

Deaf-blind Multiple Disabilities Waiver (DBMD)

Crosswalks of Expenses to Cost Report Steps

Table 1. Step 6c.

Expense	Reference	Definitions
Attendant Wages, Regular Pay - Related Party	TAC §355.103(b)(2)(A)	<p>Regular Pay is monetary compensation paid by an employer to an employee in exchange for work done. Payment may be calculated as a fixed amount for each task completed, at an hourly or daily rate, or based on an easily measured quantity of work done.</p> <p>The formula to compute the regular pay is: Total compensation in the workweek (except for statutory exclusions) ÷ Total hours worked in the workweek = Regular Pay for the workweek.</p> <p>Related Parties are people/contractors significantly associated with or in control of the organization providing a good or service. This category includes, but is not limited to:</p> <ul style="list-style-type: none"> • Spouse; • Natural/adopted/stepparent, child, sibling; • Uncles, aunts, nieces, and nephews; • First cousins; and • Business partners.

Expense	Reference	Definitions
Attendant Wages, Overtime Pay - Related Party	29 CFR 778.1(b)	<p>Overtime Pay is one and a half times a worker’s regular rate of pay. If Overtime pay is due, the worker must receive it for every hour worked over 40 hours in a workweek.</p> <p>Related Parties are people/contractors significantly associated with or in control of the organization providing a good or service. This category includes, but is not limited to:</p> <ul style="list-style-type: none"> • Spouse; • Natural/adopted/stepparent, child, sibling; • Uncles, aunts, nieces, and nephews; • First cousins; and • Business partners.
Attendant Wages, Regular Pay - Non-Related Party	TAC §355.103(b)(1)(A)	<p>Regular Pay is payment for standard, contracted hours for services that are deemed necessary. Hours are to be reimbursed at a reasonable rate for the value of the service.</p> <p>Non-Related Parties are people/contractors not significantly associated with or in control of the organization providing a good or service.</p> <p>Relatedness is determined on a case-by-case basis.</p>
Attendant Wages, Overtime Pay - Non-Related Party	29 CFR 778.1(b)	<p>Overtime Pay is one and a half times a worker’s regular rate of pay. If Overtime pay is due, the worker must receive it for every hour worked over 40 hours in a workweek.</p> <p>Non-Related Parties are people/contractors not significantly associated with or in control of the organization providing a good or service.</p> <p>Relatedness is determined on a case-by-case basis.</p>

Expense	Reference	Definitions
Attendant Benefits/Insurance	TAC §355.103(b)(1)(A)(iii)	<p>Attendant Benefits include, but are not limited to:</p> <ul style="list-style-type: none"> • Employer contributions to certain deferred compensation plans, retirement funds, or pensions; • Paid leave; • Provider-paid instructional courses; and • Health, disability, and life insurance policies. <p>Please see the TAC rule for information on how to report employee benefits.</p>
Attendant Mileage Reimbursement	TAC §355.103(b)(1)(A)(iii)(II)	<p>Attendant personal vehicle mileage reimbursement is to be reported as costs applicable to specific cost report line items. But, if reimbursement is subject to payroll taxes, it is to be reported as salaries and wages.</p>

Table 2. Step 7.

Expense	Reference	Definitions
FICA & Medicare Payroll Taxes	TAC §355.103(b)(1)	<p>All wages/salaries/bonuses paid, including cash or non-cash, are subject to the Federal Insurance Contributions Act (FICA).</p> <p>For State purposes ONLY. FICA is to be reported at 7.65%. FICA applies to all employees except for contracted employees who are being paid through another agency. You would not report wages or taxes on these individuals.</p> <p>Self-employment taxes are to be reported under this item.</p>

Expense	Reference	Definitions
State and Federal Unemployment Taxes	TAC §355.103(b)(12)	<p>Allowable compensation of employees refers to the compensation paid to employees in transactions that are conducted at arm's length, where the employees are neither owners nor related parties of the company.</p> <p>This compensation is subject to the reasonable and necessary costs incurred by the providers in offering contracted services to clients. In other words, the payment to employees must be reasonable and justifiable, and it should not include any additional benefits or incentives that are not directly related to the employees' work performance or duties. It is an allowable tax to enter on your cost/accountability report.</p> <p>State and Federal unemployment taxes are paid for any proprietary entity that pays a wage of more than \$500.</p>
Workers' Compensation Premiums and Paid Claims	TAC §355.103(b)(13)	<p>Workers' Compensation premiums and paid claims are both reported.</p> <p>Compensation claims are to be reported under this item.</p>