



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF PUBLIC WELFARE
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Dear Colleague:

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 an Agency with Choice Financial Management Service (AWC FMS), effective July 1, 2009. In addition, also effective July 1, 2009, ODP is adding the provider payment rates for the same six (6) services delivered through the AWC option as well as 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.

Although both the wage and benefit ranges and corresponding payment rates for AWC FMS services and for ineligible respite services were published formally before July 1, 2009, ODP communicated this information in Informational Packet #009-09 on June 18, 2009 so that it was available for developing Fiscal Year (FY) 2009/2010 Renewal Individual Service Plans (ISPs). This informational Packet is stored under the Provider, Administrative Entity (AE) and Supports Coordination Organization 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.odpconsulting.net)

The AWC services for which ODP has established fee schedule payment rates and wage and benefit ranges (with the assigned procedure code for each service) are reflected on the attached charts (1-4), contained in **Attachment #1** titled, *"FY 2009/2010 Fee Schedule Wage Ranges and Rates, PDS Model: Agency with Choice."* The wage and benefit ranges vary by geographic area to take regional cost-of-living variations into account. Each AE has been assigned to one (1) of four (4) area regions, and the wage ranges apply to the AEs in that area. See **Attached #2** titled, *"Appointed Area Regions for Wage Ranges, Benefits and Rates"*.

The regional area fee schedule payment rates and wage and benefit ranges are to be used by managing employers and AWC FMS when negotiating the wages and optional benefit allowance with Support Service Workers (SSWs) employed by the AWC FMS on or after July 1, 2009, as well as small unlicensed providers who are eligible to be paid by the AWC 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 **Attached #3**, titled, "*FY 2009/2010 Fee Schedule.*" These rates are statewide and do not vary by region.

For your information, the fee schedule payment rates for FY 2009/2010 have been modified as follows from the FY 2008/2009 rates, to take into account issues raised by managing employers and waiver participants:

- **Benefit allowance:** In FY 2009/2010 ODP developed two sets of rates for those using the AWC option, one that includes a 26.6 percent benefit allowance and the other that does not include the 26.6 percent benefit allowance. This will give the managing employer the flexibility to negotiate a benefit allowance or not negotiate a benefit allowance, and the final rate used in the ISP will reflect that decision.
- **Supplies:** In FY 2009/2010 the cost of supplies was removed, since every waiver participant does not need supplies. Needed supplies can be authorized as a discrete service effective July 1, 2009.
- **Background checks for the **managing employers**:** In FY 2009/2010 the costs associated with conducting background checks for managing employers was removed. In lieu of the actual background checks for the managing employers, beginning July 1, 2009 the managing employer will provide an attestation to the AWC FMS that he or she has no criminal convictions per the requirements outlined in the AWC FMS policy bulletin #00-08-08.

The AWC FMS, Supports Coordinator (SC) and AE should explain the use of the wage and benefit ranges as well as the corresponding fee schedule payment rates to the managing employers. It is important that the managing employers understand how to use the wage and benefit ranges when negotiating rates of pay with their SSWs. For example, the managing 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. The wage ranges and optional benefit allowance should provide maximum flexibility for managing employers in negotiating wages and benefits.

An explanation of how to use the wage ranges and optional benefit allowance and corresponding fee schedule payment rates is outlined below.

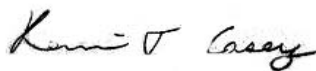
- The AWC FMS will work with the managing employers to ensure they use the regional area wage and benefit ranges and are aware of the fee schedule payment rate for each service. The information should be discussed at the next ISP meeting or the next meeting the AWC FMS has with the managing employer, although managing 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 managing employer and the AWC FMS determine that reduction is appropriate. If the wages or benefits of any SSW hired before July 1, 2009, are reduced, such change must be made in accordance with Labor and Industry Standards. Those standards do not permit a retroactive reduction.
- If a managing 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, 2009. There may be reasons managing employers and the AWC FMS 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.
- After negotiating the wages and benefit allowance for each SSW, the managing employer and the AWC FMS will keep a record of the final wage and benefit allowance for each employed SSW.
- The managing employer or the AWC FMS will inform the SC of the wage and benefit information for each employed SSW so that the SC can add the service and corresponding procedure code, modifier (U4, when a benefit allowance is not included) and payment rate to the ISP.

Neither wage and benefit ranges nor fee schedule payment rates were developed for the following PDSs 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 AWC FMS.

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

Sincerely,



Kevin T. Casey

Attachments