

**OVERVIEW OF NURSING FACILITY
DIRECT CARE STAFF ENHANCEMENT PROGRAM & ACCOUNTABILITY**

- Optional participation. Participation in the direct care staff enhancement is voluntary.
- Participation agreement. Facilities may choose to participate in the direct care staff enhancement by submitting to the Texas Health and Human Services Commission (HHSC) a signed Enrollment Contract Amendment choosing to enroll, meet specified staffing levels and provide staffing and spending reports to HHSC.
- Direct care staffing and revenue enhancements for participants. Facilities choosing to participate in the direct care staff enhancement agree to maintain a certain staffing level in return for increased direct care staff revenues.
 - Minimum staffing requirements. Minimum staffing requirements for participants are based on the statewide average direct care staff hours associated with the direct care staff rate component for NFs, adjusted for each facility's case mix. All times are expressed in terms of Licensed Vocational Nurse (LVN) equivalent minutes.
 - Enhanced staffing payment options. Facilities participating in the direct care staff enhancement may choose to staff at one of several optional levels above the minimum requirement and receive additional payments associated with their chosen level. Requested levels will be granted beginning with the lowest level requested and granting successive levels until requested enhancements are granted within available funds.
- Staffing accountability for participating facilities. Determination of each facility's staffing level will be made on an annual basis with adjustments to direct care staff payments and staffing requirements made upon determination that a facility is failing to meet its requirement.
 - Participating facilities failing to meet their staffing requirement for any particular reporting period will have all direct care staff revenues associated with unmet staffing goals recouped.
 - Participating facilities failing to meet their staffing requirement for any particular reporting period will be limited to participating at the level actually achieved during the subsequent enrollment unless they submit an acceptable Request for Revision Report that shows they are currently staffing above that level.
 - Participating facilities may mitigate staffing recoupments to the extent that the enhanced funds are expended on direct care nursing staff.

- Direct Care Staff Compensation Accountability. Participants are subject to recoupment, based upon an Annual Staffing and Compensation Report, of unexpended funds below 85 percent of Direct Care Staff Compensation component revenues. **At no time will a participating facility's direct care rate after spending recoupment be less than the direct care base rate.**
 - Dietary and fixed capital offsets to recoupment. Recoupment based on direct care staff spending below 85 percent of Direct Care Staff Compensation component revenues may be offset, within specified limits, by allowable dietary and fixed capital asset costs in excess of those components of the Medicaid rates.
- Grouping. Compliance with spending requirements may be evaluated in the aggregate for all participating nursing facility contracts controlled by common ownership.