeds all requirements stated above, as her resume (included at the end of this section) indicates. She has been in her position at Morning Sun/Orion Associates for over 20 years.

4.5.1.1.2.2 The Vendor should have a payroll and invoice payment manager with a bachelor's degree from an accredited four-year college or university and two (2) years' experience processing DCSWs' hours worked and preparing and issuing DCSWs' payroll; processing and paying invoices to service providers and participant-directed vendors; and performing related activities including developing and maintaining a separate bank account, data base copies, files and records and preparing and issuing reports to participants and government agencies, as required.

**Morning Sun's CFO, Toni Thulen**, will manage all financial services personnel. Toni manages these services from our home office in Minnesota, but she will also participate in the education and training of



our staff in both locations. Toni exceeds all qualifications required above, as her resume will show. Toni has been in her position for more than 20 years.

4.5.1.1.2.3 The Vendor should have a key position of an ADW supervisor with a bachelor's degree from an accredited four-year college or university and two (2) years' experience working members who are self-directing their services.

4.5.1.1.2.4 The Vendor should have a key position of an IDWW supervisor with a bachelor's degree from an accredited four-year college or university and two (2) years' experience working members who are self-directing their services.

4.5.1.1.2.5 The Vendor should have a key position of an TBIW supervisor with a bachelor's degree from an accredited four-year college or university and two (2) years' experience working members who are self-directing their services.

4.5.1.1.2.6 If optional F/EA FMS Personal Care is provided, the Vendor should have a key position of a Personal Care supervisor with a bachelor's degree from an accredited four-year college or university and two (2) years' experience working members who are self-directing their services.

Morning Sun's Human Resources Department, with assistance from Project Administrator Cheryl Vennerstrom, will hire individuals in West Virginia to fulfill the roles of ADW supervisor, IDWW supervisor, TBIW supervisor and, if the option is provided, a Personal Care supervisor. Each supervisor will meet or exceed the required qualifications. Morning Sun has hired people into similar roles in at least eight states; we have a record of excellent hiring practices and staff orientation and training under the leadership of Cheryl Vennerstrom and our HR team.

4.5.1.1.3 Key staff positions should be identified with named individuals and resumes demonstrating experience



with participant-direction and best practices for HCBS.

Morning Sun will hire people with experience in these areas. It is always our practice to fill key staff position in a state with people who are hired within that state. Local people have knowledge of the state and its people, which is critically important to these programs.

4.5.1.1.4 The Vendor should have one (1) Full Time Employee (FTE) assigned to each key staff indicated except for the TBIW supervisor. Key staff should be based in West Virginia and 100% dedicated to the WV Personal Options Program.

We will assign one full time employee to each key staff indicated. All will be based in West Virginia and 100% dedicated to the WV Personal Options Program. The TBIW supervisor may be assigned part-time to that position.

4.5.1.2 The Vendor should have management and operations staff with five (5) years' experience in providing F/EA FMS services, and serving older adults and individuals with physical, intellectual, and developmental disabilities and traumatic brain injury and their representatives, as necessary.

Morning Sun's management and operations staff exceed five years' experience in these services and together represent a distinct value-added distinction to Morning Sun's services. Resumes are included at the end of this section.

Morning Sun Financial Services has been providing Fiscal Employer Agent services since 2006, when it was established to provide the infrastructure for self-directed services outside of Minnesota. Our related organization, with which we share the same leadership team, has performed these services in Minnesota since 1999. Together we have been in business 23 years, with Morning Sun in business 16 years. Morning Sun provided flexible case management between 2005 and 2011, including assistance with writing and reviewing community support plans, monitoring service delivery and providing technical assistance to employers on hiring, supervision and discharge of employees as part of Minnesota's Supports Brokerage services.



## **DR. REBECCA S. HAGE THOMLEY** **Chief Executive Officer, Orion** **Associates & Affiliates**

### **Education**

**MASTER'S IN PUBLIC HEALTH | TULANE UNIVERSITY**

Emphasis in Disaster Response

**MASTERS CERTIFICATE | UNIVERSITY OF MARYLAND**

Certificate in Violence, Torture and Trauma

**MASTERS IN PSYCHOPARMACHOLOGY | NOVA SOUTHEASTERN UNIVERSITY**

**MASTERS IN ORGANIZATIONAL MANAGEMENT | CONCORDIA UNIVERSITY**

**DOCTORATE IN PSYCHOLOGY | MINNESOTA SCHOOL OF PROFESSIONAL PSYCHOLOGY**

**MASTERS IN PSYCHOLOGY | SAINT CLOUD STATE UNIVERSITY**

**BACHELOR OF PSYCHOLOGY | SAINT CLOUD STATE UNIVERSITY**

### **Certifications**





Licensed Psychologist, State of Minnesota  
Certified Rehabilitation Counselor, #18856  
Certified Women's Business Enterprises- WBENC

## Experience

### **CLINICAL PSYCHOLOGIST | PRIVATE PRACTICE 1985 - PRESENT**

Licensed psychologist with board approved competencies in individual and group therapy for adults, adolescents, children and people with disabilities; individual assessment for children, adolescent and adults including intellectual, aptitude, interest, achievement and projective; neuropsychological assessment; psycho-educational assessment; research, design and methodology; teaching and in-service training; supervision; consultation; behavior therapy; marriage and family therapy; trauma and disaster response; hypnotherapy and sports therapy.

### **CHIEF EXECUTIVE OFFICER | ORION ASSOCIATES AND AFFILIATES 2000 - PRESENT**

Responsible for all aspects of Orion Associates, Meridian Services, Zenith Services, Orion Intermediary Services Organization, Morning Sun Financial Services, Little Stars Kids Club, and Meridian Psychological Services, group of social service and management agencies. Since 2000, the company has grown twenty-two times in size, now serving more than 10,000 individuals in Minnesota, Utah, Tennessee, Colorado, Oklahoma, and Ohio. The range of services provided by these agencies include supervised living services, in-home services, semi-independent living services, respite services, social recreation services, independent living skills services, case management service, service coordination, fiscal agency for self-directed services, psychological services and vocational rehabilitation.

### **FOUNDER | HEADWATERS RELIEF ORGANIZATION 2005 - PRESENT**

Headwaters Relief Organization is an agency-led relief, rebuilding, and mental health effort in New Orleans' Ninth Ward after Hurricane Katrina. A non-profit organization with over 1000 volunteers, Headwaters is a state Voluntary Organization Active in Disasters (VOAD) in Minnesota, North and South Dakota, Wisconsin, Louisiana, Iowa, Tennessee, Oklahoma, Utah, Ohio, and Colorado. Headwaters is also a National VOAD. Headwaters has responded to disasters in multiple states including Minnesota, North Dakota, South Dakota, Louisiana, Iowa, New Jersey, Oklahoma, Colorado, Illinois, and internationally, in Haiti and the Philippines. Headwaters has responded to tornadoes, flooding, the Minneapolis bridge collapse, the Gulf oil spill, earthquakes and hurricanes, providing clean-up, rebuilding and mental health support. Headwaters' provides ongoing support services in New Orleans and Haiti.



**CHIEF OPERATING OFFICER | MERIDIAN SERVICES, ORION ASSOCIATES AND AFFILIATES  
1992 - 2000**

Responsible for program services departments of Meridian Services and subsequently with Orion Associates' inception, Zenith Services and Orion Intermediary Services Organization.



