



***SPECIFIC INSTRUCTIONS***  
***for the completion of the***

***FISCAL YEAR 2015***  
***TEXAS COMMUNITY BASED ALTERNATIVES***  
***HOME AND COMMUNITY SUPPORT SERVICES***  
***REQUEST FOR REVISION REPORT***

For assistance with the completion of the report, contact Rate Enhancement Analyst for this program listed on the following webpage: <http://www.hhsc.state.tx.us/rad/long-term-svcs/contacts.shtml>.

For assistance with the mailing and tracking of this report, contact:

Cost Reporting Specialist  
Phone: (512) 707-6094

FAX: (512) 730-7475

## ***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 2012 Attendant Compensation Report.

## ***WHO MUST COMPLETE THIS REPORT?***

All providers requesting a revision of their enrollment limitation for the fiscal year 2015 enhancement period (September 1, 2014 – August 31, 2015) 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 Community Based Alternatives (CBA) – Home and Community Support Services (HCSS) Cost Report. Refer to:

- Cost Determination Process Rules at Title 1 of the Texas Administrative Code (TAC) §§355.101-355.111;
- Attendant Compensation Rate Enhancement Rules at 1 TAC §355.112;
- CBA-HCSS program-specific rules at 1 TAC §355.503;
- Mandatory Training for the 2013 Cost Reports; and
- Specific Instructions for the Completion of the 2013 CBA-HCSS Cost Report.

### **DUE DATE**

This report is due to HHSC by July 31, 2014. 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

Reports received after July 31, 2014 will not be accepted and the enrollment limitation specified on the provider's fiscal year 2015 "Enrollment Limitation Report" will apply.

### **GROUP REPORT VERSUS INDIVIDUAL REPORT**

If your contract participated in the rate enhancement as part of a group in fiscal year 2012, you may submit one RFR for the entire group or one RFR for each individual contract. The result of the analysis of an RFR completed for a group will apply to all contracts included on the RFR for fiscal year 2015. If you did not participate as part of a group during fiscal year 2012, the RFR can be submitted only for an individual contract.

### **WEBSITE**

An electronic version of the 2015 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 Community Based Alternatives, then scroll down to the heading "Rate Enhancement – Attendant Compensation", click on "2015", then locate and open the "2015 Request for Revision Report" element.

### **REPORTING PERIOD**

The reporting period is September 1, 2013 through April 30, 2014. 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. Reports 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 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. Reports submitted without appropriate decimal places may be returned for proper completion.

### **ACCOUNTING METHOD**

All information submitted on the report 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.

## **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.

## **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, carefully read the certification statements to ensure that the signers have complied with the reporting requirements. The Methodology Certification 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 and faxes will not be accepted.

## ***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.

*Attendant* - the unlicensed caregiver providing direct assistance to the clients 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 contract.

*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 CBA-HCSS 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 CONTRACT NUMBER** (if report is for an individual contract)

Enter your 9-digit CBA-HCSS contract number. If, after looking at the upper right-hand corner of your most recent CBA-HCSS cost report, your recent payment information, correspondence from DADS, and/or your contract with DADS, you do not know your correct 9-digit CBA-HCSS contract number, please contact the Rate Enhancement Analyst for this program as listed on the HHSC website at: <http://www.hhsc.state.tx.us/rad/long-term-svcs/contacts.shtml>. If this report is for a group of contracts, leave this item blank.

**GROUP NUMBER** (if report is for a group of contracts)

Enter your CBA-HCSS group number if the report is for a group of contracts. If this report is for an individual contract, leave this space blank.

**CONTRACTED PROVIDER IDENTIFICATION** (if report is for an individual contract)

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 contract. If you are completing the report for a group of CBA-HCSS contracts, leave this item blank.

**CONTRACTING ENTITY**

Enter the requested information regarding the business entity that contracts with DADS to provide CBA-HCSS 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 report that arise during the HHSC Rate Analysis Department's edit process and the HHSC Office of Inspector General's audit verification process.

**PREPARER**

Each provider must complete the PREPARER section. The preparer of the RFR is the person who actually prepared the report, whether the preparer is an employee of the provider, contracting entity, etc., or is contracted to complete the report. For this reporting period, the preparer must have attended the required CBA-HCSS cost report training or passed the online testing as per 1 TAC §355.102(d) (relating to General Principles of Allowable and Unallowable Costs) for completing the 2013 CBA-HCSS cost report. 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.

