SPECIFIC INSTRUCTIONS
for the completion of the

FISCAL YEAR 2014
HOME AND COMMUNITY BASED SERVICES/TEXAS HOME LIVING
REQUEST FOR REVISION REPORT

For assistance with the completion of this report, contact:	Ofelia Melendez, Rate Analyst Phone: 512-707-6080 FAX: 512-730-7484 E-mail: ofelia.melendez@hhsc.state.tx.us
For assistance with mailing and tracking of this report, contact:	Cost Report Specialist Phone: 512-707-6094 FAX: 512-730-7484

PURPOSE

The purpose of the Request for Revision Report (RFR) is to gather information for the Texas Health and Human Services Commission (HHSC) to use in determining if a provider met a higher attendant compensation level for the reporting period than the level it met on its most recently audited report functioning as its fiscal year 2011 Attendant Compensation Report.

WHO MUST COMPLETE THIS REPORT?

All providers requesting a revision of their enrollment limitation for the fiscal year 2014 enrollment period (September 1, 2013 – August 31, 2014) must complete this report.

GENERAL INSTRUCTIONS

Except where otherwise noted, this RFR is governed by all rules and instructions pertaining to the completion of your 2011 Home and Community Based Services (HCS)/Texas Home Living (TxHmL) Cost Report. Refer to:

- Cost Determination Process Rules at Title 1 of the Texas Administrative Code (TAC) §§355.101-.111;
- Attendant Compensation Rate Enhancement Rules at 1 TAC §355.112;
- HCS/TxHmL program-specific rules at 1 TAC §355.722;
- 2011 General and HCS/TxHmL Program-Specific Cost Report Training materials; and
- Specific Instructions for the Completion of the 2011 HCS/TxHmL Cost Report.

DUE DATE
This report is due to HHSC by July 31, 2013. Send one completed copy of the RFR and all required attachments, including the certification and methodology pages with original signatures and notary stamps/seals, to:

REGULAR MAIL:
HHSC Rate Analysis
Mail Code H-400
P.O. Box 149030
Austin, Texas 78714-9030

SPECIAL DELIVERY:
HHSC Rate Analysis
Brown-Heatly Building
Mail Code H-400
4900 North Lamar Blvd.
Austin, TX 78751-2399

Reports received after July 31, 2013 will not be accepted, and the enrollment limitation specified on the provider's fiscal year 2014 "Enrollment Limitation Report" will apply.

GROUP REPORT VERSUS INDIVIDUAL REPORT

If your component code participated in the rate enhancement as part of a group in fiscal year 2011, you may submit one RFR for the entire group or one RFR for each individual component code. The result of the analysis of an RFR completed for a group will apply to all component codes included on the RFR for fiscal year 2014. If you did not participate as part of a group during fiscal year 2010, the RFR can be submitted only for an individual component code.

WEBSITE

An electronic version of the 2014 RFR is available on our website at:

http://www.hhsc.state.tx.us/rad/long-term-svcs/index.shtml

Once you enter the website, click on the link to "Home and Community Based Services", then scroll down to the heading "Rate Enhancement – Attendant Compensation", click on "2014", and then click on "2014 Enrollment Limitations Information". Then locate and open the "2014 Request for Revision Report" element.

REPORTING PERIOD

The reporting period is **September 1, 2012 through April 30, 2013**. The report must be completed for the entire reporting period.

ROUNDING MONETARY AMOUNTS

All reported monetary amounts should be rounded to the nearest whole number (with no zeros included for "cents"). For example, $25.49 should be rounded to $25 and $25.50 should be rounded to $26. RFRs submitted without proper rounding of monetary amounts may be returned for proper completion.

ROUNDING STATISTICAL AMOUNTS

Statistical data (i.e., hours, units and miles) must be reported to two decimal places. For example, when reporting the hours paid for Priority attendants, 150 hours and 30 minutes would be reported as 150.50 hours and 150 hours and 20 minutes would be reported as 150.33 hours. RFRs submitted without appropriate decimal places may be returned for proper completion.

ACCOUNTING METHOD

All information submitted on the RFR must be based on an accrual method of accounting, except where otherwise specified. Governmental entities may report on a cash basis or modified accrual basis.

REPORT CERTIFICATION

Contracted providers must certify the accuracy of the RFR submitted to HHSC. Contracted providers may be liable for civil penalties, criminal penalties and/or imprisonment if the RFR is not completed according to HHSC requirements or if the information is misrepresented and/or falsified. Before signing the certification pages (pages 8 and 9), carefully read the certification statements to ensure that the signers have complied with the reporting requirements. The Methodology Certification (page 9) advises preparers that they may lose the authority to prepare future reports if

reports are not prepared in accordance with all applicable rules, instructions and mandatory training materials. **NOTE:** any report submitted without original signed and notarized Certification and Methodology Certification pages will be returned to the provider. Copies, faxes and e-mails will not be accepted.

COST ALLOCATION METHODS

Refer to the Cost Determination Process Rules (1 TAC §355.102(j) and §355.105(b)(2)(B)(v)) for information concerning allowable allocation methods and requirements for adequate allocation summaries. FICA/Medicare, unemployment, worker's compensation premiums and paid claims and employee health paid claims may be allocated to attendants based on payroll or direct costed. Health insurance premiums, life insurance premiums and other employee benefits must be direct costed.

