Self-Determination

Module 6: Financial Management Services (FMS)

Topics Covered

- ✓ What is a Financial Management Service?
- ✓ How can a Financial Management Service help me?
- ✓ Choosing a Financial Management Service
- ✓ 3 Models
- ✓ Cost of Financial Management Service
- ✓ Jason and Sofia examples

What is a Financial Management Services (FMS) Provider?

- A Financial Management Services (FMS) Provider is a business that helps the Participants in the Self-Determination Program (SDP) to manage their Self-Determination Program budget and pay for services they need.
- This is a **required** service for the Self-Determination program.
- You **choose** a Financial Management Service to help you.
- Payment for the FMS Service comes from your spending plan.

How will the Financial Management Service help me?

- Provides the forms and information for **background checks** on my employees
- **Pays** for the service I choose
- Helps me **manage** my Spending Plan
- Gives me a **monthly report** about my Spending Plan
- **Makes sure** labor and tax laws are followed

About Background Checks

The people you hire to assist you with personal care services such as assistance with dressing, grooming, bathing or personal hygiene needs, are **required** to obtain a background check.

You or your Financial Management Service Provider may also request a background check for any other provider of services you hire, either through an agency or as an individual.

- *Background checks are not transferable, so even if someone has done a background check in the past, they will need to do it again to be part of the the Self-Determination Program. It is the responsibility of the person providing you the service to pay for the background check.*

Your Financial Management Service will provide the forms and information necessary for the background check.

The results will be sent directly to the Department of Developmental Services, who are responsible for tracking the background check. They will then be sent to your Financial Management Service who will notify you.

Choosing a Financial Management Service (FMS)

Think about what I **need** and what I **want**

What do I NEED?

- Do I need help with employees?
- Do I need more help or reminders to keep within my Spending Plan?
- Do I just need the Financial Management Service to pay the bills and send me statements?

What do WANT?

- Full responsibility for my employees?

  OR

- Help with the business requirements of having employees?

How can I find the right Financial Management Service Provider for me?

- Ask others such as a family member, service coordinator or Independent Facilitator for their opinion to help select.
- Ask other Self-Determination Program participants for suggestions or references.
- Interview people at the Financial Management Service agency to get questions answered.

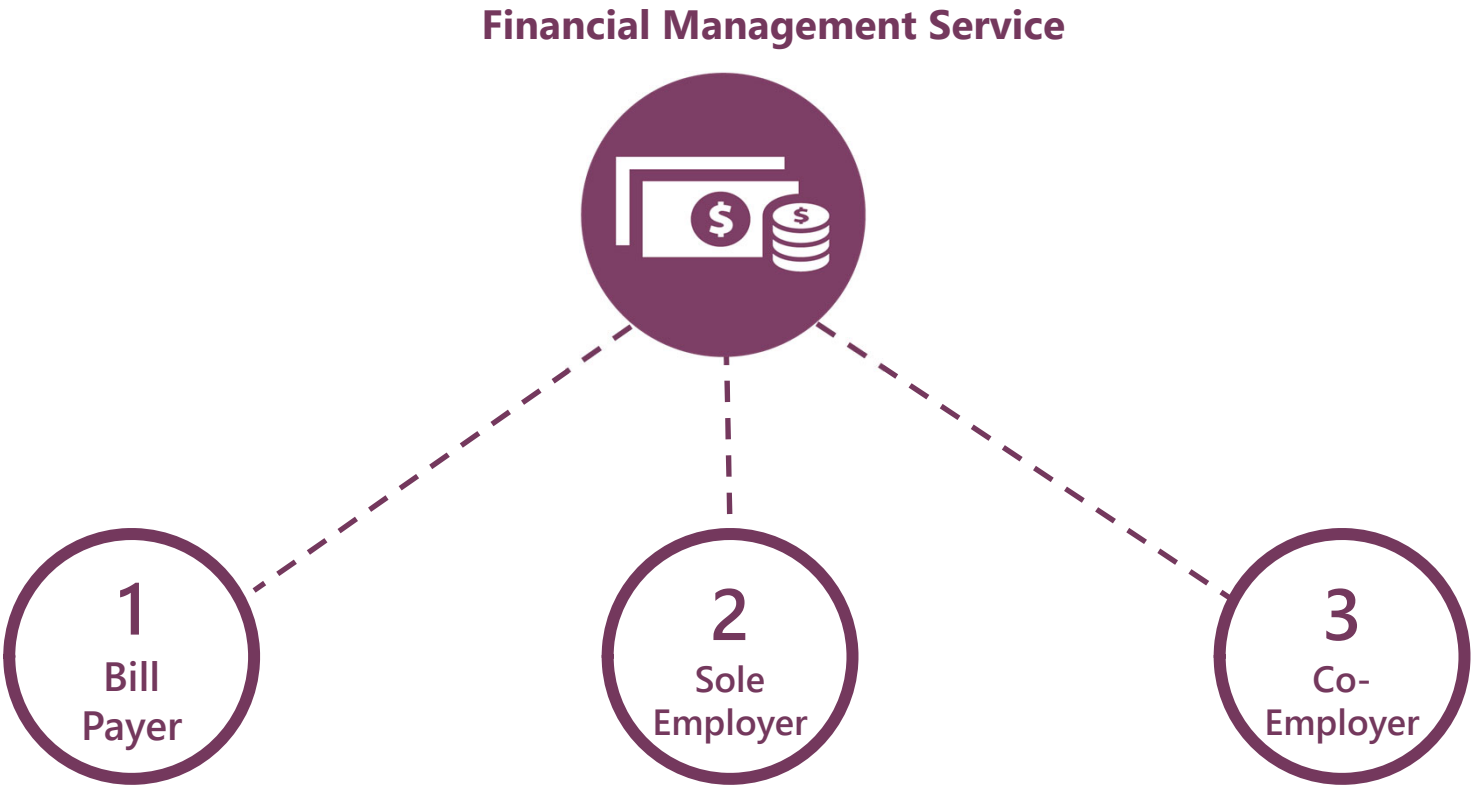
Questions I could ask the Financial Management Service:

