

## Fiscal Intermediary in Waiver Self-Direction

### Self-Direction

A participant has decision-making authority over the workers who provide services, the mix of services and support, and how and when they are provided.

Self-direction can include:

- **Employer Authority (EA)** – Participants hire, screen, supervise, manage, set schedules, dismiss, set wages, and give bonuses within the parameters of their waiver budget.
- **Budget Authority (BA)** – Participants use their waiver budget for services, equipment or supplies not otherwise provided through waiver or Medicaid to address an identified need in their service plan.

### Self-Direction Example

*You need new pants. You decide where to shop and look through what's offered. You compare quality, price, size and how well the pants meet your need. Finally, you pick what is right for you and purchase it.*

Self-directing waiver services requires a **Fiscal intermediary (FI)** to provide two supports: **Financial Management Services (FMS)** and **Information and Assistance Services (I&A)**.

### Financial Management Services (FMS)

Assists a participant with budget authority when self-directing waiver services. This can include, but is not limited to:

- Ensuring providers have needed information, assistance, support, and training;
- Confirming pre-employment verifications, continued eligibility with program requirements, and background checks;
- Registering as the employer-agent with the Internal Revenue Service (IRS) and assuming full liability for filing reports;
- Receiving and processing employee time sheets;
- Computing and paying all federal and state employment-related taxes and withholdings;
- Distributing payroll on schedule;
- Maintaining records of all expenses and reimbursements; and
- Monitoring the budget.

### Information & Assistance (I&A)

A service providing information on opportunities and services available within a participant's community; assessing problems and capacities of the participant; linking the participant to opportunities and services; and available for follow-up.



### Fiscal Intermediary Example

*You purchase new pants with a bank card. After you swipe, and sign, your part is done. The card company is your **fiscal intermediary**, managing how money moves from your account to the store. They send details to your bank, make sure your account is charged correctly, subtract and pay fees, and send money to pay the store, all while keeping the transaction secure.*

When a participant purchases goods and services, the **Fiscal Intermediary** can:

- Process and pay for invoices for goods and services as approved by the service plan; and
- Ensure the goods and services purchased fit within the participant's annual budget.

Currently, Legally Responsible Individuals (LRI) are not allowed to be paid for providing services. If this changes, the Fiscal Intermediary would provide oversight to ensure integrity and look for conflict of interest.