



Applied
Self-Direction

What Does It Take to Provide Financial Management Services?

Analyzing National Costs and
Exploring Provider Perspectives

Agenda for Today's Session

- Explore state-reported expenditure data from 1915(c) waivers in which FMS is structured as a waiver service
- Look at national averages, medians, and ranges for FMS costs
- Discuss drivers of FMS cost and their considerations with recommendations for states
- Time for discussion and Q&A



Where Is This Data From?

- This data is sourced from 1915(c) waivers in which FMS is structured as a waiver service
- Under federal Medicaid law, states are required to report the costs of waiver services to ensure that per capita costs do not exceed the costs of equivalent care in an institutional setting
 - These costs are reported in Appendix J of the waiver application
 - When FMS is structured as an administrative activity, states do not report these costs in Appendix J
- **Note:** This data should not be treated as comprehensive as it does not include FMS as an administrative activity or FMS in non-waiver programs
 - What it does provide is general figures and opportunities for further research and discussion



What We Did

- First, we analyzed all waivers with FMS as a waiver service
- Next, we excluded waivers that had FMS “bundled” into a broader waiver service so that FMS-specific costs could not be isolated in the state’s cost reporting
- While most states reported FMS costs in a per-member-per-month format, we did some conversions for states that reported in alternate formats, such as per 15 minutes
- Today’s session will report in the aggregate; state-by-state data will be released later in Spring 2022



Caveats Before We Get Into The Numbers

- As we expected, there is a huge range in state-reported costs of FMS
- There is no single “magic number” or range that a majority of programs fall into
- The cost and complexity of FMS is dependent upon myriad factors, including:
 - State choices regarding program design
 - Budget authority vs. employer authority-only, Agency with Choice vs. Fiscal/Employer Agent, complexity of self-directed service structure, whether FMS also provides Information and Assistance services, EVV, etc.
 - Program enrollment
 - FMS provider qualifications and requirements
 - FMS scope of work



Final Notes

- As part of the waiver approval process, states must report estimated costs for each year for which the waiver is approved
- Since waivers are approved on a rolling basis rather than all starting and renewing at the same time, we included the minimum and maximum FMS estimated cost from across all waiver years
 - In many cases, these were identical, but not always