- What is your experience?
- Which models of Financial Management Service do you provide?
- How will you help me with my Spending Plan?
- Will you send me monthly reports on my budget and spending?

Possible Questions for Financial Management Service (FMS) Providers

1. How much do you know about California's Self-Determination Program?
2. What experience have you had with being a Financial Management Service provider?
3. Which models do you provide?
   Bill Payer, Sole Employer, Co-Employer
4. How will you communicate with me?
5. If I have a question about developing my individual budget, can you help me?
6. If you are a co-employer, what role will you play in the hiring of my workers?
   What if I want to hire someone that you don't like?
   Would you ever ask me to fire one of my workers and for what reason?
7. How will you get the time sheets from my workers?
8. If I am spending more than I should be in my Spending Plan, how will you tell me?
9. How will you send me monthly reports on how I am spending my individual budget?
10. If I have questions, how will I get them answered?

3 WAYS
to work with your Financial Management Service

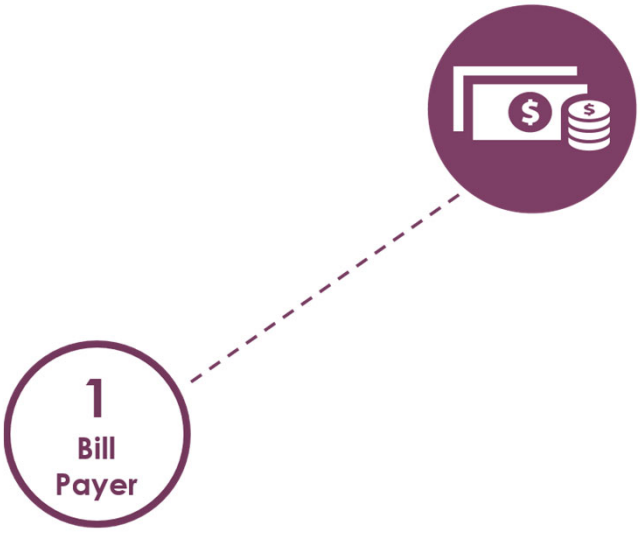


Choose one that works best for you.

You might choose the Bill Payer model if…

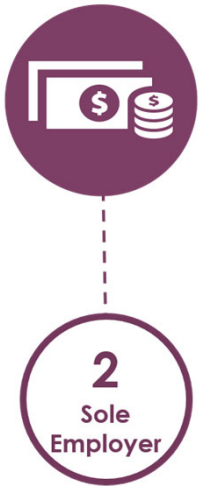
- ❑ I do NOT want to be the employer of my workers.
- ❑ The people who help me already work for an agency.
- ❑ I want the Financial Management Service to purchase items from a company for me.
- ❑ I want the Financial Management Service to pay the agency who provides my services.

In the Bill Payer model participants do not hire their own employees.



You might choose the Sole Employer model if…

- ❑ I **DO** want to be the employer of my workers.
- ❑ I am **responsible** to carry necessary insurances related to employment.
- ❑ I want the Financial Management Service to pay my employees and other bills **as I instruct them. I submit timesheets to the Financial Management Service.**
- ❑ I want the Financial Management Service to check background and qualifications of my employees.
- ❑ I agree to have the Financial Management Service assist me in following all applicable employment laws.