## ***NUMBERED REPORT ITEMS***

**ITEM 1 (Is This Report for a Group of Contracts or an Individual Contract?)**

Indicate whether the report is for a group of contracts or an individual contract. If this report is for a group of contracts, you must complete Schedule E.

**ITEM 2 (DADS 9-Digit Contract Number – if report is for an individual contract)**

If this report is for an individual contract, enter your 9-digit CBA - HCSS contract number. If this report is for a group of contracts, leave this item blank.

**ITEM 3 (Group Number – if report is for a group of contracts)**

If this report is for a group of contracts, enter your group number. If this report is for an individual contract, leave this item blank.

**ITEM 4 (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 report are 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 this item should correspond to the information reported on the Cover Page under "Location of Records".

**ITEM 5 (Reserved for Future Use)**

This item is reserved for future use.

**ITEM 6 (Reporting Period - Beginning Date)**

The reporting period beginning date must be September 1, 2013.

**ITEM 7 (Reporting Period - Ending Date)**

The reporting period ending date must be April 30, 2014.

**ITEM 8 (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 9 (Attach copies of Mandatory Cost Report Training Certificate?)**

Attach a copy of a state-conducted mandatory 2013 CBA-HCSS 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 10 (Allocation of Expenses)**

If any expenses reported on the report resulted from allocation, mark item 10 "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

9/1/13 to 12/31/13 ceiling = 56.5cents per mile

1/1/14 to 4/30/14 ceiling = 56.0 cents per mile

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 contract/program/business entity, and the report line item on which each allocated cost is reported on this report.

**ITEM 11 (Does Contracting Entity hold any other participating contracts?)**

If the contracting entity holds any other contracts that are participating in the Attendant Compensation Rate Enhancement, report the total number of contracts in the box provided and list the type of contract (i.e., PHC, CBA, CLASS, DAHS, RC, CBA AL, DBMD) with its 9-digit contract number in the space provided. If you are completing this report for a group of contracts, list all of the contracts that are participating within the group and any additional contracts that are participants in the Attendant Compensation Rate Enhancement. If the answer to item 11 is no, enter zero.



**ITEM 12 (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.

**NOTE: For items 14-17, exclude all units of service and statistical data associated with services delivered to Star+Plus clients.**

**ITEM 14 (Units of Service - Title XIX – CBA HCSS)**

Report the units of Personal Assistance Services (PAS) delivered by attendants or other authorized staff to CBA clients. This item requests the total number of plan of care authorized hours that were actually delivered for PAS services (e.g., personal care tasks, protective supervision, delegated nursing tasks) by PAS attendants or other authorized staff (nurse substitutes for attendant to prevent a service break) during the reporting period. These are hours that are authorized in the CBA client's plan of care and are delivered as PAS units of service. Authorized and delivered PAS hours/units would have been billed using Form 3845 (HCSS Purchased Services Delivery Report) for reimbursement by DADS. The hours reported in this item should equal the number of hours delivered and submitted (billed) for payment on Form 3845 for services delivered in the reporting period for this contract(s) and NOT the units of service that were actually reimbursed. Do not include CBA In-Home Respite units of service.

**ITEM 15 (Reserved for Future Use)**

This item is reserved for future use.

**ITEM 16 (Units of Service - Private and Other)**

Report in this item those attendant hours delivered to provide PAS services to private pay clients. Also, include PAS attendant hours delivered to CBA clients that may have exceeded the authorized hours or may not have been authorized in the client's plan of care or service provided to a client whose doctor's order are not up to date, services provided prior to the eligibility date, or services provided after eligibility has expired. Include all units of service that were provided regardless of whether you will ever be reimbursed by DADS or any other funding source.

**ITEM 17 (Total Units of Service)**

Enter the sum of items 14 through 16.

**NOTE: For items 20-34, exclude all salaries, wages, payroll taxes, benefits, and mileage reimbursements for services delivered to Star+Plus clients**

**ITEMS 20 and 22 (Paid Hours)**

Report the total number of hours paid for attendants in item 20, including hours for training, paid leave, or travel time between clients. The hours reported in this line item should reconcile to your payroll ledger for total hours worked. You must be able to provide a reconciliation between total hours paid for delivering services, total paid hours and units of service provided, including a

detailed explanation of the variances. The difference between item 20 plus item 22, and item 17 should be hours worked relating to travel time between clients, attempting to deliver services when the client was not present, training sessions, sick leave, vacation, etc.