DEFINITIONS

Accrual Accounting Method - method of accounting in which revenues are recorded in the period in which they are earned and expenses are recorded in the period in which they are incurred. If a provider operates on a cash basis, it will be necessary to convert from cash to accrual basis for reporting purposes. Care must be taken to ensure that a proper cutoff of accounts receivable and accounts payable occurred both at the beginning and ending of the reporting period. Amounts earned although not actually received and amounts owed to employees and creditors but not paid should be included in the reporting period in which they were earned or incurred. Allowable expenses properly accrued during the reporting period must be paid within 180 days after the end of the reporting period in order to remain allowable costs for reporting purposes. If accrued expenses are not paid within 180 days after the end of the reporting period, the expense is unallowable and should not be reported on the report.

In situations where a contracted provider, any of its controlling entities, its parent company/sole member, or its related-party management company has filed for bankruptcy protection, the contracted provider may request an exception to the 180-day requirement for payment of accrued allowable expenses by submitting a written request to the Rate Analysis Department of HHSC. The written request must be submitted within 60 days of the date of the bankruptcy filing or at least 60 days prior to the due date of the report for which the exception is being requested, whichever is later. The contracted provider will then be requested by the Rate Analysis Department to provide certain documentation, which must be provided by the specified due date. Such exceptions due to bankruptcy may be granted for reasonable, necessary and documented accrued allowable expenses that were not paid within the 180-day requirement.

Attendant - the unlicensed caregiver providing direct assistance to the individuals with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs). Attendants do not include the director, administrator, assistant director, assistant administrator, clerical and secretarial staff, professional staff, other administrative staff, licensed staff or attendant supervisors unless they are delivering attendant services that cannot be delivered by another attendant, to prevent a break in

service. To be allowable for the Attendant Compensation Rate Enhancement, attendant expenses must be direct-costed. Direct costing requires daily timesheets documenting time spent performing attendant services for the component code.

Contract Labor - personnel for whom the contracted provider is not responsible for the payment of payroll taxes (such as FICA, FUTA and TUCA).

Contracted Provider - the business component with which DADS contracts for the provision of HCS/TxHmL services.

Controlling Entity - the individual or organization that owns the contracting entity.

Mileage Reimbursement - reimbursement paid to the attendant for the use of his or her personal vehicle and which is not subject to payroll taxes.

Related Party - a person or organization related to the contracted provider by blood/marriage, common ownership, or any association which permits either entity to exert power or influence, either directly or indirectly, over the other. In determining whether a related-party relationship exists with the contracted provider, the tests of common ownership and control are applied separately. Control exists where an individual or organization has the power, directly or indirectly, to significantly influence or direct the actions or policies of an organization or institution. If the elements of common ownership or control are not present in both organizations, the organizations are deemed not to be related to each other. The existence of an immediate family relationship will create an irrefutable presumption of relatedness through control or attribution of ownership or equity interests where the significance tests are met. The following persons are considered immediate family for cost-reporting purposes: (1) husband and wife; (2) natural parent, child and sibling; (3) adopted child and adoptive parent; (4) stepparent, stepchild, stepsister, and stepbrother; (5) father-in-law, mother-in-law, brother-in-law, son-in-law, sister-in-law, and daughter-in-law; (6) grandparent and grandchild; (7) uncles and aunts by blood or marriage; (8) first cousins, and (9) nephews and nieces by blood or marriage. Disclosure of related-party information is required for all allowable costs reported by the contracted provider.

Workers' Compensation - for reporting purposes, the actual costs paid by the contracted provider during the reporting period related to employee on-the-job-injury (such as commercial insurance premiums or the medical bills paid on behalf of an injured employee).

COVER PAGE

9-DIGIT COMPONENT CODE (if report is for an individual component code)
Enter your 9-digit HCS/TxHmL component code. If, after looking at the upper right-hand corner of your most recent HCS/TxHmL cost report, your recent payment information, correspondence from DADS, and/or your contract with DADS, you do not know your correct 9-digit HCS/TxHmL component code, please contact the Rate Analyst listed on the cover of these instructions. If this report is for a group of component codes, leave this item blank.

CONTRACTED PROVIDER IDENTIFICATION (if report is for an individual component code)
Enter the trade name or doing-business-as (dba) name and the physical address of the contracted provider if you are completing the report for an individual component code. If you are completing the report for a group of HCS/TxHmL component codes, leave this item blank.

CONTRACTING ENTITY
Enter the requested information regarding the business entity that contracts with DADS to provide HCS/TxHmL services. This item cannot be blank.

CONTACT
Each provider must complete the CONTACT section. The contact person is the employee of the provider, contracting entity, controlling entity, parent company, sole member, governmental body or related-party management company that is designated to be contacted concerning information reported on the RFR. The contact person should be able to answer questions about the contents of your component code's RFR that arise during the HHSC Rate Analysis Department's edit process and the HHSC Office of Inspector General's audit verification process.

PREPARER
The preparer is the employee or contracted individual who actually prepared the report. For this reporting period, the preparer must have completed online or classroom-based cost report training for the 2011 and/or 2012 HCS/TxHmL Cost Report (including both the General and HCS/TxHmL Program Specific modules) and received a training completion certificate as per 1 TAC §355.102(d) (relating to General Principles of Allowable and Unallowable Costs). If the preparer and contact are the same person, you may enter "see contact."

