



Developmental Disabilities Administration
Self-Directed Services Training Series
Module 8: Self-Directed Services Budget Sheet and
Modification

Updated October 2024



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

- Authorization of funding for Medicaid waiver services
- Based on the Person-Centered Plan total plan cost noted in *LTSSMaryland*
- Used to develop the Self-Directed Services Budget Sheet based on the services and units approved and authorized in the Person-Centered Plan and budget allocation

Self-Direction Authorities

Employer Authority

- Participant chooses rate to pay employees (within Reasonable and Customary rates)
- Participant chooses benefits that are provided to employees
- Employer taxes must also be budgeted

Budget Authority

- Participant chooses vendor or DDA Provider
- Participant negotiates rate of service with vendor or DDA Provider (within Reasonable and Customary rates)
- Employer taxes are included in the rate

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

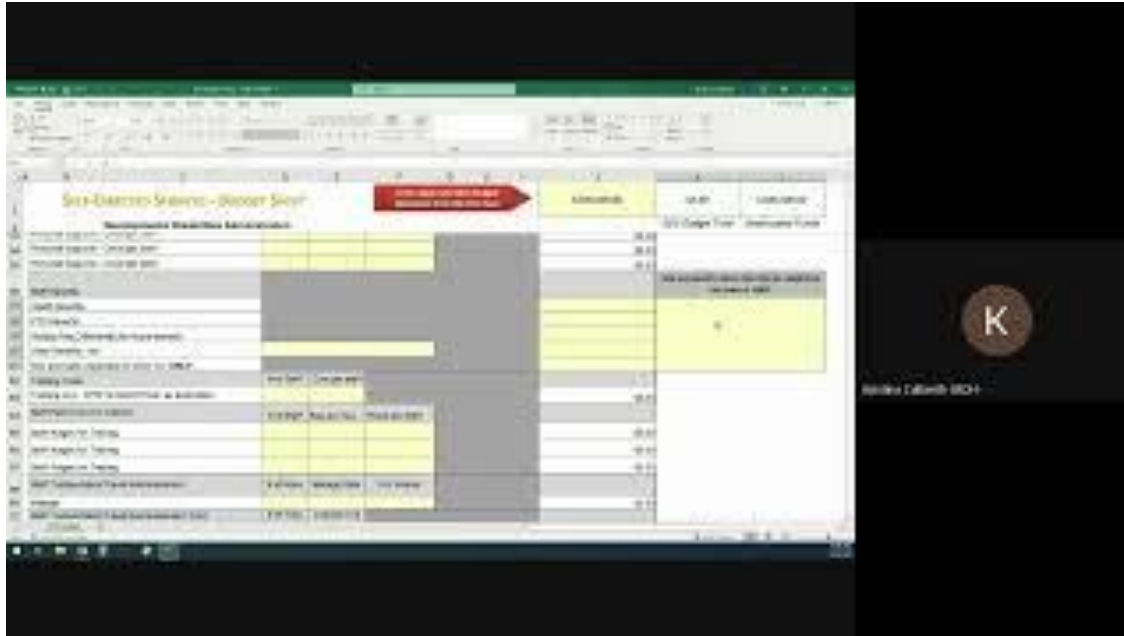
The Self-Directed Services Budget Sheet

- 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 DSA here		\$0.00	\$0.00
Developmental Disabilities Administration						SDS Budget Total	Unallocated Funds
PCP Status: Initial, Annual, Revised, or FMCS Change							
Name:			Effective Date:			Annual Plan Date:	
Number of Months Left in Plan:	12.00		Number of Weeks Left in Plan:	52.143		Type of Waiver:	
Version 11/15/2023							
Add any general notes that may be helpful for the team or FMCS as needed							
Financial Management and Counseling Service (Required to Self-Direct)							
The Financial Management and Counseling Service (FMCS) is a service that is now a part of your budget . Choose from the Approved FMCS Agencies and include the rate per month provided by the FMCS. If the FMCS fees change in the middle of the year, include the rates in the two rows.	Chosen FMCS Agency		Rate per Month	# of Months	Budget Total	Notes The SDS Budget Sheet must not exceed the Approved DDA Budget Allocation. The box will turn red if you exceed your allocated budget. • Unallocated funding may be accessed later using a budget modification form as per DDA guidance • Yellow cells may be filled in. White cells will calculate. • Enter hours, rates, number of months/weeks, items, etc. in the yellow cells. • Use arrow keys to move between cells.	
					\$0.00		
					\$0.00		
Support Broker							
Support Broker					Budget Total		
	Total Hours	Rate per Hour					
Initial orientation and assistance up to 15 hours					\$0.00		
	# of Hours per month	Rate per Hour	# of Months				
Ongoing Monthly Service - Staff					\$0.00		
Staff Benefits						Add any Benefits Notes that May be Helpful for the team or FMCS	

Self-Directed Services Budget Sheet Walkthrough Video



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
 - Teams must ensure enough funds remain in each wage tax line for services through the end of the plan year

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 (2 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)
 - Change Individual and Family Directed Goods and Services (IFDGS) within applicable limits

Budget Modification Walkthrough Video

[Demo - Video](#)

Resources

- [Self-Directed Services Comprehensive Policy](#)
- [Self -Directed Services Manual](#)
- [Self-Directed Services Budget Sheet](#)
- [Self-Directed Services Budget Modification Form](#)

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/fringe must be budgeted at 14%
- Budget modifications can be completed if:
 - There is funding available to move
 - There is an authorized listed action to complete