## **NICOLAS P. THOMLEY** **Co-Founder and Chief Executive Officer** **Morning Sun Financial Services**

### **Education**

**MASTER OF MANAGEMENT | MCGILL UNIVERSITY**

**MASTER OF BUSINESS ADMINISTRATION | AUGSBURG UNIVERSITY**

**CERTIFICATE OF ENTREPRENEURIAL LEADERSHIP | MASSACHUSETTS INSTITUTE OF TECHNOLOGY**

**BACHELOR OF ARTS | CONCORDIA UNIVERSITY**

Major: Organizational Management and Communication

### **Military Service | United States Marine Corps**

Military Policeman with the 4<sup>th</sup> Marine Division

### **Experience**

**CO-FOUNDER & CHIEF EXECUTIVE OFFICER | MORNING SUN FINANCIAL SERVICES, LLC**  
**2006 - PRESENT**

Over 20 years of experience in the health and human services industry, ranging from providing direct support to individuals with intellectual or developmental disabilities to founding and managing several organizations. These organizations provide a range of services and supports to persons with disabilities and older adults, including residential services, vocational services, fee-for-service programs, and financial management services.

Co-founded Morning Sun Financial Services to provide Financial Management Services for Member-directed programs in states outside of Minnesota. Has participated in leading the startup of new Member-directed programs as well as the transition of current programs from existing FMS vendors, including waiver programs, managed care, and state-funded programs.

Provides leadership and direction in the organization's expansion efforts, management of financial resources, and technology systems to improve efficiency. Responsibilities include but are



not limited to overall project oversight, the development, implementation and management of services, ensuring compliance with contracts, state and federal regulations, and service delivery per contract requirements.

## **HENRY CROWN FELLOW | THE ASPEN INSTITUTE**

**2016 – PRESENT**

Selected to the Henry Crown Fellowship Program which seeks to develop the next generation of community-centered and global leaders, providing them with the tools necessary to meet the challenges of business and civic leadership in the 21st century. Each year, a class of 20-22 leaders is chosen to engage in a thought-provoking journey of personal exploration—to move beyond success to a place of growing significance in the world. The program is a unique mix of seminars designed to broaden the perspectives of the Members and hone their skills in values-centered leadership.

## **FOUNDER & CHAIRMAN | PINNACLE SERVICES**

**1999 - PRESENT**

Founded the organization as a multi-service provider for children and adults with disabilities, as well as older adults. Led the organization's growth to serve over 3,000 individuals, providing an array of services including case management services, residential and vocational support services to individuals and their families. Developed and implemented numerous programs and services. Ensure compliance with contracts, state and federal regulations, and overall service delivery. Recognized both locally and nationally for community impact, leadership, and entrepreneurship.

## **FOUNDER & CHAIRMAN | SUMMIT FISCAL AGENCY**

**2003 - 2017**

Founded the organization as one of the first providers of Member-Directed services in the State of Minnesota. Led the organization through the progression of Member-directed services including its expansion from a single waiver program to all Minnesota waiver programs and managed care. Implemented all operational capabilities including financial controls, policies and procedures, and compliance with state and federal regulations. Served on the Self-Determination Advisory Committee with self-advocates, advocacy organizations and local government.



## **CHERYL VENNERSTROM** **Chief Operations Officer** **Morning Sun Financial Services**

### **Education**

**MASTERS IN ORGANIZATIONAL MANAGEMENT | CONCORDIA UNIVERSITY**

**BACHELOR OF ARTS | UNIVERSITY OF MINNESOTA**

Major: English Literature

### **Experience**

**CHIEF OPERATIONS OFFICER | ORION ASSOCIATES AND AFFILIATES**  
**2000 - PRESENT**

Oversee all aspects of program development and program operations for 5 related entities for social service agency. Services to people with disabilities span the service spectrum including Member-directed services, residential services, vocational services, case management services and psychological services. Have overseen company growth from 8 million in annual revenue to current 164 million dollars. Oversee over 1000 staff for 4 companies. Co-founded Morning Sun Financial Services and serves as project director for all departments providing Financial Management Services to Member-directed programs in states outside of Minnesota. Supervise customer service offices serving national constituencies with excellent service satisfaction outcomes.

**EXECUTIVE DIRECTOR | WEST RIVER ROAD, INCORPORATED**  
**1994 - 2000**



Co-owned and operated a social service agency serving 16 adults with mild to moderate intellectual and developmental disabilities and moderate to severe behavioral issues in residential settings. Executed incorporation and start-up of all aspects of new agency including initial licensing, contracting with Hennepin County, insurance and leasing. Directly administered human resources and financial management.

## **FAMILY SERVICES, EXECUTIVE DIRECTOR | COOPERATING COMMUNITY PROGRAMS 1990 - AUGUST 2000**

Operated In-Home and Respite Services for children and adults with developmental disabilities. Caseload of 135 individuals and their families. Increased revenue by one million dollars to 2.5-million-dollar fee for service operation. Contracted with Hennepin, Ramsey, Anoka and Washington Counties. Supervised Human Resources Director, Financial Director, Program Management team of 11 and 190 staff. Responsible for all aspects of entity: budget development, revenue projections, accounts receivable, accounts payable, risk management, contract negotiations, strategic planning, growth and development, service delivery and consumer satisfaction.

## **EXECUTIVE DIRECTOR | CCP RAMSEY RESIDENTIAL, 1995 - 1996**

Managed development and planning for creation of a decentralized entity. Reorganized administrative and program positions. Developed internal plan to increase revenue and reshape budgets for 40 residential sites. Annual budget of 5 million dollars. Represented agency with Ramsey County including provider/county initiatives. Responsible for all growth and intake for residential programs. Responsible for management training, rules and regulations compliance and quality assurance.

## **PROGRAM ADMINISTRATOR CCP RAMSEY COUNTY 1991 - 1995**

Responsible for growth and development for residential programs. Negotiated contracts with Ramsey County. Managed payroll budgets and room and board receivables. Trained staff and ensured Rule 42, Rule 40 and Rule 10 compliance. Responsible for coordination with finance and personnel departments. Supervised 5 Program Directors.

## **PROGRAM DIRECTOR CCP ICF/MR 1990 - 1991**

Supervised 6 house managers. Coordinated the transfer of these programs to other agencies.

## **PROGRAM MANAGER | FREEPORT WEST, INCORPORATED 1988 - 1990**



Administrative position with non-profit agency supervising three SLS programs. Supervised house supervisors, screened direct service staff, developed annual training program. Developed program policies and procedures.

**PROGRAM SUPERVISOR | FREEPORT WEST, INCORPORATED  
1986 - 1988**

Developed three new residential programs for young adults with developmental disabilities a moderate to severe behavioral issues. Developed individual program plans. Provided QMRP supervision.



