

INTERMEDIATE CARE FACILITIES FOR
INDIVIDUALS WITH AN INTELLECTUAL DISABILITY OR RELATED CONDITIONS
(ICF/IID)

DAY HABILITATION SERVICES
ATTENDANT COMPENSATION RATE ENHANCEMENT

2014 ACCOUNTABILITY REPORT – MULTIPURPOSE (ARM)

- ARM Worksheet B and Instructions –

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

Do not return.

For assistance with completing the accountability report, contact the Rate Analyst for this program. The contact information for the Rate Analyst can be found on the following webpage: <http://www.hhsc.state.tx.us/rad/long-term-svcs/contacts.shtml>

A project of
the Health and Human Services Commission

INSTRUCTIONS
INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH AN INTELLECTUAL
DISABILITY OR RELATED CONDITIONS (ICF/IID/ID)
DAY HABILITATION SERVICES
Attendant Compensation Rate Enhancement
ARM Worksheet B

PURPOSE

To inform providers about the ICF/IID Day Habilitation Services spending requirements and potential differences between residential costs and residential revenues under the Attendant Compensation Rate Enhancement for their component code. The information derived by using the worksheets can be used by providers to see if their attendant compensation cost per unit of service is greater than or equal to the required 90% DADS attendant participating rate.

REPORTING PERIOD

The reporting period may be any period of time between January 1, 2013 and December 31, 2014, during which the provider was a participant in the Rate Enhancement. **The reporting period is specified in the Rate Analysis letter requesting the ARM** and does not exceed 12 months.

CONDITIONS OF PARTICIPATION FOR DAY HABILITATION

As per 1 TAC §355.112(ff)(1) 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. (2) 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 as described in subsection (h)(2) and (3) of this section. 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.

Participating providers with contracted related-party day hab must capture and report properly-allocated attendant hours, salaries, wages, taxes and benefits as if the staff were employees of the participating providers. Items 59 and 60 are only for capture of the hours and costs of individuals working for the participating provider as attendant contract labor and paid an hourly rate. Items 67 and 68 are for reporting the days and costs for day habilitation services contracted to a third-party individual or organization and paid as a daily rate.

This means that the attendant costs for a related-party contracted day habilitation will continue to be reported as if they were staff of the provider, as they have been for many years.

For a nonrelated-party contracted day habilitation, for providers participating in the Day Habilitation Services Attendant Compensation Rate Enhancement, the provider is responsible for collecting the properly allocated hours, wages, taxes, benefits, miles and mileage reimbursement

related to the services to their consumers with services being reported in this cost report. It is the provider's responsibility to assure that the allocations are done correctly according to acceptable allocation methodology and that all necessary documentation exists and will be accessible to an auditor to support the hours and costs reported in the ARM.

INCLUDE ALL ICF/IID CONTRACTS IN YOUR COMPONENT CODE

A single ICF/IID Day Habilitation Services Attendant Compensation Rate Enhancement Enrollment Worksheet should be completed for all ICF/IID contracts operating under your component code. Costs and units of service for small, medium, and large facilities operating under the component code should be aggregated and reported on this single worksheet.

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 care giver 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, job coaches, and day habilitation drivers in the ICF/IID program.

The attendant may perform some nonattendant functions. In such cases, the attendant must perform attendant functions at least 80 percent of his or her total time worked. **Staff not providing attendant services at least 80 percent of their total time worked are not considered attendants.** Time studies must be performed in accordance with Title 1 of the Texas Administrative Code (TAC) §355.105(b)(2)(B)(i) for staff that are not full-time attendants but perform attendant functions to determine if a staff member meets this 80 percent requirement. Failure to perform the time studies for these staff will result in the staff not being considered attendants.

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 Intellectual Disabilities Professionals (QIDPs), assistant QIDPs, direct care worker supervisors, direct care trainer supervisors, job coach supervisors, and laundry and housekeeping staff.

