

HOME AND COMMUNITY-BASED SERVICES and  
TEXAS HOME LIVING  
**DAY HABILITATION SERVICES**  
ATTENDANT COMPENSATION RATE ENHANCEMENT

- Enrollment Worksheet B and Instructions –

July 1 – 31, 2014 Enrollment for Levels to be Effective September 1, 2014

NOTE: This worksheet is provided for your own information and should be retained in your files for future reference.

**Do not return.**

For questions about completing this form:

Contact: [rad-ltss@hhsc.state.tx.us](mailto:rad-ltss@hhsc.state.tx.us) or (512) 730-7463

A project of  
the Texas Health and Human Services Commission

INSTRUCTIONS  
HOME AND COMMUNITY-BASED SERVICES (HCS) and  
TEXAS HOME LIVING (TxHmL)  
**DAY HABILITATION SERVICES**  
Attendant Compensation Rate Enhancement  
Enrollment Worksheet B

PURPOSE

To allow providers to calculate HCS and TxHmL day habilitation spending requirements and potential differences between day habilitation costs and day habilitation revenues under the Attendant Compensation Rate Enhancement for their component code. This information can be used by providers to help them make an informed decision about participation in the enhancement program for their HCS and TxHmL day habilitation services.

REPORTING PERIOD

Select a reporting period that is representative of your typical caseload and staffing and that is as close to the open enrollment period as possible. The reporting period may be of any length, although a minimum of one payroll period is recommended. For example, the reporting period might be one payroll period in June, one month (i.e., June 1 – June 30) or your most recent cost reporting period. To check for inconsistencies in your data and errors in your calculations, it is recommended that you complete worksheets for two different reporting periods at least three months apart and compare the results. Large variances indicate either an error in completing the worksheets or large fluctuations in caseload and staffing. Any such fluctuations should be taken into account when making your enrollment decision.

CONDITIONS OF PARTICIPATION FOR DAY HABILITATION

The following conditions of participation apply to each HCS and TxHmL provider specifying its wish to have day habilitation services participate in the Attendant Compensation Rate Enhancement.

A provider who provides day habilitation in-house or who contracts with a related party to provide day habilitation will report job trainer and job coach compensation and hours on the required cost report items (e.g., hours, salaries and wages, payroll taxes, employee benefits/insurance/workers' compensation, contract labor costs, and personal vehicle mileage reimbursement). Day habilitation costs cannot be combined and reported in one cost report item.

A provider who contracts with a non-related party to provide day habilitation will report its payments to the contractor in a single cost report item as directed in the instructions for the cost report or Attendant Compensation Report. HHSC will allocate 50 percent of reported payments to the attendant compensation cost area for inclusion with other allowable day habilitation attendant costs in order to determine the total attendant compensation spending for day habilitation services as described in subsection (s) of this section.

**The provider must ensure access to any and all records necessary to verify information submitted to HHSC on Attendant Compensation Reports and cost reports functioning as an Attendant Compensation Report.**

HHSC will require each HCS and TxHmL provider specifying its wish to have day habilitation services participate in the Attendant Compensation Rate Enhancement to certify during the enrollment process that it will comply with the requirements detailed above.

#### INCLUDE ALL HCS and TxHmL CONTRACTS IN YOUR COMPONENT CODE

A single HCS and TxHmL Day Habilitation Services Attendant Compensation Rate Enhancement Enrollment Worksheet should be completed for all HCS and TxHmL contracts operating under your component code. Costs and units of service for HCS and TxHmL contracts operating under the component code should be aggregated and reported on this single worksheet.

#### DAY HABILITATION SERVICES VERSUS NON-DAY HABILITATION SERVICES

For the HCS and TxHmL programs, for each component code, providers may choose to participate for non-day habilitation services only, day habilitation services only or both non-day habilitation and day habilitation services. The HCS and TxHmL day habilitation services worksheet is designed to help providers make an informed decision about participation in the enhancement program for their HCS and TxHmL day habilitation services; this worksheet does not address HCS and TxHmL non-day-habilitation services. Providers must use the HCS and TxHmL non-day habilitation services worksheet for help with making an informed decision about participation for HCS and TxHmL non-day habilitation services.