## **TONI THULEN** **Chief Financial Officer**

### **Education**

**Master Of ARTS In Theology | Bethel seminary**

**Bachelor of Accounting | university of Minnesota - Duluth**

### **Experience**

**CHIEF FINANCIAL OFFICER | Orion Associates and affiliates  
2001 - Present**

Provides financial and technology oversight for each of the Orion Associates related entities. Over 17 years of specific experience in the development and implementation of financial and technology systems for traditional and self-directed services for Medicaid Home and Community Based waiver services. Since joining the Orion Associates group of companies in 2001, has managed the organization through rapid growth in all areas of traditional and self-directed waiver services. Has managed the design and implementation of policies and procedures related to all financial aspects of self-directed services including payroll, payroll taxes, goods and services payments, authorizations, and billing. Led the creation and implementation of IT Security policies and procedures that govern the confidentiality and security of all private health and personally identifiable information. Has managed the design and implementation of all internal and external financial and web-based systems. Has significant experience working with State agencies and personnel to transition or begin implementation of self-directed services for a variety of waiver programs in six different states.





**CONTROLLER | ViTec, Incorporated  
1998 - 2000**

Reported directly to the Chief Executive Officer with total responsibility for accounting, treasury, taxes, facilities, and benefits and administration. Part of experienced management team responsible for business strategy and profits. Designed and developed budgeting and financial forecasting model. Developed all financial plans, tables and graphs included in business plans used for raising capital and potential mergers and acquisitions. Led all areas of due diligence process for potential merger. Negotiated and administered benefit programs for 401K, health, dental, life, disability, accidental death and dismemberment. Part of management team responsible for the successful downsizing and “re-start” of the company that tripled revenues in the following year. Successfully managed relocation to new facility.

**CONTROLER | Norstan, incorporated  
1989 - 1998**

A \$450 million full-service provider of communications systems including business telephones, videoconferencing equipment ROLM Resale Services, Norstan Resale Services, Norstan Repair Center Three separate startup companies that enabled Norstan to enter into a national sales, support and repair business. Initial ROLM Resale venture began in 1988 as a startup business and the Norstan Resale Services and Norstan Repair Center venture began in 1994 as startup companies. The entire Resale and Repair division grew to over \$70 million in revenues and \$12 million in pre-tax profits. Initially recruited in 1989 to automate and integrate the sales, accounting and warehouse process for emerging ROLM Resale Services business. Key member of management team that successfully executed business plans for the Norstan Resale Services and Norstan Repair Companies. Installed and maintained comprehensive accounting and network information systems that linked general finance and accounting, sales order entry, purchasing, and inventory management and control among all departments for each startup business. Developed and implemented entire accounting function, including controls, processes and systems for each startup business. Led a team of nine accounting, financial and information technology professionals. Installed and maintained sales automation and contact management systems for each startup business. Successfully managed three facilities expansion projects to accommodate aggressive growth of each startup business. Led the relocation of 150 employees and \$7 million of inventory and equipment.

**STAFF ACCOUNTANT | Carlson Companies, Incorporated  
1985 - 1989**

Reported to Controller of the Carlson Marketing Group, the company’s incentive marketing division. Responsible for the preparation of financial statements, maintenance of the general



ledger and incentive program cost analysis. Designed and programmed using FOCUS software, a job costing system used to track billable hours on incentive programs.

**ACCOUNTANT | Harvest State COOPERTIVE  
1982 - 1985**

Reported to the Controller of the Great Plains Lumber Division. Responsible for the monthly financial statements and general ledger maintenance of 130 separate small-town lumberyards. Performed and reconciled numerous physical inventories averaging \$500,000 of inventory per lumberyard.net, long distance services, network integration and IT consulting.



## STEPHEN HAGE Chief Administrative Officer

### Education

**MASTERS IN ORGANIZATIONAL MANAGEMENT | CONCORDIA UNIVERSITY**

**MASTERS OF ARTS | YALE UNIVERSITY**

Religion

**BACHELOR OF ARTS | SAINT OLAF COLLEGE**

Double Major: English / Religion

### Certification

Human Resources Generalist Certificate | University of Minnesota – Twin Cities

### Experience

**CHIEF ADMINISTRATIVE OFFICER | ORION ASSOCIATES AND AFFILIATES**

**1995 - PRESENT**

Administers the organization's Human Resources and Training Department. Maintains a current knowledge of state and federal Human Resources laws, rules, and regulations, including Equal Employment Opportunity and Affirmative Action regulations. Supervises, mentors and develops a team of Human Resources professionals. Facilitates the development of positive employee relations. Advises management staff regarding personnel matters. Oversees the recruiting, screening, interviewing and selections of applications for positions in the organization. Oversees the discipline, termination and dismissal of employees. Manages and executes employment operations including maintain personnel records, classifications systems, Worker's Compensation, Unemployment Benefits, sexual harassment claims, work rules and personnel policies. Manages and executes employee compensation and benefits. Facilitates the completion of performance evaluations. Plans, implements and executes the organization's training systems, including initial



orientation, ongoing training, and professional training. Consults, coordinates, and executes, with the organization's legal counsel, on corporate legal matters.

## **HUMAN RESOURCES ADMINISTRATOR | MERIDIAN SERVICES, INCORPORATED 1993 - 1995**

Established the Human Resources function for the Companies. Duties as above.

## **DIRECTOR OF HUMAN RESOURCES | GREENWOOD RESIDENCES 1993**

Directed the Human Resources function for two Intermediate Care Facilities for the Mentally Retarded. The duties included: Recruited, interviewed, and hired applicants for positions in the facilities. Provided for the initial orientation and ongoing trainings of employees. Maintained personnel records, including closing the files with the planned closure of the facilities. Administered benefit programs, including medical, dental, and life insurance policies, holiday, sick, and vacation hours. Facilitated the completion of performance evaluations. Administered Workers Compensation and Unemployment Benefits. Oversaw the discipline and termination of employees. Oversaw the layoff of all employees upon closure.

## **HUMAN RESOURCES MANAGER | VEE CORPORATION 1990 - 1993**

Managed the corporate Human Resources program for the producers of the Sesame Street Live international tours. Interviewed, screened, and hired tour management staff and office personnel. Oversaw and authorized hires of tour personnel. Supervised directly four touring company management staffs. Consulted with Company Managers, recommended and approved responses to personnel concerns. Prepared and instituted personnel policies and procedures for the home office, production shops, and four touring companies, including hiring compensation, performance reviews, disciplinary policies and termination procedures. Administered corporate benefit programs including health, life, and disability insurance, 401 K plan, personal/sick and vacation day policies. Instituted corporate dental plan. Oriented new employees and updated present employees to corporate policies and procedures. Office Manager and Notary Public for the home office. Maintained a constructive relationship as corporate liaison with Actors Equality Association representatives, provided contract interpretations for corporate personnel. Participated with corporate legal counsel in conducting union contract negotiations with Actor's Equality.

