

## Types of Financial Management Services for Self Determination Program Participants

As discussed in the [FMS FAQs](#) on the Department’s website, each participant in the Self-Determination Program must use a regional center vendored Financial Management Services (FMS) provider. There are three types of FMS providers: 1. Bill Payor or Fiscal Agent, this model is used when goods or services are purchased from a business; 2. Co-Employer, this model is used when the participant wants to share some of the employer roles and responsibilities with an FMS and 3. Sole Employer, also known as the Fiscal/Employer Agent), this model is used when a participant wants to be the direct employer of those providing services.

This chart shows how tasks and responsibilities are divided between you and your FMS provider.

Tasks	Type of FMS Model		
	Bill Payer	Co-Employer	Sole Employer
<b>Pays for items and services identified in your spending plan from other businesses or vendors</b>	<b>FMS</b>	<b>FMS</b>	<b>FMS</b>
<b>Who Hires Individuals Who Provide Services To You?</b>			
<ul style="list-style-type: none"> <li>Decide skills needed</li> </ul>	<b>N/A</b>	<b>You with help from the FMS</b>	<b>You with help from FMS</b>
<ul style="list-style-type: none"> <li>Decide wages and benefits</li> </ul>	<b>N/A</b>	<b>You and FMS</b>	<b>You with help from FMS</b>
<ul style="list-style-type: none"> <li>Interviews applicants</li> </ul>	<b>N/A</b>	<b>You</b>	<b>You</b>
<ul style="list-style-type: none"> <li>Verifies worker’s eligibility for employment qualifications</li> </ul>	<b>N/A</b>	<b>You and FMS</b>	<b>You and FMS</b>
<ul style="list-style-type: none"> <li>Decides who to hire people that work for you</li> </ul>	<b>N/A</b>	<b>You and FMS</b>	<b>You with help from FMS</b>
<ul style="list-style-type: none"> <li>Arranges for needed background checks as described in <a href="#">Self-Determination Service Provider Background Checks directive</a></li> </ul>	<b>N/A</b>	<b>FMS and the worker you want to hire</b>	<b>FMS and the worker you want to hire</b>
<ul style="list-style-type: none"> <li>Verifies provider passes background check</li> </ul>	<b>N/A</b>	<b>FMS</b>	<b>FMS</b>

Tasks	Type of FMS		
	Bill Payer	Co-Employer	Sole Employer
Who is the employer?	The business/vendor providing the item/service	You and FMS	You
<b>Supervision and Timesheet Approval</b>			
• Schedules the worker	N/A	You	You
• Supervises the work	N/A	You	You
• Approves timesheets	N/A	You	You
<b>Worker Pay and Taxes</b>			
• Pays the worker	N/A	FMS	FMS
• Pays required government taxes	N/A	FMS	FMS
• Obtains tax reporting number	N/A	FMS	You
• Files all tax reporting	N/A	FMS	FMS
<b>Insurance and Compliance</b>			
• Obtains Liability Insurance	N/A	FMS	You
• Obtains Worker's Compensation Insurance	N/A	FMS	You
• Ensures compliance with employment laws	N/A	You and FMS	You and FMS
• Verifies services are HCBS compliant with documentation from the RC prior to payment	N/A	FMS	FMS
<b>Manages Budget</b>			
• Makes sure participant has funds for the entire year.	You and FMS	You and FMS	You and FMS
• Provides monthly spending report to participant and service coordinator	FMS	FMS	FMS

The regional center can provide additional information about the kinds of FMS providers. A list of FMS providers is available on the [FMS Contact List](#) webpage. Additionally, your regional center can help you locate FMS providers. The participant and their family should consider speaking with more than one FMS about their services.

The cost for FMS services is negotiated between the participant and the FMS provider, but may not exceed the [maximum rates](#) posted on the Department of Developmental Services' website. The costs for these services are paid from the participant's individual budget; however, the individual budget cannot be increased to cover the cost of the FMS.