#### PARTICIPATION AS AN INDIVIDUAL COMPONENT CODE OR AS A GROUP OF COMPONENT CODES

Providers with more than one HCS and TxHmL component code must specify on their Enrollment Contract Amendment whether they wish to have all their participating HCS and TxHmL component codes be considered as a group or individually for purposes related to the Attendant Compensation Rate Enhancement. In order to make an informed decision about group or individual participation, you may want to make copies of this worksheet, complete one for each individual component code, complete one for the group and compare the results. The definition of a group is available in Title 1 of the Texas Administrative Code §355.112(ee).

#### LEVELS OF ENHANCEMENT

Contracted providers must request an enhancement level at which they want to participate for their HCS and TxHmL day habilitation services. For component codes participating as a group, the HCS and TxHmL day habilitation services enhancement level must be the same for all component codes within that group. The enhancement level does not have to be the same for HCS and TxHmL day habilitation services and HCS and TxHmL non-day habilitation services.

#### WORKSHEET FUNCTIONALITY

The enrollment worksheets are fully functional and, if completed on-line, will perform all required calculations for you. If you choose to print the worksheets and fill them out by hand, you will be responsible for the accuracy of all mathematical calculations.

#### DEFINITIONS

*ATTENDANT* – the unlicensed caregiver providing direct assistance to consumers with Activities of Daily Living (ADLs) and Instrumental Activities of Daily Living (IADLs). Attendants for day habilitation include direct care trainers and day habilitation drivers in the HCS and TxHmL programs.

**The attendant may not perform any nonattendant functions.**

Attendants do not include the director, administrator, assistant director, assistant administrator, clerical and secretarial staff, professional staff, other administrative staff, licensed staff, attendant supervisors, cooks and kitchen staff, maintenance and grounds keeping staff, activity director, Qualified Mental Retardation Professionals (QMRPs), assistant QMRPs, direct care worker supervisors, direct care trainer supervisors, job coach supervisors, foster care providers, and laundry and housekeeping staff.

*ATTENDANT CONTRACT LABOR* – nonstaff attendants. Nonstaff refers to personnel who provide services to the day habilitation center intermittently, whose remuneration (i.e., fee or compensation) is not subject to employer payroll tax contributions and who perform tasks routinely performed by employees.

*COMPENSATION* – Attendant compensation is the allowable compensation for attendants defined in 1 TAC §355.103(b)(1) and §355.722 and required to be reported as either salaries and/or wages, including payroll taxes and workers' compensation, or employee benefits. Benefits required by §355.103(b)(1)(A)(iii) to be reported as costs applicable to specific cost report line items are not considered attendant compensation. Examples of such costs are the provider's unrecovered cost of meals provided to attendants; the provider's unrecovered cost of uniforms provided to attendants and employee relations expenses such as gift cards given to employees, and the cost of employee parties, plaques, etc.

Allowable contract labor costs are defined in 1 TAC §355.103(b)(2)(C).

Mileage reimbursement paid to the attendant for use of his or her personal vehicle which is not subject to payroll taxes is considered compensation for purposes of the Attendant Compensation Rate Enhancement.

## WORKSHEET B

### STEP 1 – Enter required data

Round all monetary amounts in Step 1 to the nearest whole dollar (with no zeros included for “cents”). For example, \$25.49 should be rounded to \$25 and \$25.50 should be rounded to \$26.

If day habilitation services are provided by related-party contractors, the terms “provider” and “employer” as used for Boxes A through J below, refer to the day habilitation contractor.

Units of service are the units of HCS and TxHmL day habilitation service provided during the reporting period.

**Box A – Day Habilitation Attendant Salaries and Wages (including drivers):** report accrued salaries and wages for day habilitation attendants and drivers employed by the provider and for whom FICA contributions are made. Salaries and wages include overtime, cash bonuses and cash incentives paid from which taxes are deducted. Drivers and staff members functioning in more than one capacity are not considered attendants for HCS and TxHmL day habilitation attendant compensation rate enhancement purposes and their salaries and wages should **not** be included on this worksheet. See Definitions section for more information on who qualifies as an attendant.