## **PERSONNEL COORDINATOR | MED-CARE ASSOCIATES 1985 - 1990**

Managed the Human Resources function for two health care facilities. Recruited, interviewed, screened, and hired professional and service staff. Developed staffing patterns. Oriented new staff to the facilities. Initiated performance evaluations, recommended and issued disciplinary actions, terminated employees. Administered benefits. Wrote company reports in response to



unemployment claims and union grievances. Prepared quarterly Personnel and semiannual Human Rights Department Compliance reports for the State of Minnesota. Chaired Safety Committee, members of the Labor/Management Committee

## **Volunteerism**

The Gilbert & Sullivan Very Light Opera Company – Producer, actor  
Headwaters Relief Organization  
Feed My Starving Children



## **BRYCE AUSTIN** **Chief Information Officer**

### **Education**

**DOCTORATE | SCRIPPS INSTITUTE OF RESEARCH AT LA JOLLA, CALIFORNIA**

Synthetic Organic Chemistry

**BACHELORS OF SCIENCE | UNIVERSITY OF ILLINOIS AT URBANA-CHAMPAIGN**

Major: Chemistry

### **Certifications**

CISM (Information Security Manager) Certified  
Six Sigma Green Belt Certified  
ITIL Foundations Certified  
MCSE and CCNA Certified

**CHIEF EXECUTIVE OFFICER | TCE STRATEGY**  
**2016 - PRESENT**

Provide CISO and CIO level advisory services in the manufacturing, healthcare, bio-technology, printing, retail, distribution, and broadcasting industries. Develop strategic cybersecurity visions. Provide vendor evaluation, contract negotiation and large program leadership. Provide professional speaking services on cybersecurity and technology strategies. Author of *Secure Enough? 20 Questions on Cybersecurity for Business Owners and Executives*



**CHIEF INFORMATION OFFICER/CHIEF INFORMATION SECURITY OFFICE | DIGINEER,  
INCORPORATED  
2014 - 2016**

Developed three-year strategic technology, architecture and security plan, in alignment with senior leaders. Optimized tech spending to reduce budget by over 15%, while increasing service levels. Selected and implemented a new ERP system. Migrated a local datacenter to the Microsoft® AZURE™ cloud. Developed hybrid cloud methodology.

**SENIOR GROUP MANAGER | TARGET CORPORATION  
2013 - 2014**

Led the EPMO team for retail stores. Managed enterprise-wide programs directly impacting customer and/or store operations, totaling over \$50mm in active programs. Managed an international team delivering large programs, such as flex fulfillment (buy online, pick-up in store), hazardous waste compliance, and product replenishment optimization. Reduced spend by over \$2 million dollars with novel program delivery methodologies.

**INDEPENDENT TECHNOLOGY CONSULTANT/STRATEGIST | GERSON LEHRMAN GROUP  
2012 - 2013**

Project-based consultant to many businesses on a variety of topics, such as business/technology alignment, security, vendor selection, sales strategies/purchasing criteria, and mobile strategies.

**VICE PRESIDENT/CIO/CISO | WELLS FARGO BUSINESS PAYROLL SERVICES  
2004 - 2012**

Led teams responsible for design and rollout of the infrastructure, architecture, implementation, disaster recovery, and reporting/analytics for a business-critical \$35 million e-commerce development project, which achieved 99.9+% system uptime during 2010 and 2011. Led market studies to evaluate end-user multi-factor authentication solutions for all clients of a new payroll system. Rolled out one-time password technology via text message or RSA key fob. First national payroll company to require multi-factor authentication for all clients. Solution received 90+% "very satisfied" user satisfaction scores. Managed overall technology spending for a \$74mm line of business to meet or exceed all budget expectations. Led a project that analyzed and reduced overall datacenter costs by 15%. Ensured technology compliance with Sarbanes-Oxley/COBIT/Basel II/Basel III. Worked with corporate compliance to interpret OCC audit findings and implemented changes to business functions to better align business practices with new compliance directives. Negotiated multi-million-dollar contract for, and project managed an on-time and under-budget installation of an enterprise-class phone system. Led integration of all technology from an acquired business into existing F100 Company infrastructure. Developed the integration and technology strategy, which facilitated the seamless continuation of existing business functions while accommodating a 2000% increase in revenue.



## **VICE PRESIDENT OF INFORMATION SYSTEMS | PAYDAY OF MINNESOTA, INCORPORATED 2001 - 2004**

Developed a disaster recovery plan for the critical technology systems for the company. Incorporated encryption solutions for sensitive data while in motion and at rest. Diagnosed database corruption issues that had stumped application software developers by investigating best practices, recruiting ideas from database and application developers, and implementing a permanent set of solutions that increased company profitability by over 6%. Evaluated and on-boarded a new division into the business by performing market studies, evaluating the cost of purchasing versus building a new line of business, and leading the integration of the purchased company. Project was completed on budget and ahead of schedule.





## ANDREA SEURER

### Human Resources Administrator

Human Resources Professional with over 7 years of experience across multiple HR disciplines. Passionate about building relationships with interdepartmental leaders and stakeholders as well as cultivating a welcoming and positive environment for employees. Driven to provide creative and strategic problem solving and process improvement.

#### Education

**BACHELORS IN HR MANAGEMENT MAY 2014**  
University of Iowa, Tippie College of Business

**CIMBA INTERNATIONAL BUSINESS PROGRAM, Italy 2013**

#### Experience

#### HR ADMINISTRATOR, ORION ASSOCIATES

*April 2023 to Present*

- Leads a team of 10 HR Professionals
- Oversees Onboarding and Employee Data Management for 5 companies across multiple states
- Benefit Administration for 5 companies, across multiple states, including ACA Compliance/Reporting, 401k Retirement Plan Administration and Compliance Testing, Open Enrollment planning and roll out, monthly benefit reconciliation, and point of contact for Insurance Carriers/Brokers
- Ensures compliance with Federal and State laws as it pertains to hiring, ACA, employee data storage, etc.



- Point of contact for Employee Relations and conducts internal investigations as needed
- Conducts and manages the exit interview process to assist leaders in addressing retention across departments
- Gathers and analyzes turnover data to make recommendations to department leaders
- Initiates HR process improvement
- Provides training for new hiring managers on HR practices and procedures
- HR Representative on the IT Security Committee

## **HR ADMINISTRATOR, ORION ASSOCIATES**

*June 2022 to April 2023*

- Led a team of 4 HR Professionals
- Oversees Onboarding and Employee Data Management for 3 companies
- Benefit Administration for 5 companies, across multiple states, including ACA Compliance/Reporting, 401k Retirement Plan Administration and Compliance Testing, Open Enrollment planning and roll out, monthly benefit reconciliation, and point of contact for Insurance Carriers/Brokers
- Ensures compliance with Federal and State laws as it pertains to hiring, ACA, employee data storage, etc.
- Point of contact for Employee Relations and conducts internal investigations as needed
- Conducts and manages the exit interview process to assist leaders in addressing retention across departments
- Gathers and analyzes turnover data to make recommendations to department leaders
- Initiates HR process improvement
- Provides training for new hiring managers on HR practices and procedures
- HR Representative on the IT Security Committee

## **HR DIRECTOR OF ONBOARDING AND BENEFITS, ORION ASSOCIATES**

*AUG 2020 to June 2022*

- Led a team of 3 HR Professionals
- Oversees Onboarding and Employee Data Management for 3 companies
- Benefit Administration for 5 companies, across multiple states, including ACA Compliance/Reporting, 401k Retirement Plan Administration and Compliance Testing, Open Enrollment planning and roll out, monthly benefit reconciliation, and point of contact for Insurance Carriers/Brokers
- Ensures compliance with Federal and State laws as it pertains to hiring, ACA, employee data storage, etc.
- Initiates HR process improvement
- Provides training for new hiring managers on HR practices and procedures



