



Developmental Disabilities Administration

Self-Directed Services Training Series

Module 8: Self-Directed Services Budget Sheet and Modification

Updated October 2025



Overview

- This training module will provide you with an overview of the Self-Directed Services Budget Sheet and Modifications.
- This training is a summary with important information on this topic.
- More information and requirements are found in the Medicaid waiver program applications, laws, regulations, guidance and policies.
- The most updated information regarding Self-Directed Services is published in the Self-Directed Services policy and manual that can be found on the DDA's website at <https://health.maryland.gov/dda/Pages/sdforms.aspx>.

Self-Directed Services Budget Allocation

- The Budget Allocation is the authorization of funding for Medicaid waiver services.
- It is based on the Person-Centered Plan total plan cost noted in *LTSSMaryland*.
- It is used to create the Self-Directed Services Budget Sheet based on the services and units approved and authorized in the Person-Centered Plan.

Self-Direction Authorities

Employer Authority

- Participant chooses the rate to pay employees (within Reasonable and Customary rates).
- Participant chooses the benefits that are provided to employees.

Budget Authority

- Participant chooses vendor or DDA Provider.
- Participant negotiates the rate of service with vendor or DDA Provider (within Reasonable and Customary rates).

Reasonable and Customary Rates for Providers (1 of 2)



- Participants are responsible for paying an agreed rate.
- Participants can negotiate lower rates.
- Providers are independent professionals or businesses.

Reasonable and Customary Rates for Providers (2 of 2)

- Participants can increase the rate they pay providers.
- Participants are not required to increase provider rates.
- Rate increases can be based on performance.
- Rate increases can be offered at any time during the year.

Reasonable and Customary Rates for Vendors (1 of 2)

- Participants self-directing their Medicaid waiver services can hire vendors for certain services.
- Participants are responsible for paying an agreed vendor rate.
- Participants can negotiate lower rates with vendors.
- Vendors are independent professionals or businesses.

Reasonable and Customary Rates for Vendors (2 of 2)

- Participants can increase the rate they pay vendors within reasonable and customary standards for the Medicaid waiver service that the vendor provides.
- Participants are not required to increase vendor rates.
- Rate increases can be based on performance.
- Rate increases can be offered at any time during the year.

Reasonable and Customary Wages for Employees (1 of 2)

- Participants can hire employees to provide certain Medicaid waiver services.
- Wages, benefits, employer taxes, and all other employer-related costs are paid by the participant's budget.
- Participants can hire employees between the minimum wage and the Reasonable and Customary standard for employees.
- Participants should hire enough staff to meet their assessed needs (overtime must be minimized).

Reasonable and Customary Wages for Employees (2 of 2)

- Participants can offer pay increases to employees, but pay increases are not required.
 - Increases can occur at any time in the year.
 - Increases can be based on staff performance.
- Exception Wage can be requested.
 - Exception requests are submitted by the Coordinator of Community Services.
 - The Coordinator of Community Services must use the DDA's Wage Exception Form.

Additional Employee Costs

- Employer taxes and other fringe expenses (14%) must be budgeted for all employees.
- Benefits must be budgeted each year based on the participant's benefit policies.
- Employee benefits must be allowable and within the Reasonable and Customary standard.

The Self-Directed Services Budget Sheet

- Coordinators of Community Services facilitate the completion of the Self-Directed Services Budget Sheet.
- Support Brokers never complete the Self-Directed Services Budget Sheet.
- Best practice: team meeting, facilitated by Coordinator of Community Services
- Support Brokers may offer input, particularly in areas related to hiring and managing employees (Human Resources).

Self-Directed Services Budget Sheet

SELF-DIRECTED SERVICES - BUDGET SHEET		Enter Approved DDA Budget Allocation from the Detailed Service Authorization here		\$0.00	\$0.00
Developmental Disabilities Administration				<i>Self-Directed Services Budget Total</i>	<i>Unallocated Funds</i>
Person-Centered Plan Status: Initial, Annual, Revised, or Financial Management and Counseling Services Provider Change Name: _____ Effective Date: _____ Annual Plan Date: _____ Number of Months Left in Plan: <u>12.00</u> Number of Weeks Left in Plan: <u>52.143</u> Version 10/6/25 Add any general notes that may be helpful for the team or Financial Management and Counseling Services provider as needed					

Self-Directed Services Budget Sheet Walkthrough Resources

[Waiver Amendment 2025 Webinar Series: Self-Directed Services New and Updated Forms](#)

Budget Modifications

- Participants may move funding across DDA-approved budget service lines only:
 - If they remain within their total approved budget amount.
 - To support an authorized action.
- Details about Self-Directed Services Budget Modifications can be found in the Self-Directed Services Manual.

Budget Modification Authorized Actions (1 of 3)

Budget modifications can:

- Increase or decrease staff wages, vendor rates, or provider rates within the reasonable and customary standards;
- Add, delete, increase, or decrease employee-related expenses associated with health benefits, paid time off, sick and safe leave, training, or transportation;
- Adjust funding associated with taxes;

Budget Modification Authorized Actions (2 of 3)

Budget modifications can:

- Change the use of staff to a vendor or provider for the same type and unit of services;
- Change the use of a vendor or provider to a staff person for the same type and unit of services;
- Increase respite camp funding up to the waiver program service limit, currently set at \$7,248 per plan year;

Budget Modification Authorized Actions (3 of 3)

Budget modifications can:

- Move funding associated with Ongoing Job Supports, Community Development Services, Support Broker Services, Personal Supports, and Day Habilitation (up to the approved number of hours per week); and
- Change Individual and Family Directed Goods and Services (IFDGS) within applicable limits.

Budget Modification Walkthrough Video

[Waiver Amendment 2025 Webinar Series: Self-Directed Services New and Updated Forms](#)

Resources

- [Self-Directed Services Comprehensive Policy](#)
- [Self -Directed Services Manual](#)
- [Self-Directed Services Budget Sheet](#)
- [Self-Directed Services Budget Modification Form](#)
- [Waiver Amendment 2025 Webinar Series: Self-Directed Services New and Updated Forms](#)

Summary

- The Self-Directed Services Budget Sheet is created based on the services and units approved in the Person-Centered Plan.
- Budget sheets are facilitated by the Coordinator of Community Services.
- Providers, vendors, and employees must be paid within Reasonable and Customary wage and rate standards.

Summary

- Employer taxes and other employer costs must be budgeted at 14%.
- Budget modifications can be completed if:
 - There is funding available to move, and
 - There is an authorized listed action to complete.