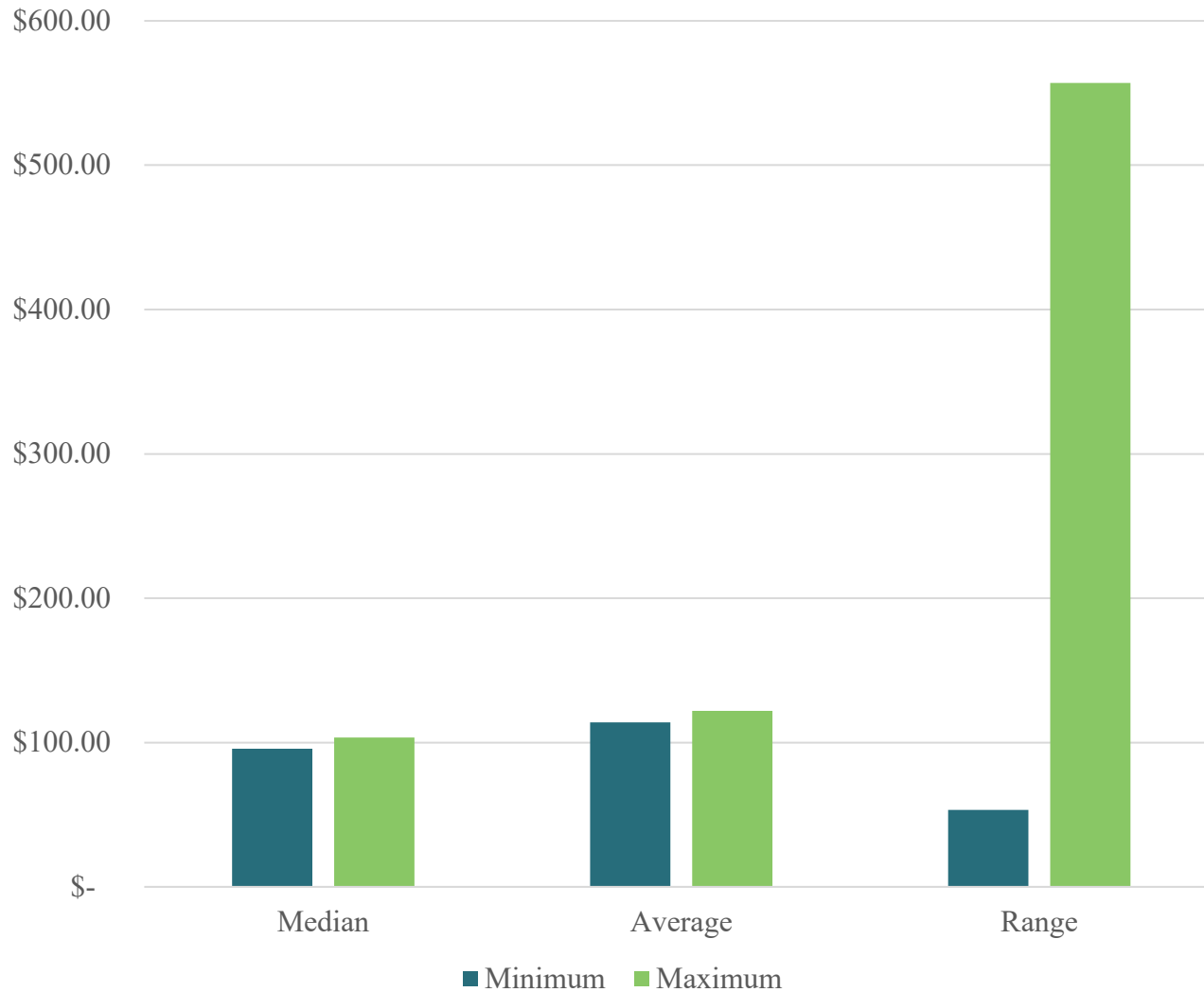


FMS Costs: Waiver Data Across All Populations

- **Median state-reported cost of FMS as a waiver service:**
 - \$95.79 - \$103.53 per member per month
- **Average state-reported cost of FMS as a waiver service:**
 - \$114.07 - \$122.06 PMPM
- **Range: \$53.27 - \$557 PMPM**