## **HR MANAGER, ORION ASSOCIATES**

*OCT 2018 TO AUG 2020*

- Led a team of 2 HR Generalist
- Oversaw the onboarding process across 3 organizations
- Benefit Administration for 5 companies, across multiple states, including monthly benefit reconciliation
- Maintained Employee Data in HRIS System Great Plains and Electronic Filing System Mfiles
- Implemented Benefit Portal
- Manages the Referral Program

## **RECRUITER, ORION ASSOCIATES**

*NOV 2015 TO OCT 2018*

- Responsible for high volume recruiting for Human Services, Finance, and Human Resources Professionals
- Managed the new hire process including qualifying, interviewing, and extending offers
- Developed strategies for branding and recruitment through various external avenues
- Researched and attended career fairs to cultivate community connections
- Built and maintained collaborative working relationships with hiring managers
- Tracked and reported weekly recruiting metrics, applicant statistics, etc.
- Trained hiring managers on our ATS

## **TECHNICAL RECRUITER, LRS CONSULTING SERVICES**

*JUNE 2014 TO NOV 2015*

- Responsible for regional and national IT/Engineering recruiting
- Analyzed technical job requirements from clients, including those of Fortune 500 organizations
- Sourced, evaluated, and reviewed potential candidates utilizing job boards, internal Applicant Tracking System, and referrals to develop a qualified candidate pool
- Screened candidates for technical competency and organizational fit
- Coordinated interviews with hiring managers, including interview preparation for candidates
- Assisted in the onboarding process of consultants and maintained contact throughout the contract

## **HR INTERN, KINSETH HOSPITALITY CORP**

*MARCH 2014 TO MAY 2014*

- Processed 2,000 employee benefit codes adjustments to comply with the ACA
- Assisted with entering payroll data for 91 properties
- Ran batch reports of employee benefits for each property



# MORNING SUN

State of West Virginia  
Department of Health and Human Services  
Bureau for Medical Services  
**CRFP #BMS 230000003**

- Distributed semi-regular newsletters
- Ran and disbursed unpaid reports



## CASSANDRA YEATS

### Accounts Receivable Director

#### Education

**ACCOUNTING | SAINT CLOUD TECHNICAL COLLEGE**

**COLLECTIONS TRAINING  
SUPERVISION TRAINING**

#### Experience

**ACCOUNTS RECEIVABLE DIRECTOR | ORION ASSOCIATES  
2011 - PRESENT**

Primarily responsible for overseeing the billing functions for 18 companies in 6 states, leading a staff of twelve, directly supervising four. Maintains Accounts Receivable. Coordinates Receivable portion of annual audit. Ensures all billing deadlines are met and receivables collected. Reports to the Officers on the status of the Billing Department

**SENIOR FINANCIAL MANAGER | ORION ASSOCIATES  
2007 - 2010**

Primary responsibility was to oversee the billing functions for 3 companies, supervising a staff of three. Maintained and collected Accounts Receivable. Maintained cash receipts. Managed Representative Payee Program. Completed monthly bank and balance sheet reconciliations.

**FINANCIAL MANAGER | ORION ASSOCIATES**



## **2000 - 2007**

Primary responsibility was to ensure the accurate entry of revenue for 3 companies and complete all State and County billings for those companies. Complete monthly bank and balance sheets reconciliations. Manage day to day functions of the Representative Payee and Guardianship programs. Maintain tracking reports for Fee for Service and Case Management programs. Follow up and collect on outstanding receivables

## **ACCOUNTING CLERK | ORION ASSOCIATES 1993 - 1999**

Responsible for payment of all monthly expenses, enter all revenue into accounting system monthly, convert outsourced monthly payroll to in-house bi-weekly payroll and complete all State and County billings. Pay and file backup documentation for all expenses. Enter revenue and collect from State and County for services. Process Monthly/Bi-weekly payroll. Reconcile Petty Cash and publish budget reports for SLS sites

## **INTERN | BOYS AND GIRLS CLUB OF CENTRAL MINNESOTA 1992-1993**

Served an internship at the Boys and Girls Clubs of Central Minnesota during her last year of college. During this time, she was charged with setting up and implementing their Great Plains Accounting Software and redesigning the chart of accounts. Assisted the board in auditing day to day accounting functions and procedures



## **JUSTIN DUKOWITZ** **Executive Director of Payroll** **Operations**

### **Education**

**ACCOUNTING | SAINT CLOUD STATE UNIVERSITY**

### **Training**

American Payroll Association Congress - Las Vegas 2014  
Fred Pryor Training Seminar - Intermediate Excel 2013  
Star 12 Training - Ongoing Professional Development

### **Experience**

**EXECUTIVE DIRECTOR OF PAYROLL**  
**2019 – PRESENT**

Leads the department in processing payroll for over 6000 employees in 7 states for 16 different entities. Responsible for corporate federal, state and local government compliance and IRS regulations and their application to the varied entities of the organization.

**DIRECTOR OF PAYROLL TAX AND BENEFITS | ORION ASSOCIATES**  
**2014 - 2019**

Provides oversight and tax guidance for several self-directed programs in 5 U.S. states. Ensures all employer tax documents and filings follow IRS and state regulations. Manages the taxation of active employees by applying IRS publication 926, IRS 2014-7 and state specific taxation exemptions for household employers. Since joining Morning Sun Financial Services in 2014 and assuming responsibility of both the day to day functions of the payroll department in a leadership role, has implemented new technologies, procedures, and structure to provide our customers with



the best experience possible. Created electronic workflows to communicate across multiple departments and revamped reporting and integration programs to increase efficiency. Led the organization to become almost 100% electronic regarding quarterly and annual payroll tax filings. Oversight of 1000s of quarterly and annual tax returns, including 941, 941b, 941r, 941x, W2, W3 and individual SUTA returns for more than 3000 employer accounts. Has led the management of 5000 employer federal and state withholding accounts in 10 US states.

## **IMPLEMENTATION MANAGER | MINNESOTA ADULT & TEEN CHALLENGE 2012 - 2014**

Led the implementation of new HRIS software for 6 locations. The implementation included new payroll software, electronic timekeeping, electronic benefit enrollment and online recruiting tools with web job posting and application. Developed HRIS training materials and led training classes for leadership, management and company personnel. Led onboarding orientation for new hires and benefits enrollment. Processed new hire paperwork and payroll checks.

## **ACCOUNTANT | DCI, INCORPORATED 2005 - 2008**

Responsible to recruit, interview and staff multiple businesses with temporary and permanent personnel for one of the largest staffing agencies in the state. Duties included processing required background paperwork for potential new employees and the collection and weekly processing of payroll.

## **PERSONAL AND CORPORATE TAX PREPARER | NORTH VILLAGE PERSONAL TAX & ACCOUNTING 2003 - 2006**

Prepared individual and corporate annual tax returns for 100s of clients. Responsible for maintaining relations with current client base and creating new business by referrals. Led the payroll processing for 8 local companies on a weekly and bi-weekly schedule. Responsible for the accounts receivable and account payable functions of 5 companies.

## **Volunteerism**

Donate Life - Contributing sponsor and volunteer for events 2016 - Present  
Second Harvest Heartland Food Bank - Event organizer 2014 - Present  
Sandwiches for the Homeless - Local Church 2013 - 2015  
Teacher of Toddlers - Emmanuel Christian Center 2013 - 2014





## **KELSEY LEE** **Director of Payroll Taxes and** **Benefits**

Orion Associates, Orion ISO, Meridian Services, Morning Sun Financial Services, and Zenith Services.