ATTENDANT CONTRACT LABOR – nonstaff attendants. Nonstaff refers to personnel who provide services to the facility 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), §355.112 and §355.457 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

NOTE: 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 a related-party contractor or non-related-party contractors, the terms "provider" and "employer" as used for Boxes A through J below, refers to the day habilitation contractor.

STEP 1 – Enter required data

Units of service are the units of ICF/IID service provided during the reporting period, not the units of day habilitation provided.

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. See the Definitions section for requirements pertaining to staff members functioning in more than one capacity. *Sum salaries/wages from ARM report items 54, 56, and 58. Enter result in Box A*

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. *From ARM report item 61.*

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. *From ARM report item 63.*

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. *Partial entry from ARM report item 66.*

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. *Partial entry from ARM report item 66.*

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. *Partial entry from ARM report item 66.*

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.** *Partial entry from ARM report item 66.*

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. *Partial entry from ARM report item 66.*

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 50 cents per mile. *From ARM report item 65.*

Box J – Day Habilitation Attendant Contract Labor and 3rd-Party Contract: report the total costs for contract labor functioning as day habilitation attendants and for your 3rd-Party Day Hab contracts. See the Definitions section for a definition of reportable contract labor. *From ARM report item 60.*

Box K – Total Day Habilitation Attendant Cost – sum boxes A through J. *Sum items 54, 56, 58, 60, 61, 63, 65, thru 66. Enter result in Box K.*

Box L – ICF/IID Small LON1 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON1 consumers in small ICF/IIDs.

Box M – ICF/IID Small LON5 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON5 consumers in small ICF/IIDs.

Box N – ICF/IID Small LON8 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON8 consumers in small ICF/IIDs.

Box O – ICF/IID Small LON6 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON6 consumers in small ICF/IIDs.

Box P – ICF/IID Small LON9 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON9 consumers in small ICF/IIDs.

Box Q – ICF/IID Medium LON1 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON1 consumers in medium ICF/IIDs.

Box R – ICF/IID Medium LON5 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON5 consumers in medium ICF/IIDs.

Box S – ICF/IID Medium LON8 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON8 consumers in medium ICF/IIDs.

Box T – ICF/IID Medium LON6 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON6 consumers in medium ICF/IIDs.

Box U – ICF/IID Medium LON9 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON9 consumers in medium ICF/IIDs.

Box V – ICF/IID Large LON1 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON1 consumers in large ICF/IIDs.

Box W – ICF/IID Large LON5 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON5 consumers in large ICF/IIDs.

Box X – ICF/IID Large LON8 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON8 consumers in large ICF/IIDs.

Box Y – ICF/IID Large LON6 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON6 consumers in large ICF/IIDs.

Box Z – ICF/IID Large LON9 Units of Service: report the total number of resident days during the reporting period for ICF/IID LON9 consumers in large ICF/IIDs.

Box AA – Private and Other Units of Service: report the total number of resident days during the reporting period for all other residents of any of the ICF/IIDs 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). **Do not report bed hold days.**

Box BB – Total Units of Service: sum boxes L through AA.

NOTE: All monetary calculations in Steps 2 through 7 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 day habilitation attendant cost per unit of service

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

For Steps 3-5, refer to the ICF/IID Day Habilitation Attendant Compensation Daily Payment Rate Component rates effective 9/1/2011 included on page 6 of Worksheet B to obtain the rate associated with your level of participation in the Attendant Compensation Rate Enhancement. If you do not know your level of participation, go to:

<http://www.hhsc.state.tx.us/rad/long-term-svcs/icf/2014-icf-alert-awards.shtml>

STEP 3 – Calculate the estimated average day habilitation attendant rate component for your component code at the assigned Level for its day habilitation services occurring in the reporting period between January 1, 2013 through August 31, 2013.

