



**Vendor Fiscal/Employer Agent Financial Management Services
Wage and Benefit Ranges for Participant-Directed Service**

Effective July 1, 2009

Informational Packet # 008-09

PURPOSE: This Office of Developmental Programs (ODP) Informational Packet is to communicate wage and benefit ranges for six (6) of the twelve (12) Participant-Directed Service (PDS) categories for individuals who are self-directing services using the Vendor Fiscal/Employer Agent Financial Management Services (VF/EAFMS) option.

Audience: Persons using Participant Directed Services, Administrative Entities (AE), Supports Coordination Organizations (SCO's).

This Informational Packet will be stored under the Provider, AE and SCO Information Center's links as well as the Participant Directed Services link which can be accessed from the Main Menu of the ODP Consulting website homepage (www.odpconsultng.net).

The Office of Developmental Programs (ODP) has developed wage and optional benefit allowance ranges (wage and benefit ranges) for six (6) of the twelve (12) Participant-Directed Service (PDS) categories for individuals who are self-directing services using the Vendor Fiscal/Employer Agent Financial Management Services (VF/EA FMS) option, effective July 1, 2009. In addition, ODP is adding the fee for the ineligible component (room and board) of all out-of-home respite, including respite camp, to the fee schedule for the Consolidated and Person/Family Directed Services (P/FDS) waivers. The fee schedule rate applies to respite services that may be paid by an FMS for a self-directing waiver participant. ODP is communicating this information so that it is available for developing Fiscal Year (FY) Renewal Individual Service Plans (ISPs) for FY 2009-2010.

The services for which ODP has established wage and benefit ranges (with the assigned procedure code for each service) are reflected on the area charts (1-4) contained in **Attachment #1**, titled *FY 2009-2010 PDS Wage and Benefit Ranges, PDS Model: Vendor Fiscal/Employer Agent*. The wage and benefit ranges vary by geographic area to take regional cost-of-living variations into account. Each Administrative Entity (AE) has been assigned to one (1) of four (4) area regions, and the wage ranges apply to the AEs in that area. See **Attachment #2**, titled, *Appointed Area Regions for Wage and Benefit Ranges*.

The regional area wage and benefit ranges are to be used by the common-law employers when negotiating the wages and optional benefit allowance with Support Service Workers (SSWs) they employ on or after July 1, 2009, as well as small unlicensed providers who are eligible to be paid by the VF/EA FMS. For each waiver participant, the wage and benefit range that applies is the one assigned to the regional area that includes the AE with which the waiver participant is registered.

The fee schedule payment rates for ineligible out-of-home respite are reflected on **Attachment #3** titled *FY 2009-2010 Fee Schedule*. These rates are statewide and do not vary by region.

The Supports Coordinator (SC) and Administrative Entity (AE) should explain the use of the wage and benefit ranges to the designated common-law employer as well as the participant. It is important that the common-law employers understand how to use the wage and benefit ranges when negotiating rates of pay with their SSWs. For example, the common-law employer can use the wage ranges and option to offer a benefit allowance to promote recruitment, retention and staff morale. Standard employer practice shows that varied rates of pay are most effective in recruiting and retaining staff. It would therefore not be expected that every staff person will receive the same wages and benefits.

An explanation on how to use the wage ranges and the optional benefit allowance is outlined below.

- The SC and, when necessary, the AE will work with the common-law employers to ensure they use the regional area wage and benefit ranges for each service. The information should be discussed at the next ISP meeting, although common-law employers and waiver participants are welcome to ask that a separate meeting be scheduled.
- The wage and benefit ranges also apply to existing workers, but the wages or benefits of SSWs hired before July 1, 2009, whose wages or benefits are above the attached ranges should not be reduced unless the common-law employer determines that a reduction is appropriate. If the common-law employer reduces the wages or benefits of any SSW hired before July 1, 2009, such change must be made in accordance with Labor and Industry Standards. Those standards do not permit a retroactive reduction.
- If a common-law employer decides that it is appropriate to increase or reduce the wages of an SSW hired before July 1, 2009, that increase or reduction does not have to be effective July 1. There may be reasons common-law employers decide to wait to change SSW wages or benefits. For example, a decision may be made to wait until the anniversary date of the SSW's employment or the date of the annual ISP meeting.
- The common-law employer will keep a record of the final negotiated wage and benefit allowance for each SSW.
- The SC will forward a copy of the rate sheet to the statewide VF/EA FMS so it can calculate the employer-related taxes and workers compensation costs related to the final wage and benefit allowance. The SC **should not add** the employer-related taxes and workers compensation costs on the rate sheet. Only the wage and benefit allowance is included on the rate sheet. New or revised rate sheets must be submitted to the VF/EA FMS by June 30, 2009 to be

processed by the first payroll date in FY 09-10 otherwise the changes will be reflected in future pay dates. If no changes are necessary to the rate sheets then the existing rate sheets for each SSW will carry forward into FY09-10 until such time a change occurs.

- The SC can utilize the budget calculation tool posted at www.odpconsulting.net to assist in the calculation of the cost of services authorized on the ISP. This tool is in the process of being updated to automatically calculate the employer-related taxes and workers compensation when the SC inputs the wage and benefit allowance. You will be notified by separate communication when the updated tool is available for your use.

Wage ranges were not developed for the following PDS due to the nature of the service: Transportation (mileage and public), Respite Camp, Home Accessibility Adaptations, Vehicle Accessibility Adaptations, Assistive Technology and Specialized Supplies. Any of these services that are authorized on the ISP for a waiver participant who is self-directing will be paid by the statewide VF/EA FMS.

If you have any questions regarding this correspondence, please contact the appropriate Regional Office.