



Self-Directed Services

Module 5: Explanation of the Budget and Savings Balance

Hello, and welcome to the training on An Explanation of the Budget and Savings Balance. This is the fifth training video in a series of seven.

Explanation of the Budget and Self-Directed Savings Balance

Each participant has the option to save funds in order to buy goods and services. In this training we will go over:

- How a budget is established for the savings balance
- The Self-Directed Savings Balance process with an example
- The individual-directed goods and services that are allowed and not allowed

Establishing the Self-Directed Budget

When establishing the budget, the state considers many factors. Factors including the amount of service authorized for the participant and the rate paid for the service. The state also bases the budget on the services the participant wants to self-direct.

Self-Directed Savings Balance

The savings balance is created after a participant chooses self-direction. The participant:

- Identifies a needed individual-directed good or service
- Would like to provide more training to their worker
- When they want to give payment to their worker for training time
- Need to pay overtime to their worker.

The money goes into the savings balance when the participant chooses to pay the worker wages that are lower than the maximum allowed. The Financial Management Services Agency will give the participant the range to pay the worker. The participant decides the amount the worker will be paid and the amount needed for goods and services.

After the good or service is in the plan and before you can purchase the good or service, there will be an anonymous review process to approve the item.

Individual-Directed Goods and Services

In the last slide we mentioned that the savings balance is established when the participant identifies goods and services in their plan. Individual-directed goods and services are:

- Items that support the participant to be independent at home or in the community
- Addresses an identified need in the participant's plan
- The item cannot be available through the Medicaid State plan

Self-Directed Savings Balance Example

Here is an example of how this all works using the service Personal Assistance- Home Services.



The participant decides that a smart phone is needed. The smart phone is an approved service.

In this example, the maximum rate the Employer of Record can pay their worker for Personal Assistance- Home is \$20.00 an hour. The Employer of Record decides to pay \$15.00 per hour so they can give the worker a raise if they are happy with their work. For each hour of Personal Assistance- Home provided, \$5 is added to the savings balance since the difference between the rate the Employer of Records pays and the maximum rate for the service is \$5.00 an hour.

Over time, the \$5.00 adds up to the amount of the smart phone, and the participant can then purchase the smart phone with savings balance funds.

Self-Directed Savings Balance: True or False?

Here is a little quiz to see if you understand the Self-Directed Savings Balance.

The first one is false. The participant and their family know their needs best, the support coordinator should not make decisions on behalf of the participant and their family.

The next one is true. The support coordinator will confirm all purchases meet federal rules and regulations and communicate with the participant if the items is allowable.

The next one is false. Each plan is unique to each participant and meets the needs within the participant's plan. If the participant sees an item that another participant has, it may not be something they can purchase if they have different needs and goals. Goods and services must meet a need or goal described in the participant's plan.

And finally, the last one is false. Goods and services must be in the approved plan before they can be purchased or paid for with savings balance funds. It is not ok to buy items that are not approved. Also, just because there is money in the savings balance does not mean something should be bought. Again, only items that fulfill a need the participant has should be purchased. The support coordinator can help the participant through this process.

Thank You!

Thank you for joining us today. We hope you have more knowledge about the budgets and the saving balance. And remember, if you have further questions, you can ask your support coordinator. Thank you.