

OKLAHOMA DEPARTMENT OF HUMAN SERVICES

INSTRUCTIONS FOR HB 1094 COMPLIANCE REPORT

HB1094 requires the Oklahoma Department of Human Services (OKDHS) to measure compliance with Oklahoma Legislative intent that 70 percent of the rate increases effective Aug. 1, 2005, will be provided for wages and benefits to direct care staff who provide Habilitation Training Specialist (HTS), Daily Living Support (DLS), and Intensive Personal Support (IPS) in the Developmental Disabilities Services Division (DDSD) waiver programs and Personal Care Assistant services (PCA) in the Aging Division Home and Community-Based Services by Nov. 1, 2005. The Compliance Report requires three (3) interim reports to be submitted to OKDHS:

Baseline Calculation for January through June 2005 *	Due: Oct. 1, 2005
Interim Statement for November and December 2005	Due: March 15, 2006
Interim Statement for January through June 2006	Due: Sept. 15, 2006

The data required for each section of the report are described below. The data will be accumulated on a monthly basis and will include only those wages and benefits paid on behalf of direct care staff providing services to Medicaid service recipients. OKDHS will accept monthly allocations for annual costs, such as insurance premiums, and other appropriate cost allocations when the allocations are made in accordance with generally accepted accounting practices, are consistently applied across all reporting months (including the baseline), and are appropriately disclosed by the provider. The report will be provided to each provider agency in electronic format (Excel 2000) upon request. The report will also be available to be downloaded from the Internet at <http://www.okdhs.org/programsandservices/dd/prvdrs/default.htm>

The reports can be submitted to P.O. Box 25352, Oklahoma City, OK 73125 or via e-mail. For agencies providing Aging services, the reports will be submitted Attn: Tom Dunning at the above address or e-mail to Tom.Dunning@OKDHS.org. For agencies providing DDSD services, the reports will be submitted Attn: Peggy Mansell at the above address or e-mail to Peggy.Mansell@OKDHS.org.

Heading Information Required:

Agency	Contract Provider Name
Report Date	Date report is submitted to OKDHS
Contact	Name of agency staff to be contacted if further information is required
Phone	Phone number of agency contact

* The period Jan. 1, 2005 through June 30, 2005 will be used as the baseline period, unless a provider can demonstrate that another period should be used. Any provider proposing an alternative baseline period must submit the required information for the baseline Jan-Jun 2005, the same information for the alternative period, and the reason(s) for using an alternative baseline period. Any alternative period selected cannot be less than six (6) consecutive months and can end no earlier than Dec. 31, 2004. The Department will determine whether the difference in the methodologies is material and whether the proposed alternative baseline more fairly reflects the provider's base period costs.

Report Category Definitions:

Wages	All wages (W-2 reportable, other than overtime premiums, including but not limited to base pay, training pay, vacation pay, PTO pay, on-call pay, bonuses and trip fees) paid to direct care staff who provide billable hours of service for HTS, DLS, IPS and PCA to Medicaid service recipients. Wages for non-direct care staff such as program coordinators, supervisors or administrators are not included except for those wages paid when they provide the direct care service. Allocations of wages for program coordinators performing billable direct care are acceptable and the provider must disclose the allocation method and amounts for each month. Wages for direct care staff providing direct care to non-Medicaid service recipients are not included.
Overtime	Premium overtime paid on above wages. Base wages should not be included in this category.
Employer Payroll Taxes	FICA, FUTA, SUTA
Workers' Compensation	Workers Compensation premiums directly attributable to direct care staff who provide HTS, DLS, IPS and PCA to Medicaid service recipients. Do not include workers compensation expenses attributable to other agency staff. When completing the compliance certificates, providers can use the greater of the actual cost attributable to the compliance period or the actual costs attributable to the baseline period properly prorated for the compliance reporting time period, if the baseline costs are a fair reflection of historical costs from year to year. The purpose of this exception is to promote safety. Providers must disclose on the report when the actual costs are not used for the compliance period, the amount of those actual costs and explain the reason they were not reported.
Health Insurance	Premiums paid by the employer for health insurance provided to direct care staff who provide HTS, DLS, IPS and PCA to Medicaid service recipients. Do not include health insurance expenses paid by the employee or that are attributable to other agency staff.
Employee Liability Insurance	Liability insurance premiums that are directly attributable to direct care staff who provide HTS, DLS, IPS and PCA to Medicaid service recipients. This category would include

insurance such as employee malpractice and surety bonds, but would not include other agency liability insurance such as directors and officers coverage, general liability, etc.

Mileage (Non-billable)

All payments made to direct care staff who provide HTS, DLS, IPS and PCA to Medicaid service recipients for mileage that cannot be billed as a waiver service. (This expense category is intended for use by Aging Services Personal Care providers, but may be used by DDS/D providers who document these costs separately from the costs of billable waiver Transportation services.)

Retirement Plans

All retirement plan expenses of the agency directly attributable to direct care staff who provide HTS, DLS, IPS and PCA to Medicaid service recipients. Do not include retirement plan expenses related to any other agency staff or paid by the employee.

Total Direct Wages and Benefits

Total of the above categories. Excel will calculate for you.

Number of Billable Hours

Number of hours of service provided and billable for direct care staff providing HTS, DLS, IPS and PCA to Medicaid service recipients for dates of service during the month reported. DHS will provide a report of all hours paid for dates of service within each reporting period within 45 days after the end of the final month of the reporting period. In order to account for any claims lag, providers will be responsible to track and report any billable hours during the same reporting periods that were not paid as of the date the paid hours reports are generated (at least 45 days after the end of the final month of the reporting period). For example, the Baseline Calculation Report includes service dates from January 1, 2005 through June 30, 2005. The report will be generated after August 15, 2005 (45 days after June 30) and will include all hours paid for all service dates within each month of the reporting period that were paid prior to the creation of the report. The provider will add to these paid hours the number of hours for the same reporting periods that were not paid (lagging claims) when the paid hours report was generated so that the total billable hours are accurately reported on the compliance report.

Report Category Definitions (continued):

Average Direct Wages and
Benefits Per Billable Hour

Total direct care staff wages and benefits divided by the number of billable hours provided. Excel will calculate for you.

Compliance Test

Required for all periods except the baseline calculation. The average cost per hour must exceed the baseline average by \$0.84 (70 % X \$1.20 per hour increase in rate) to be considered compliant. Excel will calculate this for you.

Signature:

An authorized agent of the provider agency will certify and date the information reported.