

The Direct Line

News from Director John Martin

Ohio Department of Developmental Disabilities

30 East Broad Street, 12th Floor
Columbus, Ohio 43215

DODD.Ohio.gov
800-617-6733

Independent Provider Changes: Common Law Employer/Employer Authority

Employer Authority allows individuals and families to employ their direct support staff, or work with an agency that will employ workers on their behalf. Under Common Law Employer, individuals and families will hire, train, supervise, and fire staff, while an entity called a fiscal intermediary (which is like a payroll service) will pay them. The advantage of this is your provider will not have to worry about making payments to Social Security or paying their taxes because the fiscal intermediary will do that for them. They also will work with you to make sure your paperwork and service records are correct.

Under another type of Employer Authority, “Co-Employment,” the individual recruits and directs workers, but the workers actually are employed by an agency. The agency performs all payroll and other employment-related functions for the workers.

What is a fiscal intermediary?

A fiscal intermediary, also called a Financial Management Service (FMS), helps you and your family by performing payroll and other employment-related functions on your behalf. The State of Ohio pays the fiscal intermediary through a contract, so **the cost of this service does not come from your waiver budget.**

In April, DODD will host a webinar with a fiscal intermediary so you can learn more, and ask questions. Watch for more information – if you aren’t able to attend, you can watch an online replay.

What does Employer Authority look like?

There are some clear things about what Employer Authority is, and what it isn’t.

What It Is	What It Isn't
Recruiting, hiring, supervising, training, and firing your providers as you decide – the same independence that individuals who work with independent providers today want	Having an agency recruit, hire, supervise, train, and fire your providers as the agency sees fit
Directing how services are delivered	Receiving services as directed by the provider
Approving and submitting timesheets	Processing payroll, and other employment-related functions
Serving as the employer of record	Assuming liability for Workers’ Compensation claims, including paying for Workers’ Compensation insurance
Not paying the cost for the fiscal intermediary: The State of Ohio pays these costs, so your waiver budget remains the same, and costs are not deducted from your provider’s hourly rate	Paying the cost for the fiscal intermediary: Costs to work with a fiscal intermediary would be taken out of your waiver budget, or your provider’s hourly rate

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Where can I learn more?

- **Online:** Go to DODD.Ohio.gov/OurFuture for more information, including frequently asked questions
- **Email:** Receive general news and information in your email inbox – sign up for Pipeline <http://dodd.ohio.gov/pipeline/>
- **By phone:** Call the DODD Budget and Developmental Center Closure Hotline toll-free at 855-611-6446 (OHIO) or 614-728-5311

John R. Kasich, Governor

John L. Martin, Director