**Box B – FICA and Medicare:** report employer-paid FICA and Medicare taxes for day habilitation attendants and drivers. FICA and Medicare taxes may be allocated based upon percentage of eligible salaries.

**Box C – State and Federal Unemployment:** report both federal (FUTA) and state (TUCA) employer-paid day habilitation attendant and driver unemployment expenses. Unemployment expenses may be allocated based upon percentage of eligible salaries.

**Box D – Workers’ Compensation Insurance Premiums:** report premiums for workers’ compensation insurance, industrial accident policies and other similar types of coverage for employee on-the-job injuries for day habilitation attendants and drivers. Workers’ compensation premiums may be allocated based upon percentage of eligible salaries.

**Box E – Workers’ Compensation Paid Claims:** report medical claims paid for employee on-the-job injuries for day habilitation attendants and drivers. Paid claims may be allocated based upon percentage of eligible salaries or direct costed.

**Box F – Employee Health Insurance:** report employer-paid health insurance for day habilitation attendants and drivers. **Employer-paid health insurance premiums must be direct costed.** Paid claims may be allocated based on percentage of eligible salaries or direct costed.

**Box G – Employee Life Insurance:** report any employer-paid life insurance for day habilitation attendants and drivers. **Employer-paid life insurance costs must be direct costed.**

Box H – Other Employee Benefits: report any employer-paid disability insurance and retirement contributions for day habilitation attendants and drivers. **These benefits must be direct costed.** The contracted provider’s unrecovered cost of meals and room and board furnished to direct care employees, uniforms, job-related training reimbursements and job certification renewal fees are **not** to be reported as Other Employee Benefits.

Box I – Mileage Reimbursement: report the mileage reimbursement paid to a day habilitation attendant for use of his/her personal vehicle which is not subject to payroll taxes. The current maximum allowable mileage reimbursement is 56.5 cents per mile.

Box J – Day Habilitation Attendant Contract Labor: report the total costs for contract labor individuals functioning as day habilitation attendants. See the Definitions section for a definition of reportable contract labor.

Box J-1 – Day Habilitation Third-Party Contracts: report 50% of the total costs for third-party contracted day habilitation services.

Box K – Total Day Habilitation Attendant Cost – sum boxes A through J-1.

Box L – HCS LON1 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON1 consumers receiving day habilitation services.

Box M – HCS LON5 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON5 consumers receiving day habilitation services.

Box N – HCS LON8 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON8 consumers receiving day habilitation services.

Box O – HCS LON6 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON6 consumers receiving day habilitation services.

Box P – HCS LON9 Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for HCS LON9 consumers receiving day habilitation services.

Box Q – TxHmL Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for TxHmL consumers receiving day habilitation services.

Box R – Private and Other Day Habilitation Units of Service: report the total number of day habilitation units during the reporting period for all other consumers of any of the contracts included under the component code for which this worksheet is being completed (e.g., private pay individuals, individuals receiving respite care and individuals with private insurance). Include here any units of service you provided for which you may never be reimbursed (i.e., non-billable units).

Box S – Total Units of Service: sum boxes L through R.

**NOTE:** All monetary calculations in Steps 2 – 8 should be carried out to **two decimal places**. If you complete the spreadsheets on your computer rather than on printed sheets, many of these calculations will occur automatically after you enter values in Step 1.

STEP 2 – Calculate average day habilitation attendant cost per unit of service

Divide total day habilitation attendant costs from Box K by total units of service from Box S. Enter the result in Box T. This is your estimated day habilitation attendant cost per unit of service during the reporting period.

**For Steps 3-5, refer to the HCS and TxHmL Day Habilitation Attendant Compensation Payment Rate Component rates included on the last page of Worksheet B to obtain the day habilitation attendant rates for each level of participation in the Attendant Compensation Rate Enhancement.**

STEP 3 – Calculate what the estimated average Medicaid day habilitation attendant rate component for your component code would be if your component code participated at Level 1 for its day habilitation services during its selected reporting period.

