

Ways to manage your Personal Health Budget:
Things to Consider

The below tables should help you consider which payment method is right for you to manage your personal health budget. There are lots of things to consider and these are not set out as pros and cons since how they are perceived will vary from person to person. If you need further advice, speak to the health professional supporting you to set up your PHB.

1. Direct Payment (self-managed) where money is transferred to a person or representative who contracts for the necessary services	
All of the choice and control	Responsible for auditing, record keeping and providing information, when required
Can purchase additional support services i.e. payroll, personal assistants	Legal responsibility for managing money (and potentially employees)
No cost for the account	Less account support – unless purchased separately
Easy-to-use payment card (requires telephone or internet banking)	Individuals with social care direct payments will already be aware of the process

2. Direct Payment (managed) where an organisation manages the money on your behalf and pays all the services as agreed in your support plan	
All of the choice and control of self-managed direct payment	Have to keep direct payment support service informed
Option to directly employ staff you choose	Legal responsibility that comes with managing staff, if chosen
All payments made by the managed account organisation	Managed account organisation will inform CCG if there is any misuse of funds
Audits completed by managed account organisation	

3. Third Party Account where a CQC registered organisation independent of the individual and the NHS manages the budget on the individual's behalf and arranges support in line with the agreed support plan	
More involvement than notional but less than direct payment	Another support structure to help you
Audits completed by organisation	Less control but same choice
Cost is deducted from the budget so less money for other things	Payments made only for services listed in support plan
No need to manage staff, if this option chosen. Reliant on organisation to manage staff	Third Party organisation may not be as flexible as when you employ your own staff
Choice of who will support you	

4. Notional Budget where the commissioner holds the budget but utilises it to secure services based on the outcome of discussions with the service user	
No financial/audit responsibility	Less choice and control
Budget remains virtual	