LOCATION OF RECORDS
Report the address where the provider's accounting records and supporting documentation used to prepare this RFR are maintained. This should be the address at which a field audit of these records can be conducted.

PAGE TWO

ITEM 1 (DADS 9-Digit Component Code – if report is for an individual component code)
If this report is for an individual component code, enter your 9-digit HCS/TxHmL component code. If this report is for a group of component codes, leave this item blank.

ITEM 2 (Texas County Code in Which Accounting Records are Located)
Report the 3-digit county code for the Texas County in which the accounting records and supporting documentation used to prepare this compensation report is located. The Texas County codes are located in the back of the instructions. If the accounting records are located outside the state of Texas, enter "999". The response to item 4 should correspond to the information reported on the cover page in "Location of Records".

ITEM 3 (Reserved for Future Use)
This item is reserved for future use.

ITEM 4 (Reserved for Future Use)
This item is reserved for future use.

ITEM 5 (Reporting Period - Beginning Date)
The reporting period beginning date must be **September 1, 2012**.

ITEM 6 (Reporting Period - Ending Date)
The reporting period ending date must be **April 30, 2013**.

ITEM 7 (Owner-employees or related-party employees?)
If "YES", complete Schedule C for each owner-employee or other related-party employee. Schedule C requires that an organization chart be attached that clearly indicates each owner-employee's and related-party employee's position within the entire related organization.

ITEM 8 (Attach copies of Mandatory Cost Report Training Certificate?)
Attach copies of the required state-conducted mandatory 2012 PHC cost report training completion or online testing certificate for your preparer. Reports submitted without a proper training completion or online testing certificate attached will not be processed until the required certificates have been received, and may be returned as unacceptable if the required certificates are not received in a timely manner.

ITEM 9 (Allocation of Expenses)
If any expenses reported on the RFR resulted from allocation, mark item 11 "YES".

The following expenses must be direct-costed:

Salaries/Wages:

Employee Benefits/Insurance:

- Accrued Vacation, Accrued Sick Leave
- Employer-Paid Health/Medical/Dental Premiums
- Employer-Paid Disability Insurance Premiums
- Employer-Paid Life Insurance Premiums
- Employer-Paid Contributions to acceptable retirement funds/pension plans
- Employer-Paid Contributions to acceptable deferred compensation funds
- Employer-Paid Child Day Care

Mileage Reimbursement **56.5¢ 09/1/12 to present**

The following may be direct-costed or allocated using a functional method based upon percentage of salaries:

- FICA
- Medicare
- Unemployment (TUCA and FUTA)
- Workers' Compensation Premiums
- Workers' Compensation Paid Claims
- Employer-Paid Health/Medical/Dental Paid Claims
- Employer-Paid Disability Paid Claims

For allocation of expenses, attach (and properly cross-reference to each applicable item): a detailed allocation summary showing 100% of your expenses by cost category, the numerator and denominator of the allocation calculation in words and in numbers, the resulting allocation percentage (with 2 decimal places), the application of the allocation percentage to each shared cost, the amount allocated to each component code/program/business entity, and the report line item on which each allocated cost is reported on this report.

ITEM 10 (Does Contracting Entity hold any other participating contracts or component codes?)

If the contracting entity holds any other contracts or component codes that are participating in the Attendant Compensation Rate Enhancement, report the total number of contracts/component codes in the box provided and list the type of contract (i.e., PHC, CBA, CLASS, DAHS, RC, CBA AL/RC, DB-MD, ICF/IID) with its 9-digit contract number or component code in the space provided. If you are completing this report for a group of component codes, list all of the component codes that are participating within the group and any additional contracts that are participants in the Attendant Compensation Rate Enhancement. If the answer to item 12 is no, enter zero.

ITEM 11 (Select Correspondence Address)

Select the address to which you want all future correspondence concerning this report to be mailed. The two choices correspond to the addresses indicated on the cover of the report.

NON-DAY HABILITATION SERVICES

ITEMS 20, 22, 24, 26, 28, 30, 32, and 34 (Paid Hours – Non-Day Habilitation)
Report the total number of hours paid for Non-Day Habilitation attendants – both employee and contract labor - in items 20, 22, 24, 26, 28, 30, 32, and 34, including hours for training, paid leave, or travel time between individuals. The employee hours reported in these line items should reconcile with your payroll ledger for total hours worked. Reported hours must be associated with allowable costs as defined in 1 TAC §355.103(b)(1). Report all hours to **two** decimal places.

ITEMS 21, 23, 25, 27, 29, 31, and, 33. (Salaries and Wages and Compensation– Non-Day Habilitation)
In items 21, 25, 29, and 33 report attendant salaries and wages for Non-Day Habilitation attendants related to the hours reported in items 20, 24, 28, and 30. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. In items 23, 27, 31, and 35, report compensation for contract staff delivering Non-Day Habilitation attendant services related to the hours reported in items 22, 26, 30, and 34. See the DEFINITIONS section for the definition of an attendant and for requirements pertaining to staff members functioning in more than one capacity. Salaries and wages include overtime, bonuses, and taxable fringe benefits such as accrued/taken vacation, accrued/taken sick leave, and other allowances in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

ITEM 36 (Payroll Taxes – FICA and Medicare)
Report both FICA and Medicare taxes for Non-Day Habilitation attendants delivering Non-Day Habilitation attendant services on item 36.

