



FAQ's for the NC Community Alternatives Program (CAP)

What Are Employer Roles on a Self-Direction Waiver?

On a self-direction waiver, the employer roles typically include:

- Hiring and training employees
- Setting work schedules
- Evaluating employee performance
- Approving timesheets
- Ensuring compliance with program rules

As the employer, you have the authority to direct your care and manage the workers who provide that care, within the guidelines set by the waiver program.

What is a FEIN Number?

FEIN stands for Federal Employer Identification Number. It is a unique nine-digit number assigned by the Internal Revenue Service (IRS) to business entities operating in the United States for the purposes of identification. When using Acumen Fiscal Agent as your fiscal management company, we are required to obtain a FEIN in the employer's name for tax purposes, as it is used to identify your role as an employer.

How Does Acumen Handle Employer and Payroll Taxes?

Acumen Fiscal Agent pays employer taxes and payroll taxes on your behalf. This means that Acumen will handle the withholding, reporting, and payment of federal and state taxes related to your employees' wages, as well as any contributions to unemployment insurance or workers' compensation, as required.

What is Difficulty of Care?

Difficulty of care is a provision that allows certain Medicaid waiver payments for in-home support to be excluded from the caregiver's taxable income. It recognizes the challenges and additional responsibilities involved in caring for individuals with disabilities or special needs. It will exempt the employee from State and Federal payroll taxes. (This does not include FICA, FUTA, SUTA, MEDICAID)

Who Can Be Eligible for Difficulty of Care?

To be eligible for difficulty of care tax exclusions, the caregiver/employee must:

Acumen Fiscal Agent, LLC
5416 E Baseline Rd, Suite 200
Mesa, Arizona, 85206



- Reside full time in the same home as the client/participant where they employee regularly performs the routines of private life, including shared meals and holidays with family
- Not have a separate home they reside in
- Care for someone who is not their spouse, minor child, or parent if the care receiver is a child under age 19

What are Tax Exemptions for Household Employees Based on Relationship to the Employer?

Household employees who are related to their employer may be exempt from certain payroll taxes. For example, if you hire your parent, spouse, or child under the age of 21 as an employee, their wages may not be subject to Social Security and Medicare taxes, Federal Unemployment (FUTA) tax, or State Unemployment tax (SUTA).

What Are the Work Hour Restrictions for Employees?

Employees who do not live in the same home as the client cannot work more than 40 hours in a week due to Medicaid budget restrictions.

Employees that live in the client's home can work over 40 hours in a week at straight pay, with no overtime compensation.

What is EVV?

Electronic Visit Verification (EVV) is a system used to verify that home care services are being provided. EVV systems typically require the caregiver to electronically record the time services begin and end, ensuring that services are delivered and that accurate and timely billing can occur.

What Are the Requirements for Employees Before They Can Begin Work?

Before employees can be paid with Medicaid funding, they must:

- Complete a background check
- Have an active CPR certification
- Receive an 'Acumen good to go' letter
- Obtain approval from their client's case worker

Can Employees Clock Time During Other Medicaid Services?

No, employees cannot clock time for work during periods when other Medicaid services are being received by the client, such as doctor visits, rehabilitation, hospital stays, etc.