- 3a. For each program and LON, enter in Column A the units of service provided during your selected reporting period as reported in Boxes L through Q on page 1 of Worksheet B. Do not include “Private and Other” units of service.
- 3b. For each program and LON, multiply the units of service from Column A by the associated day habilitation Medicaid attendant rate component for Level 1 from Column B. Enter the products in Column C.
- 3c. Sum the units of service in Column A. Enter the result in Box U.
- 3d. Sum the contents of Column C. Enter the result in Box V.
- 3e. Divide Box V by Box U. Enter the result in Box W. Box W is an estimate of the average Medicaid day habilitation attendant rate component per unit of service at Level 1 for this component code. Note that this estimate is based on the distribution of the component code’s units of service by program and LON as captured by the worksheet. If the distribution changes, the average Medicaid day habilitation attendant rate component per unit of service at Level 1 will change as well.

STEP 4 - Calculate what the estimated average Medicaid day habilitation attendant compensation payment rate component for your component code would be if your component code participated at Level 25 for its day habilitation services during its selected reporting period.

- 4a. For each program and LON, enter in Column A the units of service provided during your selected reporting period as reported in Boxes L through Q on page 1 of Worksheet B. Do not include “Private and Other” units of service.
- 4b. For each program and LON, multiply the units of service from Column A by the associated day habilitation Medicaid attendant rate component for Level 25 from Column B. Enter the products in Column C.
- 4c. Sum the units of service in Column A. Enter the result in Box X.
- 4d. Sum the contents of Column C. Enter the result in Box Y.
- 4e. Divide Box Y by Box X. Enter the result in Box Z. Box Z is an estimate of the average Medicaid day habilitation attendant rate component per unit of service at Level 25 for this component code. Note that this estimate is based on the distribution of the component code’s units of service by program and LON as captured by the worksheet. If the distribution changes, the average Medicaid day habilitation attendant rate component per unit of service at Level 25 will change as well.

STEP 5 - Calculate what the estimated average Medicaid day habilitation attendant compensation payment rate component for your component code would be if your component code participated at a level of your choice for its day habilitation services during its selected reporting period.

- 5a. For each program and LON, enter in Column A the units of service provided during your selected reporting period as reported in Boxes L through Q on page 1 of Worksheet B. Do not include “Private and Other” units of service.
- 5b. For each program and LON, enter in Column B the Day Habilitation Attendant Compensation Payment Rate Component rate that is associated with the chosen Participant Level from the last page of your worksheet. For example, if you chose a Participant Level 5, for HCS LON 1, you would enter \$8.53 in Column B.
- 5c. For each program and LON, multiply the units of service from Column A by the associated day habilitation attendant rate component for your selected level from Column B. Enter the products in Column C.
- 5d. Sum the units of service in Column A. Enter the result in Box AA.
- 5e. Sum the contents of Column C. Enter the result in Box BB.
- 5f. Divide Box BB by Box AA. Enter the result in Box CC. Box CC is an estimate of the average Medicaid day habilitation attendant rate component per unit of service for your selected level for this component code. Note that this estimate is based on the distribution of the component code’s units of service by program and LON as captured by the worksheet. If the distribution changes, the average Medicaid day habilitation attendant rate component per unit of service at your chosen level will change as well.

STEP 6 – Determine your average Medicaid day habilitation attendant rate and day habilitation attendant spending requirement if your component code participated at Level 1

- 6a. Enter in Column B, your estimated average Medicaid day habilitation attendant rate component per unit of service at Level 1 from Box W, Step 3.
- 6b. Multiply Column B by 0.90 and enter the result in Column C.
- 6c. Subtract Column C from Column B and enter the result in Column D.
- 6d. Enter in Column E, your current day habilitation attendant cost per unit of service from Box T, Step 2.
- 6e. Subtract Column E from Column C. If the result is less than zero, set the result equal to zero. Enter the result in Column F.
- 6f. Use the following information to interpret the results of Step 6.

Column B shows the estimated average Medicaid day habilitation attendant compensation rate your component code would receive if it participated at Level 1 and maintained the mix of units of service by program and LON that you entered in Boxes L through Q.

Column C shows the day habilitation attendant compensation spending requirement that your component code would be subject to if it participated in the Attendant Compensation Rate Enhancement at a Level 1 for day habilitation services and maintained the mix of units of service by program and LON that you entered in Boxes L through Q.