### **EDUCATION**

**Bachelor of Science in Business Administration, Minor Focus in Economics**  
**Metropolitan State University**  
**December 2012**

### **CERTIFICATION**

**Fundamental Payroll Certification--American Payroll Association**  
**September 2016**

### **EXPERIENCE**

**Orion Associates, Golden Valley - Director of Payroll Tax and Benefits**

June 2019 - Present

- Responsible for management and reconciliation of all individual and corporate employer accounts.
- Management of all year-end processes, audits and closing of each calendar year.
- Process all W2's according to state and federal guidelines.
- Responsible for payment, reconciliation, and expense of employee benefits.
- Insures quarterly internal audits are completed.

**Orion Associates, Golden Valley - Payroll Coordinator**



January 2018 - June 2019

- Management of over 950 unique domestic household employer accounts that include federal EIN, state EIN, and unemployment accounts.
- Multi-state tax filings for federal/state/local levels with varying due dates.
- Identify employee and employer tax exemptions with regards to IRS and state laws.

### **Orion Associates, Golden Valley - Payroll Specialist**

December 2013 - January 2018

- Process on and off cycle semi-monthly and bi-weekly payroll for 13 unique multi-state payrolls.
- Process and remit garnishment payments and verifications of employment.
- Assist with training of new employees and month/quarter/year-end duties.
- Write and help maintain up to date standard operating procedure manuals.
- Provide customer service to employees regarding timesheet issues.



## MELISSA KLEINHUIZEN

### Director of Payroll

#### EDUCATION

Bachelor of Arts | Bethel University  
Socio-Cultural Studies

#### EXPERIENCE

##### Director OF Payroll | ORION ASSOCIATES 2021 – PRESENT

- Execute Project Management & Process Development of cross-functional teams in DHS/Medicaid Contracts.
- Led Multi-state payroll process teams compliant with state and federal regulations.
- Strong analytical skills to identify issues and resolve problems. Redesigned processes to reduce payroll errors and out of turn payroll processing.

##### Child Care Owner | Melissa's Child Care 2013-2021

- Manage all business planning, budgeting, marketing and daily operations.
- Increased revenue 450% over 6 years and increased profit 442% over the same period.
- Developed strong, trusting, collaborative, long-term business relationships.
- Provided exceptional childcare which nurtured opportunities for children to experience the world.
- Multiple enrolled children were accepted and recommended for attendance into top MN private schools.

##### Executive Director of Business Operations | Legacy Endeavors, Inc 2006-2013

- Promoted to Executive Director within 4 years.



- Collaborated with executive partners to establish long-term goals, strategies and company policies.
- Exceeded forecasted profits by 2-5% through budget development & management of company performance. Oversaw business operations, vendor relations and negotiations to enhance organizational mission.
- Leadership of Human Resources team and processes.
- Grew revenue and increased primary service delivery by 195% and service menu by 75%. Headed project management & process improvements.
- Program Coordinator/Director 2002-2006

## SKILLS

- Payroll & Benefits
- Performance Improvement
- Strategic Planning
- Budget Development & Management
- Project Management
- Change Management
- Microsoft Dynamics GP
- ADP Pay eXpert

## CERTIFICATIONS

Prosci Change Management Practitioner, 2022



## **ELIZABETH SWANSON** **Director of Accounts Payable and Payroll Operations**

### **Education**

**ACCOUNTING** | Bachelor of Science | Minnesota School of Business

**BIOLOGY** | Bachelor of Science | University of Minnesota

### **DIRECTOR OF ACCOUNTS PAYABLE AND FISCAL OPERATIONS | ORION ASSOCIATES**

#### **2022 – PRESENT**

Manages self-directed authorizations, goods and services payments/reimbursements and monthly utilization reporting. Monthly and quarterly sales and use tax filings. Issues yearly 1099 reporting and filing. New program implementation. Quarterly internal audit oversight.

### **ACCOUNTANT | ORION ASSOCIATES**

#### **2012 – 2022**

Annual budget preparation and forecasting. Monthly financial statement preparation, variance analysis and reporting. Coordination of annual audit, including worksheet and report preparation. Manage cash flow and reconcile intercompany account balances. Quarterly sales and use tax filings. Maintain and reconcile fixed assets. Prepare monthly account reconciliations, accruals, and monthly closing entries.

### **ACCOUNTING ASSOCIATE | ORION ASSOCIATES**

#### **2011-2012**

Prepare monthly account reconciliations, accruals, and monthly closing entries. Maintain and reconcile fixed assets. Assist in monthly financial statement preparation. Variance analysis and reporting. Assist in preparation of worksheets and reports for external audit.

### **ACCOUNTS PAYABLE SPECIALIST | ORION ASSOCIATES**

#### **2009-2011**



# MORNING SUN

State of West Virginia  
Department of Health and Human Services  
Bureau for Medical Services  
CRFP #BMS 230000003

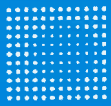
Verified expenses, entered invoices, and processed weekly payments. Reviewed, reconciled, and audited company petty cash accounts. Reconciled bank statements.



4.5.1.3 The Vendor should have experience in providing F/EA FMS (either as a subagent to a Government F/EA FMS agency or as a Vendor F/EA FMS entity) to Medicaid members. The Vendor should provide a narrative that demonstrates its experience in providing F/EA FMS services, as the subagent to a Government or Vendor F/EA FMS and providing optional RC services, has considered all the requirements, and developed an approach that will support the continued successful implementation of self-directed services in West Virginia.

Morning Sun's experience with current customers is detailed in the following chart:

State	Contract Dates	Services	# of Members
Minnesota	1999-2003	Fiscal/Employer Agent and Agency with Choice options for Consumer Directed Community Support (CDCS) Services and Community Support Grant services	1959 Largest of the state's twelve providers
	2003-present	<p>Orion ISO implemented the Minnesota Department of Human Services' directive to educate Members about the Vendor/Fiscal Employer Agent option. Because of the opportunity for greater authority and control as an employer, many of the people we serve changed to the vendor fiscal/employer agent option.</p> <p>We provide services to individuals with intellectual and developmental disabilities, mental illness, brain injuries and to those who are elderly.</p> <p>Orion ISO and Morning Sun accounting and financial management systems are overseen by our Chief Financial Officer, Payroll Executive Administrator, Billing Administrator and Financial Administrator with Directors and Specialists under each function. Eight directors and specialists work exclusively on Orion ISO. Twelve Consultants conduct the enrollment and provide customer service; they are assigned</p>	



		specific caseloads. The Chief Operating Officer and Program Administrator oversee the contract including the Consultants.	
Utah	2006-present	<p>Morning Sun Financial Services of Utah was created in 2006 for a contract with the Division of Services to People with Disabilities (DSPD). While there was a current provider for Self-Administered Services, we were one of two agencies added to provide the people served with the choice of vendor.</p> <p>Morning Sun provides fiscal/employer agent services to over 1150 people in Utah through 6 programs representing various waivers and state funded plans. The number in parenthesis is the number of people currently enrolled, all of whom who are served by Morning</p> <p>DSPD- Disability Services for People with Disabilities (517)          TDW- Technology Dependent Waiver (59)          Aging Waiver (10)          Autism Waiver – no longer exists          EPAS- Employment Personal Assistance Services (127)          NCW - New Choices (13)          LSW – Limited Supports Waiver (5)          SAR – Self-Administered Respite (this is included in DSPD)          WCR – Waitlist Care Respite (109)          MCCW – Medically Complex Children’s Waiver (365)          San Juan County EVV          TAP – The Alternative Program (1)          VDHCBs – Veteran Directed Home and Community Based Services (16)</p>	1154
Ohio	2019-present	Morning Sun has a contract with the Ohio Area Agency on Aging (AAA) which was affiliated with the Ohio PASSPORT program. This is for Comcare, a county-funded program.	72
Alabama	2018-present	Morning Sun Financial Services was chosen by the Department of Rehabilitation Service for the State of Alabama	368





