

Self-Direction - Setting Services Wages and Rates At a Glance

Overview

Under the DDA’s Family Supports, Community Supports, and Community Pathways Waivers, participants using the Self-Directed Service Delivery Model can establish their own payment rates for approved services. Participants, as the employer of record, set staff wages that would be considered typical based on the type of service provided and individualized needs of the person

Hiring Options – Staff, Vendors, and DDA Providers

- Participants using the self-directed service delivery model have the option of hiring their own staff or working with a vendor or provider as noted in the federal approved Waiver programs
- All employees/staff, vendors, and providers must meet the minimum waiver staff and provider qualification requirements such as having background checks, certifications in CPR/First Aid, etc. Based on needs, participants can also require additional training
- For services for which there is employer authority, participants can allocate funds to cover staff benefits such as health benefits, staff training, and transportation/travel reimbursement
- Participants' Person-Centered Plan self-direction budget allocation are based on providers rates to ensure fair and equitable funding regardless of service model chosen (i.e., self-direction or traditional)
 - The Provider Rates are considered “fully loaded” meaning they include the direct support professional salary wage (based on the Bureau of Labor statistic wage) and the following cost components: Employee Related Expenses, Program Support, Facility (Day Habilitation only), Training, Transportation, General and Administrative, and Service Adjustment (depending on the service)
- The DDA will issue guidance on how use the “fully loaded rate” to calculate staff wage options after deducting other employer cost components like taxes and benefits
- The provider fully loaded rate cannot be exceeded whether hiring staff, a vendor, or provider

Hiring Staff – Hourly Wages, Taxes, and Benefit Options

- One difference between a contractor and an employee is how much control you have over their work. If you decide how and when a worker will do their work, generally this person is an employee
- An employee is generally guaranteed a regular wage for an amount of time worked
- In other words, participants can pay minimum wage or a higher wage and must ensure their budget can support other employer related expenses such as taxes
- Participants' self-directing services hiring their own staff also have the authority to offer benefits, training, transportation reimbursement, etc. and must pay employer related expenses such as taxes
- The wage rates do not include these costs. They are separate and distinct from the direct support professional hourly pay rate and should be reflected on the self-directed budget sheet
- Since the fully loaded Provider rates are used to establish the self-directed budget, it provides the participant with choices to determine the staff benefits (like health insurance, paid vacation time, working holidays, etc.), training, and transportation
- These items are separate from the salary wage range which provides great flexibility for participants in the use of their budget allocation
- If hiring direct support staff at the State's minimum wage, please note some counties have different minimum wages including Montgomery minimum wage is \$13.50, and Prince George's minimum wage is \$13.69

Hiring Vendor – Rate

- If you are asking someone to complete a task but do not tell them how to do it, this person is a vendor
- Vendors are considered self-employed, but they can be hired for tasks such as employment services, transportation, and other services
- Vendors or contractors are often paid for the job by a flat fee or rate
- **Participants can consider rates from minimum wage up to the maximum provider rate**

Hiring Providers – Rate

- Participant can also hire a Provider such as a DDA-certified or DDA-licensed provider
- **Participants can offer to pay various rates up to the maximum provider rate**

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