FMS Costs: Waiver Data Across All Populations



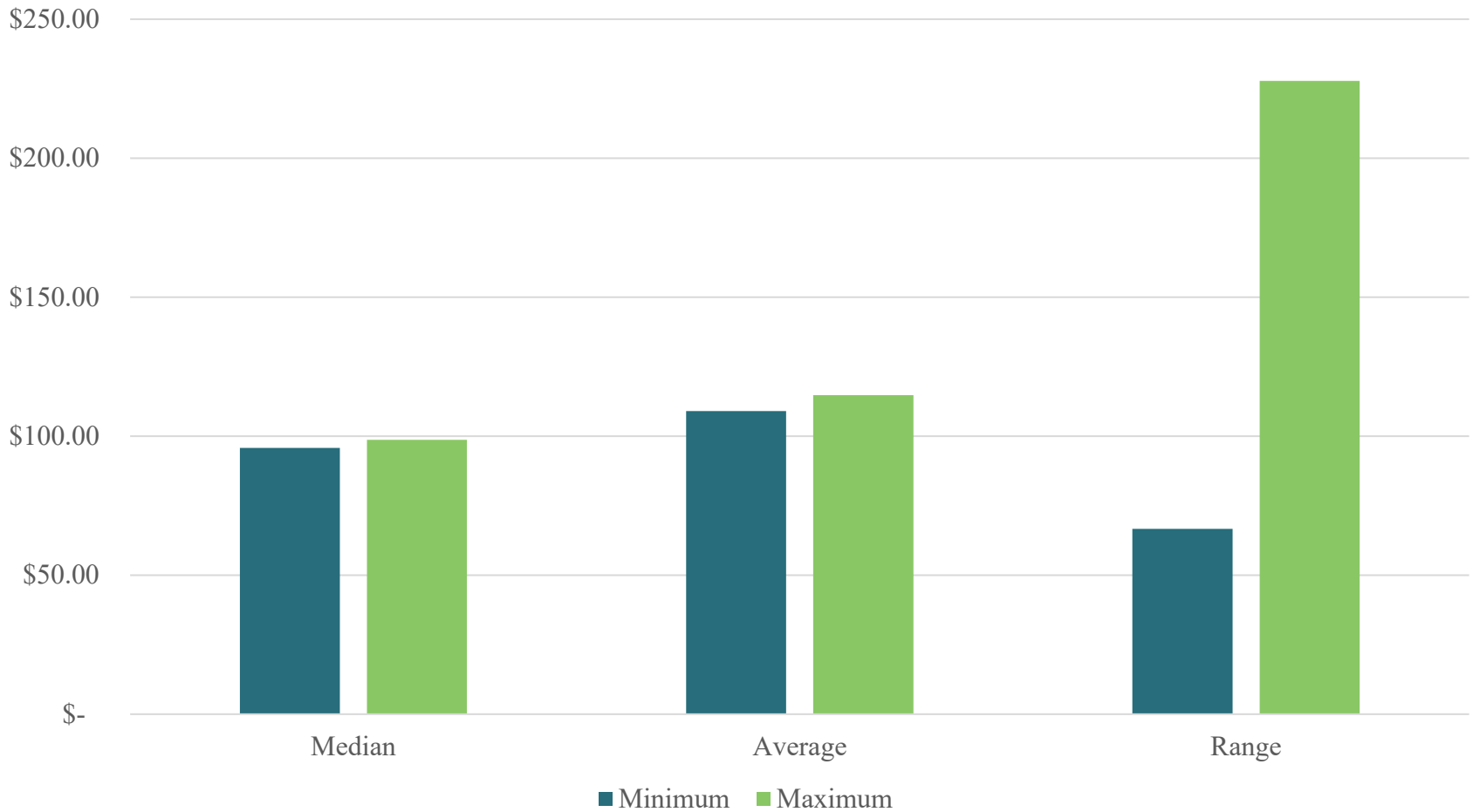
FMS Costs: Fiscal/Employer Agent FMS Only

- **Median state-reported cost of F/EA FMS as a waiver service:**
 - \$95.79 - \$98.66 per member per month
- **Average state-reported cost of F/EA FMS as a waiver service:**
 - \$109 - \$114.69 PMPM

