



YOUR LIFE
YOUR CARE
YOUR PEOPLE

MYTHS

VS

FACTS

Understanding Self-Directed Care



Self-directed care is a critical Medicaid support that helps older adults and people with disabilities live independently at home.

As states continue investing in home- and community-based services, self-directed care has become the subject of misconceptions around how these programs operate, who they serve, and what oversight systems are in place to ensure accountability, transparency, and responsible stewardship of taxpayer dollars. The facts set the record straight.



MYTH

Self-directed care programs are fraught with fraud and lack oversight.

FACT

Strong fiscal intermediaries create the oversight and accountability that protect self-directed care programs.

Strong fiscal intermediaries (FIs) build oversight into every step of self-directed care programs. FIs help states verify eligibility and authorizations, monitor timekeeping and payments, flag irregular billing patterns, and ensure services are delivered as intended. By creating standardized processes and centralized visibility across the program, strong FIs help detect and prevent improper activity early while protecting both participants and taxpayer dollars.

MYTH

Self-directed care sacrifices accountability for flexibility.

FACT

Self-directed care is designed to make choice and accountability work together.

Self-directed care operates within a structured framework that ensures services are authorized, verified, and aligned with program rules. Choice is inherent in the model as it allows individuals to tailor care around their daily routines, personal preferences, and specific support needs, including the ability to choose trusted caregivers who understand their unique circumstances. By embedding oversight into everyday workflows, these programs maintain flexibility for participants while providing consistency, transparency, and compliance across the system.





MYTH

Allowing family members to serve as caregivers increases the risk of abuse.

FACT

Self-directed care programs require services to be authorized, verified, reported, and tied to individual care needs.

Self-directed care services must be authorized based on assessed needs and aligned with care plans. The ability to hire trusted caregivers can provide greater continuity, comfort, and understanding for individuals receiving care, while reporting and oversight mechanisms ensure adherence to program requirements. Modern systems, like Electronic Visit Verification, certify that services were delivered and must be approved before payment is issued, validating that caregiver payments reflect actual care provided.

MYTH

High spending in self-directed care signals waste or abuse.

FACT

Self-directed care supports growing demand for home-based care through more sustainable and cost-effective service models.

Self-directed care programs fund daily support that allows individuals to remain safely at home and in their communities, reducing reliance on higher-cost institutional settings. When paired with strong oversight and program integrity measures, self-directed care can help states expand access to care — in the ways people want to receive it — while supporting the long-term sustainability of home and community-based programs.





MYTH

Self-directed care means people are left to manage care completely on their own.

FACT

Self-directed care combines participant choice with professional support and program guidance.

Self-directed care allows individuals to make decisions about who provides their care and how services fit into their daily lives, while still operating within a structured support system. FIs, care managers, and state partners help participants navigate enrollment, payroll, authorizations, timekeeping, and program requirements. Many programs also provide dedicated support resources, including multilingual call centers, culturally competent staff, in-person assistance, and technology tools that help participants and caregivers manage services more easily. This combination of personal choice and administrative support helps individuals maintain independence while ensuring services are coordinated, compliant, and aligned with their care needs.

MYTH

Self-directed care contributes to the caregiver shortage.

FACT

Self-directed care is stabilizing the caregiving workforce.

The United States is facing a shortage of caregivers across the healthcare system. Self-directed care is helping to address that challenge by allowing individuals to hire people close to them who they trust. By professionalizing the caregiver role, self-directed care helps to broaden support networks while improving continuity of care for participants. Strong FIs provide stabilization through accurate and reliable payroll processing, training, and administrative support that make caregiving more sustainable over the long term.