ITEM 37 (Does item 24 equal 7.65%?)
If the answer to this question is "NO", provide a detailed explanation on the line provided. If additional space is required, attach (and properly cross-reference) the detailed explanation. The explanation should provide a reconciliation. Federal regulations mandate an employer FICA contribution of at least 6.20% and Medicare contributions of 1.45%. Reasons why your component code's FICA contributions might not equal 6.20% of the payroll or why your component code's Medicare contributions might not equal 1.45% of the payroll might include the fact that certain employees participated in a cafeteria plan during the reporting period. The reconciliation explanation must be detailed, reporting the number of employees participating in a cafeteria plan and the amount of salaries associated with those employees, with the resulting dollar amount of salaries subject to FICA being multiplied by 6.20%, the resulting dollar amount subject to Medicare contributions and reconciled with the amount reported in item 37. Include as part of your reconciliation explanation a copy of your most recently submitted IRS Form 5500 (Schedule F; Fringe Benefit Plan Annual Information Return).

ITEM 38 (Payroll Taxes - State and Federal Unemployment)
Report both federal (FUTA) and state (TUCA) unemployment expenses for Non-Day Habilitation

attendants delivering attendant services. If this item is blank, provide a detailed explanation in the space provided as to why no unemployment expenses are reported. Unemployment expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

ITEM 39 [Workers' Compensation – Insurance (WCI) Premiums]
If your component code, any of its controlling entities, or its parent company/sole member is a subscriber to the Workers' Compensation Act, report the WCI premiums paid to your commercial insurance carrier for Non-Day Habilitation attendants. Premium costs include the base rate, any discounts for lack of injuries, any refunds for prior period overpayments, any additional modifiers and surcharges for experiencing high numbers of injuries (such as being placed in a risk pool).

If your component code, any of its controlling entities, or its parent company/sole member is not a subscriber to the Workers' Compensation Act, there are alternate insurance premium costs that can be reported in this item. Acceptable alternate insurance policies include industrial accident policies and other similar types of coverage for employee on-the-job injuries. Health insurance is not worker's compensation and should be reported in item 41. If your commercially-purchased insurance policy does not provide total coverage and has a deductible and/or coinsurance clause, any deductibles and/or coinsurance payments made by the employer on behalf of the employee would be considered paid claims (i.e., self-insurance) and must be reported in item 40.

WCI premium expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

ITEM 40 (Workers' Compensation - Paid Claims)
Report medical claims paid for employee on-the-job injuries for non-Day Habilitation attendants. If you were not a subscriber to the Workers' Compensation Act (i.e., traditional workers' compensation insurance policy), and you paid workers' compensation claims for employee on-the-job injuries for the staff whose salaries and wages are reported in items 21, 25, 29, and 33, report the amount of claims paid in this item. If you maintained a separate banking account for the sole purpose of paying your workers' compensation claims for employee on-the-job injuries (i.e., a nonsubscriber risk reserve account), the contributions made to this banking account are not allowable. Paid claims may be direct-costed or allocated based upon payroll. If paid claims are allocated, an acceptable allocation summary must be attached.

ITEM 41 (Employee Benefits - Health Insurance)
Report employer-paid health insurance for Non-Day Habilitation attendants whose salaries and wages are reported in items 21, 25, 29, and 33. Employer-paid health insurance premiums must be direct-costed.

ITEM 42 (Employee Benefits - Life Insurance)
Report employer-paid life insurance Non-Day Habilitation attendants whose salaries and wages are reported in items 21, 25, 29, and 33. Employer-paid life insurance premiums must be direct-costed.

ITEM 43 (Employee Benefits - Other Benefits)

Report any employer-paid disability insurance and retirement contributions for Non-Day Habilitation attendants whose salaries and wages are reported in items 21, 25, 29, and 33. These benefits must be direct-costed. The contracted provider's unrecovered cost of meals and room-and-board furnished to direct care staff, uniforms, staff personal vehicle mileage reimbursement, job-related training reimbursements and job certification renewal fees are not to be reported as benefits; unless they are subject to payroll taxes, in which case they are to be reported as salaries and wages. Other than mileage reimbursement for allowable transportation of individuals receiving services, costs that are not employee benefits and are not subject to payroll taxes are not to be reported on the RFR; these costs may be reported on the provider's cost report in the appropriate items. In the space provided, describe the amount and type of each benefit comprising the total amount reported. Employee benefits must be reported in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

ITEM 44 (Mileage Reimbursement)
Report the mileage reimbursement paid to Non-Day Habilitation attendants. Refer to the DEFINITIONS section regarding mileage reimbursement. The amount of mileage reimbursement reported in this item will be divided by the number of miles reported in item 46 to verify mileage reimbursement ceilings. Allowable mileage reimbursement cannot exceed the reimbursement rate applicable for the reporting period as set by the Texas Legislature for state employee travel.

ITEM 45 (Total Attendant Cost)
Sum items 21, 23, 25, 27, 29, 31, 33, 35, 36, and 38 through 44.

ITEM 46 (Number of Miles Reimbursed)
If you reported mileage reimbursement in item 44, report the number of miles reimbursed in item 46. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

DAY HABILITATION SERVICES

ITEMS 47 and 49 (Paid Hours – Day Habilitation)
Report the total number of hours paid for Day Habilitation attendants in item 48, including hours for training, paid leave, or travel time between individuals. The hours reported in this line item should reconcile to your payroll ledger for total hours worked.