		Independent Living (SAIL) waiver to transition fiscal/employer agent services to Morning Sun for 135 waiver Members. Now we are serving 327.	
Louisiana	2019-present	Morning Sun Financial Services was chosen by the Louisiana Department of Health, Bureau of Health Services Financing, as one of two providers of fiscal/employer agent services for new Members. We work with 2 departments: the Office of Aging and Disabilities and the Office for Citizens with Developmental Disabilities.	324
South Carolina	2021-present	South Carolina Department of Health and Human Services chose Morning Sun to provide services through a competitive RFP process. We provide fiscal employer agent services to over 1832 Members.	1832

The following is a list of prior contracts, each of which reached the end of the contract. In many cases the initial contract term was extended for as long as was legally permitted by the state. In all cases, Morning Sun performed in an exemplary manner with no negative issues or reports of any kind.

- In 2012, awarded contracts to provide Self Directed Financial Management Services for the **Oklahoma** Health Care Authority.
- In 2012, began providing Financial Administration Services and Support Brokerage Services for the Self-Directed Waiver in **West Virginia**.
- In 2012, began providing Financial Administration Services and Support Brokerage Services for the Self-Directed Waiver in **West Virginia**.
- In 2013, became **Ohio** statewide financial management service provider—contract included services to the Department of Developmental Disabilities SELF waiver, the Ohio Department of Medicaid and the Ohio Department of Aging PASSPORT waiver.
- In January 2014, began services for the My Care Ohio waiver for individuals who are dually eligible for Medicare and Medical Assistance. My Care Ohio offers personal attendant services through five



managed care entities with an option for self-direction. In addition to our contract with the State of Ohio, we contract directly with the managed care organizations (MCOs).

- In January 2015, began services in the State of **Colorado** for the Consumer Directed Attendant Support Services (CDASS) option serving individuals with physical disabilities.

Continuation of item 4.5.1.4: The Vendor should provide a narrative that demonstrates its experience in providing F/EA FMS services, as the subagent to a Government or Vendor F/EA FMS and providing optional RC services, has considered all the requirements, and developed an approach that will support the continued successful implementation of self-directed services in West Virginia.

Morning Sun has developed a method to consider all the requirements of a new FEA FMS engagement that we believe will support the continued successful implementation of self-directed services in West Virginia.

Most importantly, we are an organization 100% committed to the philosophy of self-direction and have been leaders in the implementation of that philosophy in many states, starting with Minnesota. Everyone in our organization understands and believes in this philosophy. Most of our employees have experience of working directly with individuals who are eligible for these services. We conduct continual training on self-direction for employees at all levels. Supporting individuals who are self-directing their services is our only business; it is our reason for being, our DNA. We are not an offshoot of an accounting business.

After several years of providing FEA FMS services, we developed a delivery model that is the basis for our approach to a new contract. That model is repeated on the following page.



**The System is a model to govern every contract. Some components are translated into a map specific to each state contract. All policies, procedures, and manuals are updated on a regular basis and as needed to reflect changes in state and federal policies/laws and Medicaid policies.**



## SYSTEM COMPONENTS

- **Leadership**
- Mission and Leadership Philosophy
- Business Model: Central plus Local

- **Program Management**
- Policies and Procedures Manual, WV
- Transition Plan, WV
- Turnover Plan, WV
- Quality Assurance Plan
- Personnel Policies and Procedures

- **Internal Systems**
- Fiscal Management System (Great Plains Accounting System)
- Internal Controls and Document Repository System (M-files)
- Orion Associates Technology Incident Response Plan and Disaster Recovery Plan

- **Data Security Policies**
- Acceptable Use
- Access Management
- Asset Management
- Auditing Policy
- Change Control
- Disaster Recovery
- Encryption Management
- Incident Management
- Information Security
- Information Classification
- Network Management
- Personnel Security
- Physical Security
- Risk Management
- Security Training
- Vendor Management
- Vulnerability Management

- **Participant Materials**
- Employer Packet, WV
- Employee Packet, WV
- Vendor Packet, WV

The system components are broken down into specific policies and procedures, tools, practices, and materials. These exist in a generic format, and each item or method is translated into a format specific to each state or nongovernment contract. We have detailed procedures for meeting state-specific requirements, and our team is experienced in managing the start-up of new contracts.

We are known for working closely and effectively with the state contract managers and all other personnel with whom we interact on any contract. We get to know the leaders and meet regularly. We work within state-managed systems and with Managed Care Organizations. We have worked with a



great variety of programs with a lot of similarities but many specific details that differ. We are experienced in preparing the Readiness Review and working with the State team to reach agreement on all the materials, policies and procedures that you must approve.

So, we are not starting from scratch to develop procedures for West Virginia waiver programs, but neither are we unaware of the specifics that differ from one program to the next. With your team's assistance, we will modify everything as needed to meet your requirements. We will also be available as resource people to help you grow and manage the waiver programs in West Virginia for maximum success. You and we come together as a team to service the people of West Virginia.

4.5.1.4 The Vendor should provide detailed information from three (3) references detailing evidence of their experience in providing both Subagent F/EA FMS and optional RC services described in this RFP performed in the past three (3) years. References should include contact name, phone number, email address and the responsible project administrator familiar with the firms' performance; along with length of time the vendor provided services, what type of services and level of satisfaction (i.e.-(1) Not Satisfied with explanation, (2) Satisfied, (3) Very Satisfied).

Morning Sun is including letters of reference below. The first is from Timothy Hickman, Tennessee Department of Intellectual and Developmental Disabilities. This contract concluded in 2018. We include it here because it included Supports Brokers (Resource Coordinators).

**Timothy S. Hickman** | Deputy Director of Intake & Case Management

UBS Tower, 8<sup>th</sup> Floor  
315 Deaderick Street  
Nashville, TN 37243  
423.787.6451  
timothy.hickman@tn.gov



June 5, 2023

Dear Sir or Madam:

Please accept this letter of reference on behalf of Morning Sun Financial Services, LLC. The Tennessee Department of Intellectual and Developmental Disabilities contracted with Morning Sun Financial Services, LLC between the period of October 1, 2012 and March 31, 2018 for Financial Management Services and Supports Brokerage for 575 persons enrolled in our 1915c Self Determination Waiver Program. The value (revenue) of the contract was 17, 130,735 across Tennessee.

