



Background

Assembly Bill 495 of the 2021 Legislative Session appropriated funding to the Division of Health Care Financing and Policy (DHCFP) to expand self-directed options for personal care services. Due to the limited funding, the Division will be targeting this new option to Medicaid recipients on the Waiver for Persons with Physical Disabilities.

What is Financial Management Services?

Financial Management Services is a company that works under a self-directed budget authority model. With this new model, Physically Disabled Waiver recipients can choose to direct their own care and hire their own caregiver through a Financial Management Services (FMS) company. In using an FMS, the recipient is considered the “employer” of their caregivers and direct how an authorized budget is spent.

Recipients will continue to have the support of their Waiver case manager for their waiver services, but the FMS company will help each recipient manage a budget. The budget authority model will be available for the following personal care like PD waiver services:

- Attendant Care
- Chore
- Homemaker
- Respite

How does a Financial Management Services company help recipients?

The FMS will be the primary point of contact if a recipient chooses this budget authority self-directed model. Examples of activities the FMS will help a recipient with include:

- Orientation on how to use the new budget authority model
- Creating a detailed spending plan, including the hours that can be spent on care, the number of employees to hire, and amount each employee can be paid
 - Most importantly, the FMS will ensure everything complies with federal and state labor laws
- Hiring staff including the paperwork caregivers need for required background checks
- Tracking how many hours a recipient has used for care and the remaining hours available
- Assist recipients with the regulatory functions of being an employer by:
 - Registering a recipient as an employer with the State of Nevada and the federal Internal Revenue Service (IRS)
 - Paying employees based on the time worked
 - Helping recipients with an Electronic Visit Verification system for an employee’s time
 - Reconciling actual employee time worked with a recipient’s spending plan
 - Withholding and depositing taxes from employees’ paychecks
 - Completing all quarterly and annual employer related reporting including spending reports that detail all payments made on their behalf

Next Steps

DHCFP is seeking stakeholder feedback on this new budget authority model. The Division must also receive approval by the Centers for Medicare and Medicaid (CMS). Once approved by CMS, and an FMS vendor is selected, there will be training opportunities targeted to PD Waiver recipients.