Report the total number of hours paid to contract staff delivering Day Habilitation attendant services in item 50. Reported hours must be associated with allowable costs as defined in 1 TAC §355.103(b)(1). Report all hours to **two** decimal places.

NOTE: If provider contracts with a related-party entity to provide contracted Day Habilitation services, the hours, wages, taxes and benefits must be reported as if they were for the staff of the provider.

ITEMS 48 and 50 (Salaries and Wages and Compensation - Day Habilitation)
In item 48, report accrued salaries and wages for Day Habilitation attendants. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. In item 50, report compensation for contract staff delivering Day Habilitation attendant services. See special note above for reporting Day Habilitation services contracted with a related-party entity. See the DEFINITIONS section for the definition of an attendant and for requirements pertaining to staff members functioning in more than one capacity. Salaries and wages include overtime, bonuses, and taxable fringe benefits such as accrued/taken vacation, accrued/taken sick leave, and other allowances in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

ITEM 51 (Payroll Taxes – FICA and Medicare)
Report both FICA and Medicare taxes for Day Habilitation attendants on item 51.

ITEM 52 (Does item 51 equal 7.65%?)
If the answer to this question is "NO", provide a detailed explanation on the line provided. If additional space is required, attach (and properly cross-reference) the detailed explanation. The explanation should provide a reconciliation. Federal regulations mandate an employer FICA contribution of at least 6.20% and Medicare contributions of 1.45%. Reasons why your component code's FICA contributions might not equal 6.20% of the payroll or why your component code's Medicare contributions might not equal 1.45% of the payroll might include the fact that certain employees participated in a cafeteria plan during the reporting period. The reconciliation explanation must be detailed, reporting the number of employees participating in a cafeteria plan and the amount of salaries associated with those employees, with the resulting dollar amount of salaries subject to FICA being multiplied by 6.20%, the resulting dollar amount subject to Medicare contributions and reconciled with the amount reported in item 52. Include as part of your reconciliation explanation a copy of your most recently submitted IRS Form 5500 (Schedule F; Fringe Benefit Plan Annual Information Return).

ITEM 53 (Payroll Taxes - State and Federal Unemployment)
Report both federal (FUTA) and state (TUCA) unemployment expenses for Day Habilitation attendants. If this item is blank, provide a detailed explanation in the space provided as to why no unemployment expenses are reported. Unemployment expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

ITEM 54 [Workers' Compensation – Insurance (WCI) Premiums]
If your component code, any of its controlling entities, or its parent company/sole member is a subscriber to the Workers' Compensation Act, report the WCI premiums paid to your commercial insurance carrier for Day Habilitation attendants. Premium costs include the base rate, any discounts for lack of injuries, any refunds for prior period overpayments, any additional modifiers and surcharges for experiencing high numbers of injuries (such as being placed in a risk pool).

If your component code, any of its controlling entities, or its parent company/sole member is not a subscriber to the Workers' Compensation Act, there are alternate insurance premium costs that can be reported in this item. Acceptable alternate insurance policies include industrial accident policies and other similar types of coverage for employee on-the-job injuries. Health insurance is not

worker's compensation and should be reported in item 56.

If your commercially-purchased insurance policy does not provide total coverage and has a deductible and/or coinsurance clause, any deductibles and/or coinsurance payments made by the employer on behalf of the employee would be considered paid claims (i.e., self-insurance) and must be reported in item 48.

WCI premium expenses may be allocated based upon payroll; in such a situation, an acceptable allocation summary must be attached.

ITEM 55 (Workers' Compensation - Paid Claims)
Report medical claims paid for employee on-the-job injuries for Day Habilitation attendants. If you were not a subscriber to the Workers' Compensation Act (i.e., traditional workers' compensation insurance policy), and you paid workers' compensation claims for employee on-the-job injuries for the staff whose salaries and wages are reported in item 48, report the amount of claims paid in this item. If you maintained a separate banking account for the sole purpose of paying your workers' compensation claims for employee on-the-job injuries (i.e., a nonsubscriber risk reserve account), the contributions made to this banking account are not allowable. Paid claims may be direct-costed or allocated based upon payroll. If paid claims are allocated, an acceptable allocation summary must be attached.

ITEM 56 (Employee Benefits - Health Insurance)
Report employer-paid health insurance for Day Habilitation attendants whose salaries and wages are reported in item 48. Employer-paid health insurance premiums must be direct costed.

ITEM 57 (Employee Benefits - Life Insurance)
Report employer-paid life insurance for Day Habilitation attendants whose salaries and wages are reported in item 48. Employer-paid life insurance premiums must be direct-costed.

ITEM 58 (Employee Benefits - Other Benefits)
Report any employer-paid disability insurance and retirement contributions for Day Habilitation attendants whose salaries and wages are reported in item 48. These benefits must be direct-costed. The contracted provider's unrecovered cost of meals and room-and-board furnished to direct care staff, uniforms, staff personal vehicle mileage reimbursement, job-related training reimbursements and job certification renewal fees are not to be reported as benefits; unless they are subject to payroll taxes, in which case they are to be reported as salaries and wages. Other than mileage reimbursement for allowable transportation of individuals receiving services, costs that are not employee benefits and are not subject to payroll taxes are not to be reported on the RFR; these costs may be reported on the provider's cost report in the appropriate items. In the space provided, describe the amount and type of each benefit comprising the total amount reported. Employee benefits must be reported in accordance with 1 TAC §355.103(b)(1)(A)(iii)(II).