Column D shows the difference between the estimated average Medicaid day habilitation attendant compensation rate your component code would receive and the day habilitation attendant compensation spending requirement it would be subject to if it participated in the enhancement at a Level 1 for day habilitation services.

Column E shows your component code's current spending on day habilitation attendant compensation per unit of service.

Column F shows how much your component code would need to increase its current spending on day habilitation attendant compensation for each unit of service it provides to meet the day habilitation attendant spending requirement for participating at a Level 1.

STEP 7 – Determine your average Medicaid day habilitation attendant rate and day habilitation attendant spending requirement if your component code participated at Level 25

- 7a. Enter in Column B, your estimated average Medicaid day habilitation attendant rate component per unit of service at Level 25 from Box Z, Step 4.
- 7b. Multiply Column B by 0.90 and enter the result in Column C.

- 7c. Subtract Column C from Column B and enter the result in Column D.
- 7d. Enter in Column E, your current day habilitation attendant cost per unit of service from Box T, Step 2.
- 7e. Subtract Column E from Column C. If the result is less than zero, set the result equal to zero. Enter the result in Column F.
- 7f. Use the following information to interpret the results of Step 7.

Column B shows the estimated average Medicaid day habilitation attendant compensation rate your component code would receive if it participated at Level 25 and maintained the mix of units of service by program and LON you entered in Boxes L through Q.

Column C shows the day habilitation attendant compensation spending requirement that your component code would be subject to if it participated in the Attendant Compensation Rate Enhancement at a Level 25 for day habilitation services and maintained the mix of units of service by program and LON that you entered in Boxes L through Q.

Column D shows the difference between the estimated average Medicaid day habilitation attendant compensation rate your component code would receive and the day habilitation attendant compensation spending requirement it would be subject to if it participated in the enhancement at a Level 25 for day habilitation services.

Column E shows your component code's current spending on day habilitation attendant compensation per unit of service.

Column F shows how much your component code would need to increase its current spending on day habilitation attendant compensation for each unit of service it provides to meet the day habilitation attendant spending requirement for participating at a Level 25.

STEP 8 – Determine your average Medicaid day habilitation attendant rate and day habilitation attendant spending requirement if your component code participated at the level you indicated in Step 5

- 8a. Enter in Column A, the day habilitation participant level that you indicated in Step 5.
- 8b. Enter in Column B, your estimated average Medicaid day habilitation attendant rate component per unit of service at the level of enhancement you indicated in Step 5 from Box CC, Step 5.
- 8c. Multiply Column B by 0.90 and enter the result in Column C.
- 8d. Subtract Column C from Column B and enter the result in Column D.

- 8e. Enter in Column E, your current day habilitation attendant cost per unit of service from Box T, Step 2.
- 8f. Subtract Column E from Column C. If the result is less than zero, set the result equal to zero. Enter the result in Column F.
- 8g. Use the following information to interpret the results of Step 8.

Column B shows the estimated average Medicaid day habilitation attendant compensation rate your component code would receive if it participated at the level you indicated in Column A and maintained the mix of units of service by program and LON that you entered in Boxes L through Q.

Column C shows the day habilitation attendant compensation spending requirement that your component code would be subject to if it participated in the Attendant Compensation Rate Enhancement at the level you entered in Column A for day habilitation services and maintained the mix of units of service by program and LON that you entered in Boxes L through Q.

Column D shows the difference between the estimated average Medicaid day habilitation attendant compensation rate your component code would receive and the day habilitation attendant compensation spending requirement it would be subject to if it participated in the enhancement at the level you entered in Column A for day habilitation services.

Column E shows your component code's current spending on day habilitation attendant compensation per unit of service.

Column F shows how much your component code would need to increase its current spending on day habilitation attendant compensation for each unit of service it provides to meet the day habilitation attendant spending requirement for participating at the level you entered in Column A for day habilitation services.

#### STEP 9 – Things to consider when making your participation decision

Step 9 lists various aspects of your business situation to consider when making your participation decision. The list is not all-inclusive and there may be other facts to consider in deciding whether or not to participate.