Report the total number of hours paid to other staff delivering attendant services in item 22. Do not include training, paid leave, or other paid hours in this item. The sum of items 20 and 22 should be equal to or greater than the units of service reported in items 14 through 16. 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 and 23 (Salaries and Wages)**

In item 21, report accrued salaries and wages for attendants. In item 23, report accrued salaries and wages for other staff delivering attendant services. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. 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 24 and 26 (Contract Labor – Paid Hours)**

In item 24, report hours for contract labor functioning as attendants. In item 26, report hours for contract labor functioning as other staff delivering attendant services. Report all hours to **two** decimal places.

**ITEM 25 and 27 (Contract Labor – Paid Compensation)**

In item 25, report totals costs for contract labor functioning as attendants. In item 27, report totals costs for contract labor functioning as other staff delivering attendant services.

**ITEM 28 (Payroll Taxes – FICA and Medicare)**

Report both FICA and Medicare taxes for attendants and other staff delivering attendant services on item 28.

**ITEM 29 (Does item 28 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 contract's FICA contributions might not equal 6.20% of the payroll or why your contract'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 28. 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 30 (Payroll Taxes - State and Federal Unemployment)**

Report both federal (FUTA) and state (TUCA) unemployment expenses for attendants and other staff 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 31 [Workers' Compensation – Insurance (WCI) Premiums]**

If your contract, 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 attendants and other staff delivering attendant services. 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 contract, 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 33.

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 32.

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

**ITEM 32 (Workers' Compensation - Paid Claims)**

Report medical claims paid for employee on-the-job injuries for attendants and other staff delivering attendant services. 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 and/or 23, 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 33 (Employee Benefits - Health Insurance)**

Report employer-paid health insurance for attendants and other staff delivering attendant services whose salaries and wages are reported in items 21 and/or 23. Employer-paid health insurance premiums must be direct costed.

**ITEM 34 (Employee Benefits - Life Insurance)**

Report employer-paid life insurance for attendants and other staff delivering attendant services whose salaries and wages are reported in items 21 and/or 23. Employer-paid life insurance premiums must be direct costed.

**ITEM 35 (Employee Benefits - Other Benefits)**

Report any employer-paid disability insurance and retirement contributions for attendants and other staff delivering attendant services whose salaries and wages are reported in items 21 and/or 23. 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 in these items. Describe, in the space provided, 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 36 (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 38 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. The mileage reimbursement ceiling for 9/1/13 to 12/31/13 is 56.5 cents per mile. The mileage reimbursement ceiling for 1/1/14 to 4/30/14 is 56.0 cents per mile.

**ITEM 37 (Total Attendant Cost)**

Sum items 21, 23, 25, 27, 28 and 30 through 36.

**ITEM 38 (Number of Miles Reimbursed)**

If you reported mileage reimbursement in item 36, report the number of miles reimbursed in item 38. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

<p><b>NOTE: For items 40-55, include all salaries, wages, payroll taxes, benefits, units of service and mileage reimbursements for services delivered to STAR+PLUS clients</b></p>
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**ITEMS 40 and 42 (Paid Hours)**

Report the total number of hours paid for attendants in item 40, including hours for training, paid leave, or travel time between clients. The hours reported in this line item should reconcile to your payroll ledger for total hours worked. You must be able to provide a reconciliation between total hours paid for delivering services, total paid hours and units of service provided, including a detailed explanation of the variances. The difference between the sum of items 40 and 42, and 59 should be hours worked relating to travel time between clients, attempting to deliver services when the client was not present, training sessions, sick leave, vacation, etc.

Report the total number of hours paid to other staff delivering attendant services in item 42. Do not include training, paid leave, or other paid hours in this item. 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 41 and 43 (Salaries and Wages)**

In item 41, report accrued salaries and wages for attendants. In item 43 report accrued salaries and wages for other staff delivering attendant services. Report only salaries and wages for individuals employed by the provider for whom FICA contributions are made. 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 44 and 46 (Contract Labor – Paid Hours)**

In item 44, report hours for contract labor functioning as attendants. In item 46, report hours for contract labor functioning as other staff delivering attendant services. Report all hours to **two** decimal places.

**ITEM 45 and 47 (Contract Labor – Paid Compensation)**

In item 45, report totals costs for contract labor functioning as attendants. In item 47, report totals costs for contract labor functioning as other staff delivering attendant services.