- 3a. For each ICF/IID facility size and LON, enter in Column A the units of service provided in the reporting period between **January 1, 2013** through **August 31, 2013**. These amounts may not be the same amounts reported in Boxes L through Z on page 1 of Worksheet B. Do not include “Private and Other” units of service.
- 3b. For each ICF/IID facility size and LON, enter in Column B from page 6 the daily payment rate for your assigned Level effective September 1, 2011.
- 3c. For each ICF/IID facility size and LON, multiply the units of service from Column A by the associated day habilitation attendant rate component for your designated Level in Column B. Enter the products in Column C.
- 3d. Sum the units of service for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9 in Column A. Enter the result in Box DD1.
- 3e. Sum the contents of Column C for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9. Enter the result in Box EE1.

STEP 4 – Calculate the estimated average day habilitation attendant rate component for your component code at your assigned Level for its day habilitation services occurring in the reporting period between September 1, 2013 through August 31, 2014.

- 4a. For each ICF/IID facility size and LON, enter in Column A the day habilitation units of service provided in the reporting period between **September 1, 2013** and **August 31, 2014**. These amounts **may not** be the same amounts reported in Boxes L through Z on page 1 of Worksheet B. Do not include “Private and Other” units of service.

- 4b. For each ICF/IID facility size and LON, enter in Column B from page 6 the daily payment rate for your assigned Level, which was effective September 1, 2011.
- 4c. For each ICF/IID facility size and LON, multiply the units of service from Column A by the associated day habilitation attendant rate component for your designated Level in Column B. Enter the products in Column C.
- 4d. Sum the units of service for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9 in Column A. Enter the result in Box DD2.
- 4e. Sum the contents of Column C for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9. Enter the result in Box EE2.

STEP 5 – Calculate the estimated average day habilitation attendant rate component for your component code at your assigned Level for its day habilitation services occurring in the reporting period between September 1, 2014 through December 31, 2014.

- 5a. For each ICF/IID facility size and LON, enter in Column A the day habilitation units of service provided in the reporting period between **September 1, 2014** and **December 31, 2014**. These amounts **may not** be the same amounts reported in Boxes L through Z on page 1 of Worksheet B. Do not include “Private and Other” units of service.
- 5b. For each ICF/IID facility size and LON, enter in Column B from page 6 the daily payment rate for your assigned Level, which was effective September 1, 2011.
- 5c. For each ICF/IID facility size and LON, multiply the units of service from Column A by the associated day habilitation attendant rate component for your designated Level in Column B. Enter the products in Column C.
- 5d. Sum the units of service for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9 in Column A. Enter the result in Box DD2.
- 5e. Sum the contents of Column C for ICF/IID small, medium and large LONs 1, 5, 8, 6 and 9. Enter the result in Box EE2.

STEP 6 – Determine your average day hab attendant rate component per unit of service.

- 6a. Calculate the total Medicaid revenue by entering amounts from EE1 (page 2), EE2 (page 3) and EE3 (Page 4). The sum is listed in Box EE4.
- 6b. Calculate the total Medicaid Units of Service by entering amounts from DD1 (page 2), DD2 (page 3) and DD3 (page 4). The sum is listed in Box DD4.
- 6c. The estimated weighted average day hab attendant rate component per unit of service is derived by dividing box EE4 by DD4. Enter the result in Box LL4.

STEP 7 – Determine your day habilitation attendant spending requirement for your component code's assigned Level

- 7a. Enter in Column A, your estimated weighted average day habilitation attendant rate component per unit of service from Box LL4, Step 6.
- 7b. Multiply Column A by 0.90 and enter the result in Column B.
- 7c. Enter in Column C, your current day habilitation attendant cost per unit of service from Box CC, Step 2 (page 2).
- 7e. Subtract Column C from Column B. If the result is less than zero, set the result equal to zero. Enter the result in Column D.
- 7e. Understanding Column D. If the figure in Column D is zero, then it is estimated that you have met your spending requirements and will not have a recoupment due. This may change based on an audit of the ARM report or may be inaccurate if you have entered information into the spreadsheet incorrectly.

If the figure in Column D is greater than zero, then it is estimated that you have not met your spending requirement and there will be a recoupment due. This may change and become a greater or lesser figure based on an audit of the ARM report or may be inaccurate if you have entered information into the spreadsheet incorrectly.

STEP 8 – Check all calculations to insure accuracy