

OASIS · AT A GLANCE

Self-determination and self-directed budgets

Hiring your own staff and controlling your own budget sounds like freedom, and it is, right up until you realize you've become an unlicensed small employer. Here is the roadmap and the pitfalls nobody mentions at the intake meeting.

BY JIM PALASTY · 12 MIN READ · CONTROL COMES WITH PAPERWORK ATTACHED

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PITFALLS THAT SINK NEW BUDGETS

Underestimated admin time, no backup staffing plan, and delayed FMS enrollment account for most first-year self-direction failures.

How it works

THREE STEPS

STEP 1

You choose self-determination

An individual budget replaces agency-managed services with a budget you control directly.



STEP 2

You build the budget

Your supports coordinator helps translate your plan of service into dollar amounts you manage.



STEP 3

You hire, manage, and administer it

You become the employer of record, with an FMS handling payroll and compliance behind the scenes.

Common pitfalls

Admin time	Underestimating the hours scheduling and paperwork actually take
Backup coverage	No plan for when your one hired staffer calls in sick
Billable confusion	Misunderstanding which activities and hours actually qualify
Delayed FMS enrollment	Waiting to enroll until after you've already found staff to hire
No job descriptions	Hiring without writing down expectations, then disputing them later

THE GAP NOBODY PLANNED FOR

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Corey hired one excellent direct support worker for his daughter and built the entire self-directed budget around her schedule. When she took two weeks off for a family emergency, there was no backup plan and no second hired staff member. Corey covered the gap himself, unpaid, and rebuilt the budget afterward with two part-time hires instead of one full-time hire specifically so it could never happen again.

CONTROL OVER THE BUDGET DOESN'T REMOVE THE NEED FOR A BACKUP PLAN. IT JUST MAKES YOU THE ONE WHO HAS TO BUILD IT.

What matters, at a glance

MICHIGAN SPECIFIC

Eligibility

Available to HSW and other waiver participants who choose to self-direct some or all of their authorized services.

Budget development

Your supports coordinator translates authorized hours and services into a dollar budget you then manage directly.

Hiring and managing staff

Recruiting, training, scheduling, and sometimes firing your own direct support staff becomes part of your job, not the agency's.

Pros: real control

You choose who provides care, when, and how, often producing more consistent staff than agency rotation ever does.

Cons: it's a part-time job

Payroll timesheets, background checks, and scheduling gaps become your responsibility, not someone else's.

The FMS role

Your Financial Management Services agency handles payroll and tax compliance, but not recruiting, scheduling, or supervision.

BRING THESE · CHECK AS YOU GO

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|--|---|
| ☐ Your individual budget worksheet | ☐ A written backup staffing plan |
| ☐ Your FMS enrollment paperwork completed early | ☐ Written job descriptions for each hire |
| ☐ A quarterly budget review reminder on your calendar | |

YOUR MOVE

When you're considering self-determination, here is the starter roadmap

- 1 Confirm eligibility with your supports coordinator.
- 2 Request your individual budget worksheet.
- 3 Build a backup staffing plan before hiring anyone.
- 4 Enroll with your FMS early, before you need payroll.
- 5 Write clear job descriptions for every hire.
- 6 Review your budget quarterly, not just annually.

Self-direction trades one kind of frustration for a different kind of workload. Go in knowing which one you're signing up for.

RESOURCES NAMED IN THIS POST

nrcpds.org · <https://nrcpds.org>

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ABOUT THE AUTHOR

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