The Chief Operating Officer, and our primary contact for the program was Cheryl Vennerstrom (612-239-3768)

During this period, Morning Sun delivered comprehensive financial management and supports brokerage services to persons and their families. Morning Sun met all contractual requirements and consistently met Quality Assurance survey requirements. Morning Sun was commended in their 2017 Quality Assurance Survey with the following:

*"As has always been your practice, all information that we requested was submitted timely. In particular, your organization of the information and attention to detail saves us valuable time and decreases the number of questions that we have to ask of you, during the survey process"*

Morning Sun is a customer focused organization; persons enrolled and their families were extremely satisfied with the personalized attention and support they received from Morning Sun in regards to training, support, and timely payment

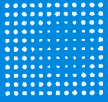
Regards,

**Timothy S. Hickman** | Deputy Director of Intake & Case Management  
UBS Tower, 8<sup>th</sup> Floor  
315 Deaderick Street  
Nashville, TN 37243  
423.787.6451  
timothy.hickman@tn.gov



Our next letter of reference is from:

Mel Castillo, Finance Manager  
Division of Services for People with Disabilities  
195 North 1950 West Salt Lake City Utah 84116  
385-799-1842  
[mcastillo@utah.gov](mailto:mcastillo@utah.gov)



## State of Utah

SPENCER J. COX  
*Governor*

DEIDRE M. HENDERSON  
*Lieutenant Governor*

## Department of Health & Human Services

TRACY S. GRUBER  
*Executive Director*

NATE CHECKETTS  
*Deputy Director*

DR. MICHELLE HOFMANN  
*Executive Medical Director*

DAVID LITVACK  
*Deputy Director*

NATE WINTERS  
*Deputy Director*

### Contract between Morning Sun Financial Services and Utah Health and Human Services

Fiscal Employer Agent and Financial Management Services from 2006 to present, serving 1154 individuals currently.

Please describe your level of satisfaction: Very Satisfied. We appreciate Morning Sun Financial Services commitment in serving our clients and their excellent working relationship with the Division of Services for People with Disabilities.

Not Satisfied – please provide explanation.

Satisfied

Very Satisfied

*Mcastillo*

**Mel Castillo, Finance Manager**  
Division of Services for People with Disabilities  
195 North 1950 West Salt Lake City Utah 84116  
385-799-1842  
mcastillo@utah.gov

State Headquarters: 195 North 1950 West, Salt Lake City, Utah 84116  
telephone: (801) 538-4001 | email: [dhhs@utah.gov](mailto:dhhs@utah.gov) | web: [dhhs.utah.gov](http://dhhs.utah.gov)



Our third letter of reference is from:

Cindy Grabin  
Home Care and Self-Directed Services/Disability Services  
Minnesota Department of Human Services  
651-431-2454





*Disability Services Division*



June 7, 2023

RE: Orion ISO

To whom it may concern,

I work in the Disability Services Division at the Minnesota Department of Human Services. One of my assigned roles as a member of the Home Care and Self-Directed services team is the oversight and contract management of Vendor Fiscal/Employer Agent Financial Management Services (FMS) providers.

Although Orion ISO had been a provider of FMS services in Minnesota for many years, Minnesota restructured their selection process of obtaining FMS providers through an RFP process in 2018. Orion ISO successfully demonstrated their ability to provide the desired tasks and deliverables and was selected via the RFP process.

Once selected, Orion ISO entered into a contract with the State of Minnesota to provide Vendor Fiscal/Employer FMS services. Orion ISO is in currently good standing and their contract with the state is active.

The State's oversight of their performance (through contract monitoring reviews) has resulted in a finding of satisfactory performance and compliance with the tasks/deliverables outlined in the contract.

Feel free to reach out if you have additional questions.

**Cindy Grebin**  
Home Care and Self-Directed Services | Disability Services

**Minnesota Department of Human Services**  
O: 651-431-2454  
[mn.gov/dhs](http://mn.gov/dhs)

*PO Box 64967 • St. Paul, MN • 55164-0967 • An Equal Opportunity Employer*



**4.5.2 Mandatory Qualification/Experience Requirements -** The following mandatory qualification/experience requirements must be met by the Vendor as a part of its submitted proposal. Vendor should describe how it meets the mandatory requirements and include any areas where it exceeds the mandatory requirements. Failure to comply with mandatory requirements will lead to disqualification, but areas where the mandatory requirements are exceeded will be included in technical scores where appropriate. The mandatory qualifications/experience requirements are listed below.

4.5.2.1. The Vendor and/or any subcontractors shall have at least five (5) years' experience providing Government Fiscal/Employer Agent (F/EA) Financial Management Services (FMS) and the optional support brokerage (Otherwise known as Resource Consulting (RC) services comparable to the size and scope of the program(s) outlined in this RFP.

Morning Sun does not use subcontractors to provide F/EA FMS services. Our organization exceeds the mandatory qualification experience in this way:

Under the auspices of our related organization, ISO, we first provided these services in Minnesota in 1999. We have continued to serve Minnesota as many new varieties of waiver programs have developed, through the current time for a total of twenty-four (24) years. By way of reminder, the same people are the senior staff of both ISO and Morning Sun. ISO serves only Minnesota while Morning Sun serves states other than Minnesota.

Under the auspices of Morning Sun Financial Services, we first provided these services in 2006 with a contract in Utah. We have served Utah programs continuously since then. As our earlier chart indicated, we have provided F/EA FMS services through contracts in nine states: Utah, Minnesota, Ohio, Alabama, Louisiana, South Carolina, Oklahoma, West Virginia and Colorado. We have been providing these services for 17 years.

**DESIGNATED CONTACT:** Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

(Printed Name and Title) Cheryl Vennerstrom

(Address) 9400 Golden Valley Road, Golden Valley, MN 55427

(Phone Number) / (Fax Number) 612-239-3768

(Email address) cherylv@orionassoc.net

**CERTIFICATION AND SIGNATURE:** By signing below, or submitting documentation through wvOASIS, I certify that: I have reviewed this Solicitation/Contract in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation/Contract for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that this bid or offer was made without prior understanding, agreement, or connection with any entity submitting a bid or offer for the same material, supplies, equipment or services; that this bid or offer is in all respects fair and without collusion or fraud; that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; that I am authorized by the Vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on Vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

*By signing below, I further certify that I understand this Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law; and that pursuant to W. Va. Code 5A-3-63, the entity entering into this contract is prohibited from engaging in a boycott against Israel.*

Morning Sun Financial Services

(Company)



(Signature of Authorized Representative)

Nicolas Thomley, Chief Executive Officer, 6/6/2023

(Printed Name and Title of Authorized Representative) (Date)

612-730-3592

(Phone Number) (Fax Number)

nthomley@morningsunfs.com

(Email Address)

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: BMS2300000003**

**Instructions:** Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

**Acknowledgment:** I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

**Addendum Numbers Received:**

(Check the box next to each addendum received)

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6  |
| <input checked="" type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7  |
| <input checked="" type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8  |
| <input checked="" type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9  |
| <input type="checkbox"/> Addendum No. 5            | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Morning Sun Financial Services

Company



Authorized Signature

June 6, 2023

Date

**NOTE:** This addendum acknowledgment should be submitted with the bid to expedite document processing.  
Revised 6/8/2012