You might choose the Co- Employer model if…

Me

- ❑ I Want to **SHARE** being the employer of my workers.

The Financial Management Service will

- ❑ Follow all applicable employment laws.
- ❑ Check background and qualifications.
- ❑ Handle and pay for necessary insurances related to employment.
- ❑ **SHARES** being the employer.
- ❑ **Pays** employees and other service providers.

In the Co-Employer model participants share responsibility for managing employees with the Financial Management Service.

Sofia's family chooses the Bill Payer Model

- ✓ Her services are all provided by agencies
- ✓ There are no employer/ employee relationships

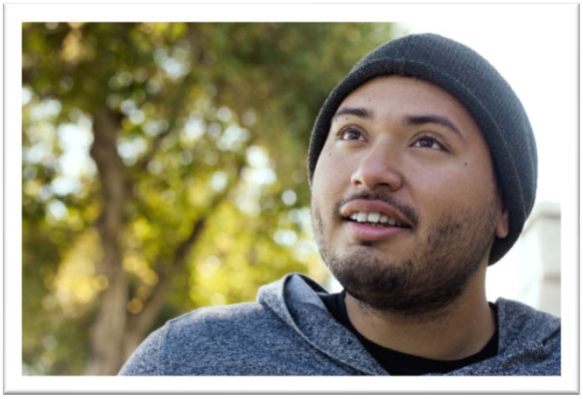
Type of Financial Management Service needed

1
Bill Payer

Jason chooses the Co-Employer Model

- ✓ Jason hires a local **agency** which staffs job coaches who specialize in his dream job, gardening.
- ✓ Jason finds, interviews, and hires a social coach, and the **Financial Management Service** will handle all of the **business** and **liability**.
- ✓ Jason hires his neighbor for supporting him during his day, and the **Financial Management Service** will handle all of the **business** and **liability.**

Type of Financial Management Service needed



3
Co-Employer

There is a cost for the Financial Management Service

Department of Developmental Services (DDS) determines the cost for the Financial Management Service (FMS)

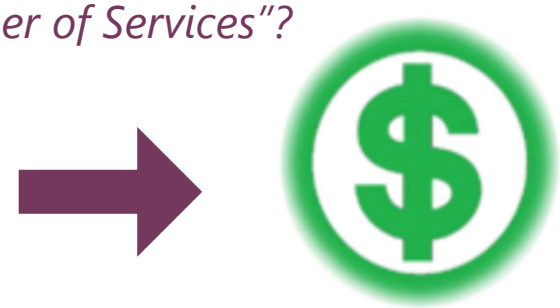
Financial Management Service =

Cost of the Financial Management Services is based on the number of services I receive.

“Number of Services” determine the Financial Management Service monthly cost

How does the DDS define “Number of Services”?

Number of services is equal to the total number of services in my annual Self-Determination Program Spending Plan.



Financial Management Service Monthly Cost

Financial Management Service Cost

4-6

Number of Services Received

Self-Determination Program
Maximum Financial Management Services (FMS) Rates

FMS Model	Number of Services	Max Rate Per Month
FMS as Bill Payer	1-3	$50
	4-6	$75
	7+	$100
Participant as Sole Employer	1-2	$110
	3-4	$125
	5+	$150
Participant & FMS as Co-Employers	1-2	$125
	3-4	$140
	5+	$165

Financial Management Service Cost

5+

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	3-4	$140
	5+	$165

Some important info about Financial Management Service costs…

- Department of Developmental Services sets monthly rate for the Financial Management Service to provide their service.
- The rate does not cover wages, employment taxes, workers compensation, health care or other types of insurance if I hire my own employees.
- The cost will come out of the Spending Plan.

Self-Determination Program
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	3-4	$140
	5+	$165

Note: If the Financial Management Service provides payments through more than one of the models above for a participant, then the maximum rate for that participant cannot exceed the highest cost model for the total number of services. For example, if a participant is using five services, and the Financial Management Service is a "bill payer" for two services and a "co-employer" for three services, the maximum rate charged to the participant cannot exceed $165 per month. **In all cases, the participant and Financial Management Service can agree to rates lower than the maximum rates above.**

Selecting your Financial Management Service

1. Review services on the Spending Plan.

2. Will there be employees?

3. What will be the relationship with employees?

    a. Will you be employing workers directly?

    b. If yes, do you want all of the responsibility or control? OR, do you want to share it with the Financial Management Service?

    c. Will you only hire people who work for agencies or plan to only be purchasing items?

4. What type of Financial Management Service would you have? Why?

5. What would the Financial Management Service cost be?