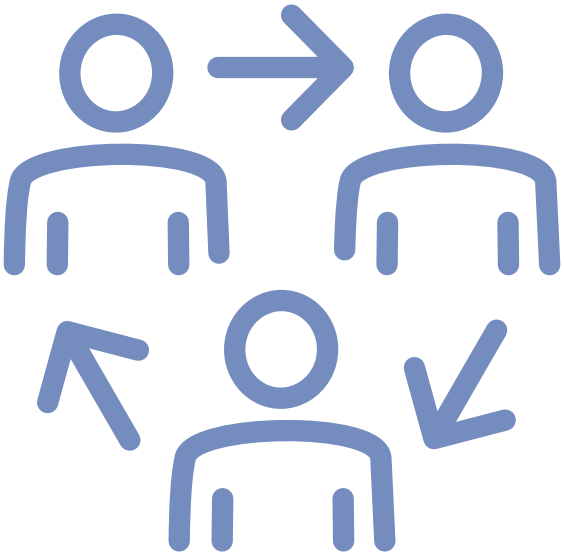
# Self-Directions Basics

## An introduction to self-direction to support individuals and families.

Content created by:

Lori Knapp CHOICE™

Part of the AssuranceSD Family



## SELF-DIRECTION BASICS

**For many individuals, the idea of self-direction is exciting. Who doesn't want more power and control over their services and supports? It is important to understand what it means to self-direct and the support available to you on your journey. None of us intuitively knows how to self-direct.**

The goal of this Self-Direction Guide is to provide you with the basics. It gives an overview of self-direction, the people available to support you when you choose to self-direct, and some of the rules of the road that help you to stay on course.

What you will find included:

- Understanding Self-Direction
- The Principles of Self-Direction
- The History of Self-Direction
- The importance of community connections
- Fraud, Waste, and Abuse
- The Role of the Financial Services Management Agency
- Your Role as the Employer
- Electronic Visit Verification
- About Us

# Understanding Self-Direction

## *What is Self-Direction?*

Self-direction is a service model that helps people stay independent at home and in their communities.
In self-direction, you decide how, when, and who provides your services and supports. It's not like traditional agency services because you get to hire your workers. The focus is on you, the program participant. You have the choice, control, and flexibility to choose supports that best fit your life. Over a million Americans currently use self-direction.

## *Why Choose Self Direction?*

Self-direction is grounded in the belief that people with disabilities know their needs best. And are in the best position to plan and manage their services. Self-direction promotes personal choice and control over the delivery of services.

## RESPONSIBILITIES OF THE PERSON CHOOSING SELF-DIRECTION

The individual choosing self-direction has responsibilities as an employer. They are responsible for:

- Hiring
- Training (if needed)
- Scheduling
- Managing those who work for them
- Managing their budget/ authorizations

## HOW TO GET STARTED

The first step is to find out if self-direction is offered in your state and what programs are offered. A great place to start:

- Your state's Department of Human Services website
- Your local Aging and Disability Resource Center

## *Key Support Roles and Responsibilities*

There are individuals and organizations that support people choosing self-directed programs. The roles and names often vary by state and program, but there are typically two key roles.

### FINANCIAL ADMINISTRATIVE MANAGEMENT

Often called a Fiscal Intermediary, Fiscal Agent, or Financial Management Service. The Fiscal Agent is responsible for paying workers and vendors. The Fiscal Agent assists workers and vendors in completing required paperwork. They also issue payments and file state, local, and federal taxes.

### INFORMATION AND ASSISTANCE

Often called Service Coordinator, Independent Supports Coordinator, or Care Team. This person supports the individual who is self-directing. They usually assist with program eligibility and developing a Service Plan. They also help identify providers and assist with other employer-related duties. They check in with the individual who is self-directing to ensure they are healthy and safe.

***Learn about which programs provide the option for you to self direct. Then you can inquire about your eligibility for these services.***

# Principles of Self-Determination

**FREEDOM** – to decide how to live your life.

**AUTHORITY** – over available resources and a specified budget. This authority can be different for each person. And can vary by program. Many programs have limited budget authority. You may need program approval to make changes.