ITEM 59 (Mileage Reimbursement)
Report the mileage reimbursement paid to attendants. Refer to the DEFINITIONS section regarding mileage reimbursement. The amount of mileage reimbursement reported in this item will be

divided by the number of miles reported in item 63 to verify mileage reimbursement ceilings. Allowable mileage reimbursement cannot exceed the reimbursement rate applicable for the reporting period as set by the Texas Legislature for state employee travel.

ITEM 60 [Day Habilitation 3rd-Party Contract (not Related Party)] Paid Days
Report the total number of days during the reporting period for which you paid 3rd-party contractors for Day Habilitation services.

ITEM 61 [Day Habilitation 3rd-Party Contract (not Related Party)] Compensation
Report the total amount paid to 3rd-party contractors for the days reported in item 60. Do not make any reductions. You do not need to report the specific expenses of the 3rd-party contractor.

ITEM 62 (Total Day Habilitation Attendant Cost)
Sum items 48, 50, 51, 53 through 59, and 61.

ITEM 63 (Number of Miles Reimbursed)
If you reported mileage reimbursement in item 59, report the number of reimbursed miles in item 63. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

UNITS OF SERVICE

ITEMS 66-78 (Units of Service)
Report the total number of units of HCS/TxHmL services **(with two decimal places where noted) PROVIDED** by your attendants to all individuals during the reporting period, according to the specified service type. For Non-Day Habilitation this includes Residential Support Services and Supervised Living (RSS/SL), Supported Home Living and Community Support Services, Respite, Supported Employment and Employment Assistance. **Be sure to include all billable services PROVIDED during the report period, not just services for which you have already received payment.** For RSS/SL and Day Habilitation, in addition to the billed units of service, you should include days of service provided for which you may never be reimbursed (e.g., service provided to an individual who has temporarily lost eligibility). Report all hours of service and the day habilitation days of service to two decimal places.

SCHEDULES A & B: RESERVED FOR FUTURE USE

SCHEDULE C

This schedule must be completed by **every** contracted provider that has an owner-employee or other related-party employee acting as an attendant regardless of whether the owner-employee or other related-party employee received **any compensation** for their services during the reporting period.

For reporting purposes, an employee who meets the definition of a related party or an owner who is a sole proprietor, a partner owning 5% or more of the partnership, or a corporate stockholder owning 5% or more of the outstanding stock of the contracted provider must report their compensation on a Schedule C (these meet the definition of an "owner-employee").

If no compensation was paid, received, or properly accrued during the reporting period for an owner-employee or a related-party employee, complete items 1 - 10 and indicate "None" or "N/A" in the remaining items. Be sure to clearly explain in item 10 why no compensation is being reported.

An organizational chart must be attached to Schedule C indicating the owner-employee's or the related-party employee's name and position within the organization. When organizational structures are composed of several corporations and the owner-employee and/or other related-party employee is associated with more than one of the corporations, it is necessary to submit at least two organizational charts: one picturing the entire organizational structure of various corporations and one detailing the organizational structure of the corporation providing the services covered by the specific RFR.

Allowable Compensation (see 1 TAC §355.103(b)(2))

Allowable compensation for an owner-employee or other related-party employee is governed by the principles that the services rendered are necessary functions, that the compensation is for the reasonable value of services rendered, that the compensation is not based on profitability, and that the services performed do not duplicate those performed by another employee of the component code.

A function is deemed necessary when, if the owner or related party had not performed said function, the component code would have had to employ another person to perform that function. To
be necessary, a function must pertain to direct or indirect activities in the provision or supervision of contracted resident services.

The test of reasonableness requires that the compensation of owner-employees and other related-party employees be such an amount as would ordinarily be paid for comparable services performed by non-owners or unrelated parties. Reasonable compensation is limited to the fair market value of services rendered by the owner-employee or other related-party employee in

connection with resident care. Education and experience of the owner are pertinent only as they relate to the job being performed and the services being rendered, in this case, attendant services.

NOTE: Record all monetary amounts rounded to the nearest whole dollar (with no zeros included for cents).

PART 1 - COMPENSATION

Item 1 (Name) - Indicate the name (Last Name, First Name, and Middle Name/Initial) of the owner-employee or the related-party employee.

Item 2 (Title) - Indicate the title of the owner-employee or other related-party employee. The title must correspond to the title indicated on the organizational chart attached to the RFR.

Item 3 (Type of Position) - Identify the type of position filled by the owner-employee or other related-party employee. Only attendant positions should be included in this RFR.

Item 4 (Location of Position within Organizational Structure) - Indicate the location of the owner-employee's or other related-party employee's position within the organizational structure (i.e., component code, contracting entity, a controlling entity, or parent company/sole member/related-party management company). Item 4 should relate to the organizational chart(s) attached to the RFR.

Item 5 (Description of Duties) - Provide a description of the duties performed by the owner-employee or other related-party employee as they relate to the specific RFR or attach and properly cross-reference a copy of the person's written job description and provide a summary of how those duties relate to the specific RFR. See 1 TAC §355.105(b)(2)(B)(xi). Only attendant positions should be included on this RFR.