- **Range: \$66.67 - \$227.77 PMPM**



FMS Costs: Fiscal/Employer Agent FMS Only

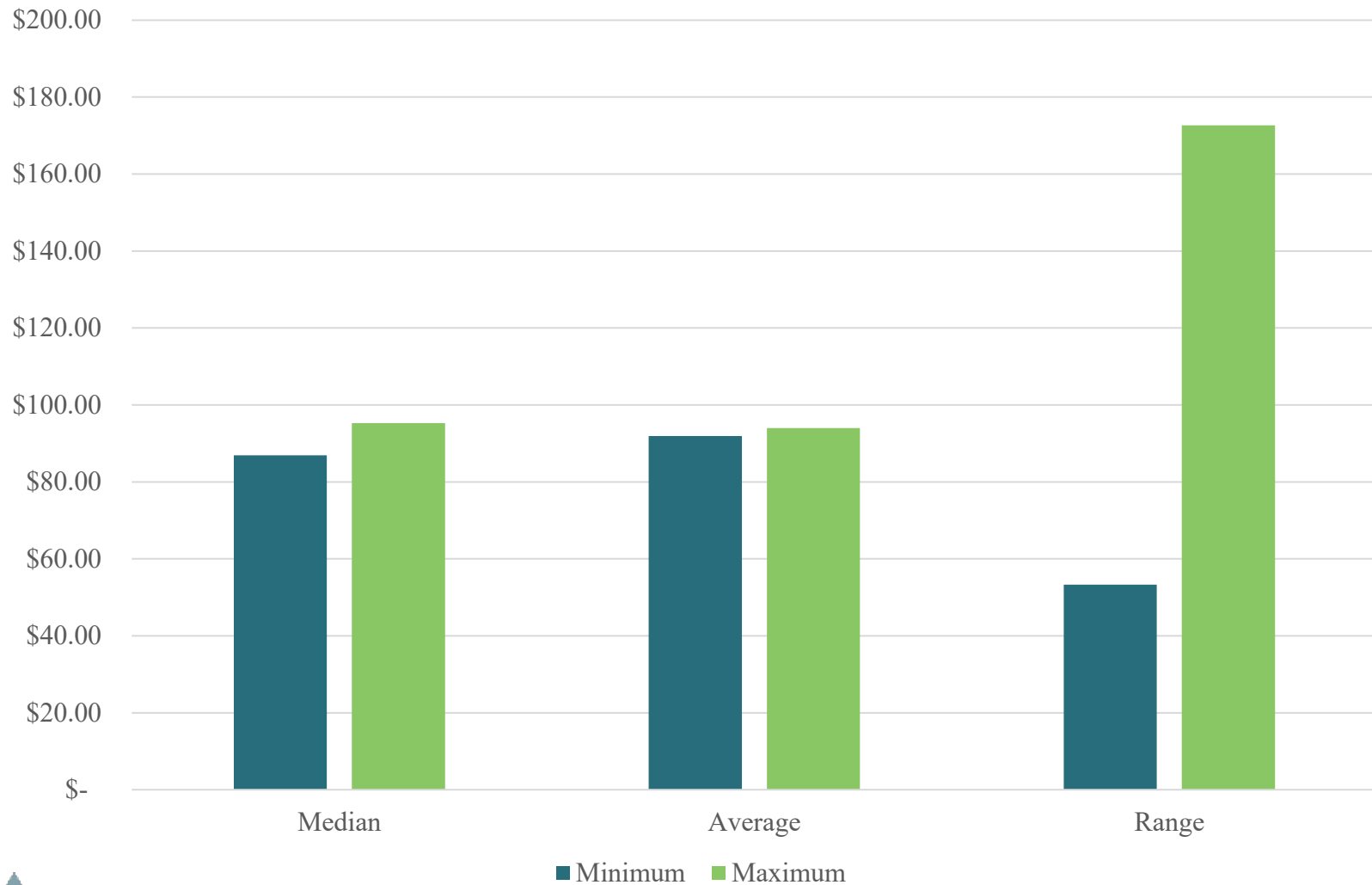


FMS Costs: Programs Serving Aging/Adults with Physical Disabilities Only

- **Median state-reported cost of FMS to this population:**
 - \$86.90 - \$95.24 per member per month
- **Average state-reported cost of providing FMS to this population:**
 - \$91.93 PMPM - \$93.96 PMPM
- **Range: \$53.27 - \$172.68 PMPM**