**SUPPORT** – to arrange resources in ways that are important to you. The level of support relates to your outcomes, needs, and desires.

**RESPONSIBILITY** – for the thoughtful use of public dollars. This includes managing your approved services. And making sure you are not overspending or using more service than is approved.

**ADVOCACY** – of the important role that self-advocates play in the service system. It takes partnership with self-advocates to create effective change.

# History of Self-Direction

Beginning in the 1990s, a few states began to offer "consumer-directed" personal care services. The Robert Wood Johnson Foundation followed by awarding grants for Self-Determination demonstrations. The demonstrations were in 19 states and ran from 1997 to 2001. Later the Cash and Counseling demonstration began in three states.

Cash and Counseling then spread to 12 other states from 1996 to 2013.

After these projects, self-direction became an important option for providing Home and Community Based Services (HCBS). Since then, there have been several initiatives that were federally and/or privately funded. These programs have helped to improve the development of self-directed service options nationally.

## SELF-DIRECTION FAST FACTS

- Medicaid is the primary funding source for self-directed services. Each Medicaid HCBS authority has differences in what is allowed in a self-directed program.
- Every state and the District of Columbia has started at least one Medicaid waiver program or state plan option. Most states offer self-directed services statewide.
- In 2023 it was reported that there were over 1.5 million people nationwide who were self-directing. This was a 23.16% increase from when the data was last collected in 2019.

## *The Benefits to Individuals & Families*

**Provides the chance to customize** services to meet a person's goals and support needs.

**Provides choice and control** over the services received. With employer authority, individuals have control over employee management. This can include everything from hiring to termination.

**Provides the chance to hire relatives.** When permitted by the state, this can include a spouse or parent of a minor child. This often results in better, more consistent care. Provided by people with whom the individual is most comfortable.

## *The Benefits to Direct Care Workers*

**Provides options to work for individuals of their choice.** This could be a relative or friend who needs supports.

**Creates the chance to form close personal relationships** with the people they are caring for.

**Provides flexible wage ranges.** This often results in direct care workers receiving wage rates higher than those typically paid by agency providers.

# Community Connections

Our communities are more diverse when the people in them are involved and connected. Communities need the gifts and talents of all their members. Every person has talents to share. These gifts and talents are the building blocks of healthy communities. Being connected in a community fosters belonging. It also gives people a sense of purpose.

## *Community Connection Offers:*

- Chances to learn, work, and play alongside others.
- Life skills that lead to greater independence.
- A path forward for those who feel isolated or unwanted.
- Access to activities and services not available in segregated settings.
- The ability to improve physical health, emotional well-being, and self-confidence.

## BUILDING AND ENHANCING COMMUNITY CONNECTIONS INCLUDES:

- Identifying interests, passions, gifts, and talents
- Identifying places to share gifts and talents
- Consistently showing up at community places (restaurants, gyms, libraries, etc)

# Fraud and Abuse

## *What is Fraud and Abuse?*

FRAUD - An intentional deception or misrepresentation. The goal is to take money from Medicaid long-term care programs. It is important to remember that fraud is an intentional act.

ABUSE - Actions by providers, Direct Care Workers, or vendors.When these actions directly or indirectly cause the program unnecessary costs.

## *The most common types of fraud and abuse*

### BILLING FOR SERVICES THAT WERE NOT PROVIDED

Example: When a person may be scheduled to receive a service but is unable to attend. Then the provider bills for the service even though the person did not receive it.

### BILLING FOR HOURS/TIME NOT WORKED

Example: This can occur when a direct care worker is scheduled and does not show up for the shift. Then the worker puts those hours on their timesheet. Showing that they worked the scheduled shift.

## SERVICES PROVIDED DURING INSTITUTIONAL STAYS

Example: Most of the time, long-term care services cannot be billed when a person is in an institutional setting. These settings include hospitals or nursing homes. Direct Care Workers cannot be paid for care they may provide in an institutional setting.