Item 6 (Relationship to Provider) - Indicate the owner-employee's or other related-party employee's relationship to the contracted provider. If the schedule is being completed for an owner-employee, indicate that the employee is an owner and describe the type of ownership (e.g., owner-sole proprietor; owner- % partner; owner- % stockholder). If the schedule is being completed for a related-party employee other than the owner, identify the relationship (e.g., husband of owner-sole proprietor; daughter-in-law of % partner; brother of % stockholder). If the schedule is being completed for a member of the Board of Directors (related through control), identify that fact in this item.

Item 7 (Percentage of Ownership) - If the schedule is being completed for an owner-employee, enter the percentage of ownership for that employee. If the schedule is being completed for a related-party employee who has no ownership interest, indicate "None" as the ownership percentage. If the schedule is being completed for a related-party employee who is the spouse of an owner in a community property state, indicate the same ownership percentage as the owner.

Item 8 (Total Compensation) - Report the total amount of compensation paid to (or properly

accrued by) the owner-employee or other related-party employee during the reporting period. See 1 TAC §355.103(b)(2)(A-B) and §355.105(b)(2)(B)(xi).

Total compensation includes regular salary, overtime pay, bonuses and any other forms of compensation subject to payroll taxes, as well as any accrued compensation which had not been paid to the employee at the end of this reporting period. (Note: Accrued expenses must be paid within 180 days after the end of the reporting period in order to be allowable for reporting purposes.)

Item 9 (Number of Hours Worked) - Report the number of hours worked during the reporting period by the employee in order to earn the total compensation reported in item 8. In other words, if item 8 were divided by item 9, the result would be the employee's average compensation per hour.

Item 10 (Direct Costing Method) - If the services provided by this employee benefited more than the component code for which the RFR is being completed, if the employee's salary is reported in more than one item on this RFR, or if the employee performed both attendant and nonattendant functions for this component code, the salary must be directly charged based upon timesheets. Describe the basis upon which the compensation has been directly charged to this report or between line items. For example, you might state that the salary has been directly charged based upon daily timesheets, attach a copy of a completed timesheet, attach a copy of the written instructions applicable to the completion of the timesheet, report the total number of hours recorded by all timesheets during the reporting period (the denominator), report the total number of hours directly chargeable to the specific report based upon the results of the daily timesheets (the numerator), and show the calculation of the percentage of compensation directly charged to this report (a percentage with two decimal places).

PART 2 – ALLOCATION OF COMPENSATION

Item 11 (Breakdown of Total Compensation) - Provide a breakdown by business component of how the total allowable compensation reported in item 8 was directly charged. If the owner-employee or other related-party employee performed both attendant and nonattendant functions for this component code, provide a breakdown between the employee’s attendant and nonattendant compensation.

The owner-employee or other related-party employee must report in item 11 the total compensation received from all business entities (components) which benefit from his/her effort or work. If the business component has a state of Texas vendor/provider number, report the number in the business component blank (e.g., PHC #XXXXXXXXX; CBA #XXXXXXXXX; NF #XXXXXXXXX; ERS #XXXXXXXXX; DAHS #XXXXXXXXX; RC #XXXXXXXXX; ICF/IID #0000I0XXX).

Compensation should be directly charged to each business entity based either on the level of effort involved in providing services to or working for the entity (and supported by daily timesheets).

Item 12 (% of Total Compensation) - Report the percentage of the total employee compensation from item 8 that has been directly charged to this report. Report the percentage with two decimal places (i.e., 33.33%).

Item 13 (% of Total Hours) - Report the percentage of the employee's total hours (item 9) directly charged to this report. Report the percentage with two decimal places. If the percentage of hours reported in item 13 is different from the percentage of compensation reported in item 12, please provide a detailed explanation for the variance. If additional pages are required, please cross-reference any attachments.

Item 14 (Report Item Numbers) - Enter each RFR item number on which the compensation directly charged to this report is reported. Include the number of hours reported for the corresponding line item. The explanation provided in item 10 should clearly explain how the amount was calculated for each report item number completed in item 14.

CERTIFICATION PAGES

REPORT CERTIFICATION

This page must be completed and signed by an individual legally responsible for the conduct of the provider, such as an owner, partner, Corporate Officer, Association Office, governmental official, or L.L.C. member. The program administrator may not sign this certification page unless he/she holds one of these positions. The responsible party's signature must be notarized. The signature date should be the same or after the date the preparer signed the Methodology Certification page, since the report certification indicates that the report has been reviewed after preparation.

The certification page must contain original signatures and original notary stamps/seals.

METHODOLOGY CERTIFICATION

This page must be signed by the person identified on the cover page of this report as *PREPARER.* This person must be the individual who actually prepared the report or who has primary responsibility for the preparation of the report for the provider. Signing as *PREPARER* carries the responsibility for an accurate and complete report prepared in accordance with applicable methodology rules and instructions. Signing as *PREPARER* signifies that the preparer is knowledgeable of the applicable methodology rules and instructions and that the preparer has either completed the report himself/herself in accordance with those rules and instructions or has adequately supervised and thoroughly instructed his/her employees in the proper completion of the report. Ultimate responsibility for the report lies with the person signing as *PREPARER.* If more than one person prepared the report, an executed Methodology Certification page (with original signature and original notary stamp/seal) may be submitted by each preparer. Preparers should make note of the additional statement on the certification page notifying preparers that they may lose their authority to prepare future reports if the reports are not prepared in accordance with all applicable rules, instructions and mandatory training materials.