FMS Costs: Programs Serving Aging/Adults with Physical Disabilities Only



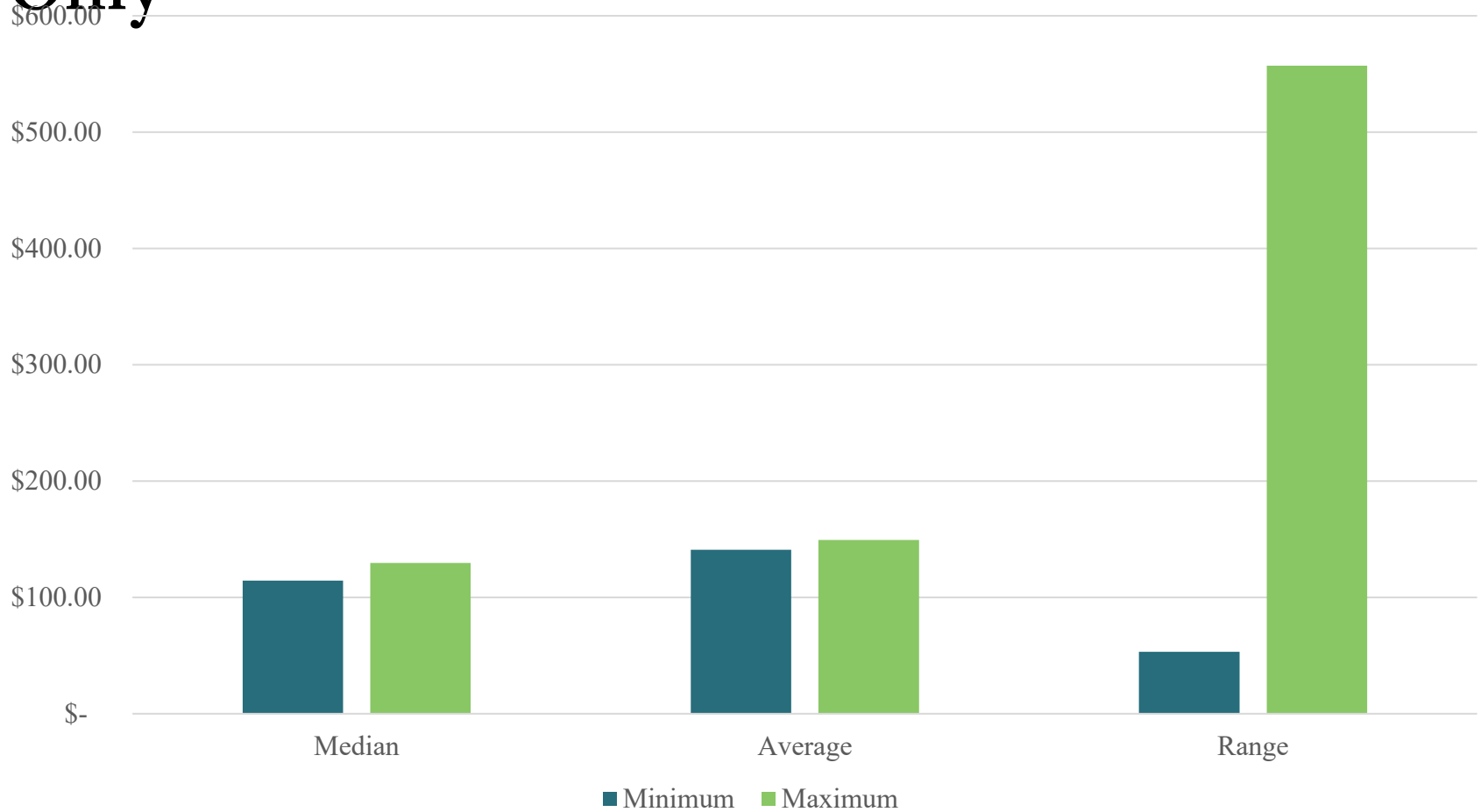
FMS Costs: Programs Serving People with Intellectual & Developmental Disabilities

Only

- **Median state-reported cost of providing FMS to this population:**
 - \$114.43 - \$129.55 per member per month
- **Average state-reported cost of providing FMS to this population:**
 - \$140.80 - \$149.21 PMPM
- **Range: \$53.27 – \$557 PMPM**



FMS Costs: Programs Serving People with Intellectual & Developmental Disabilities Only



Time for Q&A and Panel Discussion