## FALSIFYING SIGNATURES AND/OR HOURS ON A TIMESHEET OR INVOICE

This can occur in several ways:

- If a Direct Care Worker fills out a timesheet or invoice. Signs the timesheet, and also signs for the person for whom they provide care.
- If the program participant signs a blank timesheet and has the worker complete it without review.
- If the Direct Care Worker submits their time to the person for whom they provide care. Then after the program participant signs the timesheet/invoice. The Direct Care Worker adds hours to the timesheet/invoice.
- If the program participant terminates a Direct Care Worker and does not inform the FEA. And then the worker continues to submit hours and signs for both parties.

## FALSIFYING SIGNATURES AND/OR HOURS ON A TIMESHEET OR INVOICE (CONTINUED)

- Double billing.
  Example: This most often occurs when a Direct Care Worker submits hours for the same time and day, for two different program participants who do not live in the same location. Or if two staff submit hours for the same service when they are not approved to do so.

## KICKBACKS

There are two primary situations that can occur:

- A program participant hires a Direct Care Worker and asks the worker to give them a percentage or amount from their check.
- A provider/vendor agrees to provide services with the promise that the program participant will receive a portion of the provider/vendors' reimbursement.

# Financial Management Services (FMS)

An FMS provider does not manage a person's finances or budget. Instead, they assist people who self-direct their services. When a person participates in a self-directed program, they hire and manage their service providers or Direct Care Workers. This is called Employer Authority. The program participant is also the employer of record. The rules that govern the programs require the money paid to Direct Care Workers to go through a third party. This third party is often called:

- Fiscal Intermediary (FI)
- Fiscal Agent (FA)
- Fiscal Employer Agent (FEA)
- Fiscal Management Service (FMS)

The FMS is a special type of payroll processor. They are responsible for paying Direct Care Workers and vendors. The FMS assists Direct Care Workers and vendors in completing the required paperwork. They also issue payments and file state, local, and federal taxes. The goal of the FMS is to help make the administrative tasks of hiring and paying Direct Care Workers and vendors easy.

# Your Role as an Employer

## *Recruiting, Interviewing, and Selecting Staff*

Before recruiting a worker, it is important to consider what tasks need to be performed. As well as the knowledge or skills a person needs to have. Also consider your schedule. When do you want care? Finding the right worker can take time and patience. Even when you are fully staffed, it is important to plan for unexpected situations. These may include a worker quitting or being ill. Resources and tools for recruiting are available. This includes a pool of already employed workers.

## *Hiring*

We will work with you to get your workers hired and started. This process includes completing paperwork and submitting documentation. It also includes completing State and Federal background checks. It is important to understand the hiring process. In particular, you cannot tell your worker that they can start working until your FMS or MCO has told you that they have been approved. You may also want to develop an agreement with your worker. This would include their schedule and specific expectations you may have.

## *Training*

Providing care is very personal to each individual. This is why training is often a task done by you, the self-directing Employer. Some states/programs may want Direct Care Workers to have specific training like CPR and First Aid certification. The focus is on your care preferences. This includes teaching the worker about your routines and lifestyle. You should also provide a detailed orientation of your home. Include a review of any equipment and medical devices used.

## *Managing/Supervising Staff*

Providing feedback to your workers about their performance is important. This feedback helps build a healthy working relationship. It can be difficult to give feedback to workers you may be close to, such as a family member or friend. Having a schedule for feedback can ease anxiety and ensure a safe place to discuss issues or concerns. Providing feedback is also a good way to make sure that workers are thanked and praised for their work. If performance issues arise, be sure to address them. Discuss the problems and agree to improvement plans. It is also good to take some notes about the conversation. You may need to refer to them later if you have continued concerns.

## *Termination*

There will be times when you decide that the supports a worker provides are no longer meeting your needs. You may choose to end a worker's employment. When doing so, it is important to communicate calmly and directly. Be clear about the issues that have arisen and make it clear you no longer want the person to work for you. It is also important to communicate to the FMS/Care Team immediately about the termination/dismissal. There may be documentation that the FMS requires.