Note: Each person signing as preparer must have attended any required HHSC state-sponsored Mandatory Cost Report Training for the 2011 or 2012 HCS/TxHmL Cost Report and a valid completion or online testing certificate must be attached to the report for each preparer. If a valid completion or online testing certificate is not attached, the report will not be processed until such time as the required certificates are provided. If the required certificates are not provided in a timely manner, the report will be returned as unacceptable.

STATE OF TEXAS COUNTY CODES

County Name	Code	County Name	Code	County Name	Code	County Name	Code	County Name	Code
Anderson	001	Crockett	053	Hays	105	Mason	157	Shackelford	209
Andrews	002	Crosby	054	Hemphill	106	Matagorda	158	Shelby	210
Angelina	003	Culberson	055	Henderson	107	Maverick	159	Sherman	211
Aransas	004	Dallam	056	Hidalgo	108	McCulloch	160	Smith	212
Archer	005	Dallas	057	Hill	109	McLennan	161	Somervell	213
Armstrong	006	Dawson	058	Hockley	110	McMullen	162	Starr	214
Atascosa	007	Deaf Smith	059	Hood	111	Medina	163	Stephens	215
Austin	008	Delta	060	Hopkins	112	Menard	164	Sterling	216
Bailey	009	Denton	061	Houston	113	Midland	165	Stonewall	217
Bandera	010	DeWitt	062	Howard	114	Milam	166	Sutton	218
Bastrop	011	Dickens	063	Hudspeth	115	Mills	167	Swisher	219
Baylor	012	Dimmit	064	Hunt	116	Mitchell	168	Tarrant	220
Bee	013	Donley	065	Hutchinson	117	Montague	169	Taylor	221
Bell	014	Duval	066	Irion	118	Montgomery	170	Terrell	222
Bexar	015	Eastland	067	Jack	119	Moore	171	Terry	223
Blanco	016	Ector	068	Jackson	120	Morris	172	Throckmorton	224
Borden	017	Edwards	069	Jasper	121	Motley	173	Titus	225
Bosque	018	Ellis	070	Jeff Davis	122	Nacogdoches	174	Tom Green	226
Bowie	019	El Paso	071	Jefferson	123	Navarro	175	Travis	227
Brazoria	020	Erath	072	Jim Hogg	124	Newton	176	Trinity	228
Brazos	021	Falls	073	Jim Wells	125	Nolan	177	Tyler	229
Brewster	022	Fannin	074	Johnson	126	Nueces	178	Upshur	230
Briscoe	023	Fayette	075	Jones	127	Ochiltree	179	Upton	231
Brooks	024	Fisher	076	Karnes	128	Oldham	180	Uvalde	232
Brown	025	Floyd	077	Kaufman	129	Orange	181	Val Verde	233
Burleson	026	Foard	078	Kendall	130	Palo Pinto	182	Van Zandt	234
Burnet	027	Fort Bend	079	Kenedy	131	Panola	183	Victoria	235
Caldwell	028	Franklin	080	Kent	132	Parker	184	Walker	236
Calhoun	029	Freestone	081	Kerr	133	Panner	185	Waller	237
Callahan	030	Frio	082	Kimble	134	Pecos	186	Ward	238
Cameron	031	Gaines	083	King	135	Polk	187	Washington	239
Carnes	032	Galveston	084	Kinney	136	Potter	188	Webb	240
Carson	033	Garza	085	Kleberg	137	Presidio	189	Wharton	241
Cass	034	Gillespie	086	Knox	138	Rains	190	Wheeler	242
Castro	035	Glasscock	087	Lamar	139	Randall	191	Wichita	243
Chambers	036	Goliad	088	Lamb	140	Reagan	192	Wilbarger	244
Cherokee	037	Gonzales	089	Lampasas	141	Real	193	Willacy	245
Childress	038	Gray	090	LaSalle	142	Red River	194	Williamson	246
Clay	039	Grayson	091	Lavaca	143	Reeves	195	Wilson	247
Cochran	040	Gregg	092	Lee	144	Refugio	196	Winkler	248
Coke	041	Grimes	093	Leon	145	Roberts	197	Wise	249
Coleman	042	Guadalupe	094	Liberty	146	Robertson	198	Wood	250
Collin	043	Hale	095	Limestone	147	Rockwall	199	Yoakum	251
Collingsworth	044	Hall	096	Lipscomb	148	Runnels	200	Young	252
Colorado	045	Hamilton	097	Live Oak	149	Rusk	201	Zapata	253
Comal	046	Hansford	098	Llano	150	Sabine	202	Zavala	254
Comanche	047	Hardeman	099	Loving	151	San Augustine	203		
Concho	048	Hardin	100	Lubbock	152	San Jacinto	204		
Cooke	049	Harris	101	Lynn	153	San Patricio	205		
Coryell	050	Harrison	102	Madison	154	San Saba	206		
Cottle	051	Hartley	103	Marion	155	Schleicher	207		
Crane	052	Haskell	104	Martin	156	Scurry	208		