**ITEM 48 (Payroll Taxes – FICA and Medicare)**

Report both FICA and Medicare taxes for attendants and other staff delivering attendant services on item 48.

**ITEM 49 (Does item 48 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 contract's FICA contributions might not equal 6.20% of the payroll or why your contract'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 48. 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 50 (Payroll Taxes - State and Federal Unemployment)**

Report both federal (FUTA) and state (TUCA) unemployment expenses for attendants and other staff 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 51 (Workers' Compensation – Insurance (WCI) Premiums)**

If your contract, 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 attendants and other staff delivering attendant services. 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 contract, 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 53.

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 52.

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

**ITEM 52 (Workers' Compensation - Paid Claims)**

Report medical claims paid for employee on-the-job injuries for attendants and other staff delivering attendant services. 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 41 and/or 43, 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 53 (Employee Benefits - Health Insurance)**

Report employer-paid health insurance for attendants and other staff delivering attendant services whose salaries and wages are reported in items 41 and/or 43. Employer-paid health insurance premiums must be direct costed.

**ITEM 54 (Employee Benefits - Life Insurance)**

Report employer-paid life insurance for attendants and other staff delivering attendant services whose salaries and wages are reported in items 41 and/or 43. Employer-paid life insurance premiums must be direct costed.

**ITEM 55 (Employee Benefits - Other Benefits)**

Report any employer-paid disability insurance and retirement contributions for attendants and other staff delivering attendant services whose salaries and wages are reported in items 41 and/or 43. 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 in these items. Describe, in the space provided, 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 56 (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 58 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. The mileage reimbursement ceiling for 9/1/13 to 12/31/13 is 56.5 cents per mile. The mileage reimbursement ceiling for 1/1/14 to 4/30/14 is 56.0 cents per mile.

**ITEM 57 (Total Star+Plus Attendant Cost)**

Sum items 41, 43, 45, 47, 48 and 50 through 56).

**ITEM 58 (Number of Miles Reimbursed)**

If you reported mileage reimbursement in item 56, report the number of reimbursed miles in item 58. The reimbursement per mile will be checked by HHSC against the maximum allowed by the state.

**ITEMS 59 (Units of Service – Star+Plus)**

Report the units of PAS services delivered by attendants or other authorized staff to CBA clients under the STAR+PLUS contract. Report only the units of service that are covered under the description of CBA services. Report units 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 the 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 facility.

A function is deemed necessary when, if the owner or related party had not performed said function, the facility 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., facility, 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 contract 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 contract, 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 contract, 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., CBA-HCSS #XXXXXXXXXX; CBA #XXXXXXXXXX; NF #XXXXXXXXXX; ERS #XXXXXXXXXX; DAHS #XXXXXXXXXX; RC #XXXXXXXXXX).

Compensation should be directly charged to each business entity based 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 salary directly charged to this report is reported. The explanation provided in item 10 should clearly explain how the amount was calculated for each report item number completed in item 14.

## ***SCHEDULE D: RESERVED FOR FUTURE USE***

## ***SCHEDULE E***

If you are completing the Request for Revision Report for more than one contract, you must complete Schedule E. If you are completing the Request for Revision Report for one contract, do not complete Schedule E.

List the 9-digit CBA - HCSS contract numbers for every contract you are proposing to include in your group for fiscal year 2012 (attach additional sheets if necessary). For each 9-digit contract listed you must report the same beginning and ending date of the reporting period for that contract.

## ***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.

Multi-contract organizations participating as individuals may submit one RFR containing original signatures and notary stamps/seals. All other reports submitted by the multi-contract provider can be submitted with copies of the original certification page. For multi-contract organizations that choose this option:

- the original certification page must include a list of the 9-digit contract numbers of the reports being submitted with copies of the original certification page; and
- the copies of the original certification page must indicate the 9-digit contract number of the report being submitted with the original certification page.

### ***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 or successfully completed the online testing for the 2013 CBA-HCSS 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 certificate is not provided in a timely manner, the report will be returned as***

*unacceptable.*

# STATE OF TEXAS COUNTY CODES

<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>	<u>County Name / Code</u>
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	Parmer 185	Waller 237	
Callahan 030	Frio 082	Kimble 134	Pecos 186	Ward 238	
Cameron 031	Gaines 083	King 135	Polk 187	Washington 239	
Camp 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		