## *Following Employment Laws and Program Rules*

It is important that you understand employment laws. You may have a friend or relative who can provide you with support with these laws. Your FMS provider can also assist. Most common are issues about wages. This includes minimum wage, limits on work hours, and overtime. The other area of importance is the Federal laws that prohibit discrimination. You cannot discriminate because of the person's race, color, religion, sex, national origin, age, or disability. Sex includes gender identity, sexual orientation, and pregnancy.

# Electronic Visit Verification (EVV)

## *What is EVV?*

The 21st Century Cures Act is a federal law that was passed in 2016. It requires each state to collect visit information. This information is collected using an electronic visit verification (EVV) system. The law helps make sure that people receive the services they need. If states do not follow this law, they will lose money for Medicaid services.

## *How it Works*

EVV uses technology to make sure that members and participants receive the services they need. Workers check in at the beginning and check out at the end of each visit. They use a smartphone or tablet, small digital device, or landline telephone. The EVV system captures six key pieces of information:

- Who receives the service
- Who provides the service
- What service is provided
- Where the service is provided
- The date of service
- The time the service begins and ends

## *Your Responsibilities*

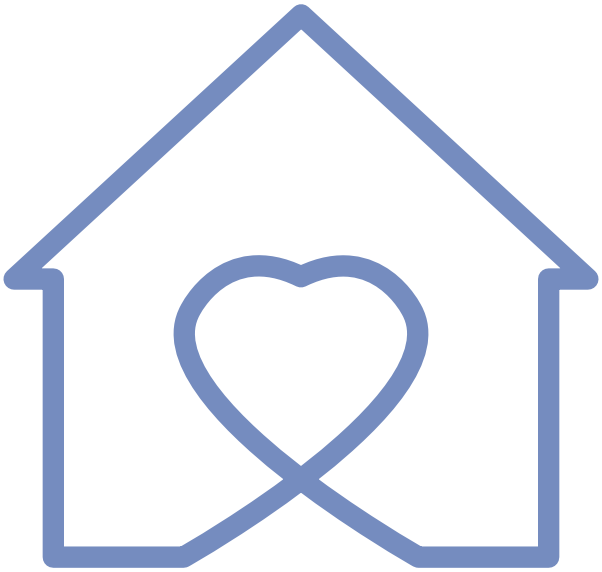
If you hire your own workers and work with a Fiscal Employer Agency you are the employer. You are responsible for making sure your workers use the EVV system. If you work with a provider agency, it is the provider agency's responsibility to make sure their workers use the EVV system.

## *EVV System*

Each Fiscal Employer Agency (FEA) can choose to use their own EVV application or the one provided by the state. Information on your specific system is included in this toolkit.

**EVV IS ONLY REQUIRED FOR CERTAIN SERVICES. THIS INCLUDES:**

- Personal care and self-directed personal care services
- Routine supportive home care services
- Home health care services
- Nursing services



# About Us

The Lori Knapp company was founded in 1971 by Don and Bette Knapp in Prairie du Chien, Wisconsin. The original service offerings focused on residential care, and as the needs for individuals changed, Lori Knapp™ developed its Fiscal Agent business, now known as Lori Knapp Choice™.

Our role is to support individuals in directing and managing their services. We serve aging adults and individuals with disabilities, along with their families, Direct Care Workers, and support teams. The company works with the following programs:

- CLTS – Children's Long-Term Services
- Family Care

Our primary focus is self-direction. Our goal is to help people remain in their homes and thriving in their communities. The company is guided by its values: ambition, accountability, empowerment, ethics, and empathy. These values are personal to our team and are woven into every aspect of our work.

Office: Lori Knapp Choice™, 106 South Beaumont Road, Prairie Du Chien, WI 53821
Local: 608.326.0434
Toll Free Phone: 844.534.7225
Email: info@LoriKnappChoice.com
Website: https://loriknappchoice.com/

Lori Knapp
CHOICE™
Part of the AssuranceSD Family

106 South Beaumont Road
Prairie Du Chien, WI 53821

info@LoriKnappChoice.com

Local: 608.326.0434
Toll Free Phone: 844.534.7225

loriknappchoice.com

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