



Frequently Asked Questions: Self-Directed Employee Models

Self-Directed Services let you choose how and from whom you get support at home or in the community. In the self-directed employee models, you (or your guardian) hire and manage workers to support you.

The Division of Developmental Disabilities (DDD) has two self-directed employee (SDE) models:

- **Vendor Fiscal/Employer Agent (VF/EA)** - Acumen is the fiscal intermediary
- **Agency with Choice (AWC)** - Easterseals NJ is the fiscal intermediary

Before you decide to use either of these models, you or your guardian should review NJ Department of Labor and Workforce Development [labor laws](#). These laws apply to all employers, including people who enroll as an employer in VF/EA or AWC.

What is different between the two models?

1. Who is the employer?

- In VF/EA, you enroll as the employer of record or you choose someone else to enroll as the employer of record. This means you or the person you choose will need to get an employer identification number (EIN) from the Internal Revenue Service (IRS) - the fiscal intermediary will help you with this.
- In AWC, the fiscal intermediary is the employer of record, and you are the managing employer. In this model, you do not need to get an employer identification number.

2. Health insurance

- In VF/EA, there's no employer-sponsored health insurance.
- In AWC, an employer-sponsored health plan is available to self-directed employees who work 30 hours or more per week for the employer (Easterseals NJ).

Is there a cost to use either of the models?

There are three main costs:

1. A monthly fee (called a per-member, per-month or PMPM fee)

- In VF/EA, the Division pays this fee.
- In AWC, this fee is deducted from your budget (see the [Agency with Choice Per-Member, Per-Month Cost Table](#)).

2. Workers' compensation insurance

- Right now, the Division pays the cost of workers' compensation insurance for VF/EA participants.
- In AWC, the cost of workers' compensation insurance is included in the service bill rate, paid through your budget.

3. Employer taxes

- For both VF/EA and AWC, employer taxes are included in the service bill rate, paid through your budget.

How do you choose which model to use?

Pick the model that fits your needs and budget. Talk to your support coordinator and planning team to help decide.

How do you enroll in a model?

Talk to your support coordinator. They will send the information to the fiscal intermediary, and you should hear back within 3-5 days to start the process.

How do you know when your employee can start?

Your self-directed employee can start only after:

- The fiscal intermediary lets you know that all paperwork and enrollment requirements are complete for both employer and employee. This includes employee fingerprinting and drug testing.
- The fiscal intermediary sends the bill rate to your support coordinator.
- Your service plan is updated with the bill rate and approved.

Do employees get paid time off?

- In VF/EA, employees earn sick time only, with 1 hour earned for every 30 hours worked.
- In AWC, employees get paid time off based on hours and years worked for the employer (Easterseals NJ).

Who decides an employee's hourly wage?

You decide the employee's hourly wage, but it needs to be within the Division's "reasonable and customary" limits and your budget must be able to support it.

Can you hire a family member?

Yes, you can hire a family member, including a parent, spouse, or guardian.

Can you switch models?

Yes, but your employee(s) will need to go through the hiring process again with the new fiscal intermediary. This includes fingerprinting and drug testing. They do not need to re-take trainings they already completed.

What if you use a community vendor for some services?

If you have a self-directed employee and want to use a community vendor for some services (for example, through Goods & Services), you can use either VF/EA or AWC.

If you do not have a self-directed employee and want to use a community vendor for some services, you can *only* use the VF/EA model. (If you hire a self-directed employee in the future, you can then choose to use either VF/EA or AWC.)

Can you use both models at the same time?

No. You can only use one model at a time.

Can you get both personal care assistant services through the Personal Preference Program (PPP) and DDD self-directed employee services?

Yes, if you are eligible for both. However, in the Personal Preference Program (PPP), *only you* (the person receiving services) can enroll as the employer of record and get the employer identification number.

If you get services through PPP and want DDD self-directed employee services, these are your options:

- You can use the AWC model to hire a DDD self-directed employee, if your budget can support it.
- You can use the VF/EA model to hire a DDD self-directed employee *only if* you choose someone else to enroll as the employer and get an employer identification number.

If neither of these options fit your needs and/or budget, you can get services through a traditional provider agency.

The Division of Medical Assistance and Health Services (DMAHS) administers PPP. If you have questions about PPP, you can contact the PPP State Team by email at MAHS.PPP@dhs.nj.gov or by phone at 609-631-2481, or contact your Medicaid Managed Care Organization (MCO).

Can you use one employer identification number (EIN) for both Personal Preference Program (PPP) services and DDD self-directed employee services?

No.

What should you do if you still have questions?

Talk to your support coordinator. If they don't know the answer, they can ask DDD for help.