Rhode Island Coalition for Children and Families

Promoting safety, health and success from infancy to adulthood.

Stabilizing Community-Based Services for Children through Rate Setting

A proposal to manage and plan for fiscal costs (Model for Residential Services for Children)

Developed by the Rate Setting Committee of the Rhode Island Coalition for Children and Families
in cooperation with the Rhode Island Department of Children, Youth, and Families
James Martino, FSC, Chair and Author

I. Introduction

Community-based organizations provide critical care and services to our communities. In Rhode Island, both government and the community at large rely on the availability of programs and services dedicated to serving children, youth, and their families. Members of the Rhode Island Coalition for Children, Youth, and Families (RICCF) provide those programs and services including the needed material goods and services ranging from youth and family mental health, substance abuse services and other services needed to support youth and families in the community, to support and residences for children in need out of home placement. Our member agencies also provide childcare and employment readiness programs and a host of other caring supports. Our social service organizations/members were formed for mission-driven, charitable purposes; several are more than 150 years old. These caring, service organizations began providing services under government contracts as the public sector has moved to privatize services to decrease costs and enhance efficiency.

This critical partnership with government is disrupted, however, when contracts for services no longer support the full cost of quality services to children including providing for adequate wages for quality, stable staff who offer that care. According to a report commissioned by the national Alliance for Strong Families and Communities and the American Public Human Services Association, "on average, government contracts currently cover about 70 percent of a nonprofits' direct program expenses and less than half of all indirect expenses."[1] This has created a crisis nationally and threatens availability and sustainability of services is our own state. When government no longer pays the cost of meeting the needs of the children, youth, and families it is obligated to care for and serve, the critical services that the community relies upon are at risk. Rate setting to stabilize community-based services is the proposed solution to this crisis. The goals of rate setting include:

- **Fiscal Predictability and Transparency** for State Agency and Executive Branch in planning for the cost of services
- An **understandable, rational, and explainable process** for how each program/agency/service is compensated for the services it provides
- That **the organizations involved are** both **stable** in the short term, and **financially sustainable** in the long term to be able to provide the services and care for which they are contracted.

[1] A National Imperative: Joining Forces to Strengthen Human Services in America-2018. Retrieved from: https://www.alliance1.org/web/resources/pubs/national-imperative-joining-forces-strengthen-human-services-america.aspx

II. Partnership and Process

In 2018, leaders of the Rhode Island Coalition for Children and Families (RICCF) and the RI Department of Children, Youth, and Families (DCYF) began to meet to discuss the benefits and process involved in creating a rate setting model for residential service stabilization (see Appendix I: Participants). The process of creating the model and timeline included:

- Review of current trends in residential services in Rhode Island, current market and cost factors, economic issues related to service provision, and other state's rate setting systems.
- An initial proposed model was developed and agreed upon. Five Residential programs participated in test group/trial run of the model process.
- Workgroup leaders from RICCF and DCYF also met with the Director of the Rhode Island Department of Administration during this process to present their process.
- The general process was agreed upon by the group in the Spring of 2019, and over Summer 2019 finalized testing and modeling were completed.

Discussions are ongoing regarding how the process for Fiscal Analysis and the application of Economic Factors will be finalized/used. This document summarizes the work to date, including those items, as a presentation/proposal, not as a final product. The need for a rate setting process for residential services that can be generalized to all needed service areas continues, and RICCF is committed to continue to work toward realization of such a process.

III. Overview of the Proposed Rate Setting Process

Steps in Process	Activity	Notes from RICCF/DCYF collaboration
Cost Reporting	Develop and Implement common fiscal cost centers and reporting practices	Fiscal Definitions & Cost Reporting Document created & tested for residential services.
Fiscal Review	Processing of Cost Reporting data to understanding historic activity	Review of compiled data from test group to fine tune cost reporting and standardize reporting.
Fiscal Analysis	Adjustments to cost reports to standardize for variables and create equivalent reporting and create the Historic Base Rate	Standardize for fluctuations in census and staffing requirements. Identify other cost centers in need of review. Determine allowable spending in each cost area.
Adjusted Historic Rate	Historic Base Rate is adjusted to create rate each service provider/contract	Review Historic Base Rate to facts and circumstances of each program/agency to finalize appropriate rate for each contract.
Economic Factors	Addition/Application of non-historic factors to rate plan	COLA, inflation, IRS, health insurance growth, salary gap management, changes (add-ons or reductions) in DCYF requirements.
FINAL RATE	Outcome of Adjusted Historic Rate plus Economic Factors to establish a final rate	The rate for a service area that has been reviewed, still to be individualized as needed for a service provider.

An Implementation Cycle and "Why Rates are Different" are also considered and explained in the following materials.

IV. Process Application and Learning by Step

A. Cost Reporting	Develop and Implement common fiscal cost centers and reporting practices	Fiscal Definitions & Cost Reporting Document created & tested for residential services

Developed from a model of cost reporting used in Massachusetts, the Workgroup created and tested a Rhode Island specific group of common cost centers and fiscal definitions to create a common standard and guide for expenses are reported. The cost reporting also included information regarding census, and Full Time Equivalents for various positions so as to allow for standardization. Common cost centers and definitions provide the ability to review, analyze and compare expenses across programs/providers. (*Appendix 1 Residential Services Fiscal Definitions/Cost Centers*)

Process Application and Learnings

- Historically, Rhode Island DCYF fiscal requirements have been minimal. Standards for allowable expenses as well as any limits on expenses in each cost center area are currently based on historical agreements and the outcome of the 2017 procurement process. This rate setting process creates an initial standardize framework for cost reporting that can be refined and developed over time.
- This cost reporting process could potentially replace the currently DCYF required schedule at the end of the annual audit. There would not only be common cost centers but the review and oversight of auditors.
- Any new cost reporting practice should be announced and trained in advance of a new fiscal year
- Current DCYF practice is to contract and create a rate for each service, IE, each physical group home, therefore there are inherent variations in cost based, for example, on the number of group homes one provider has over another, because allocated costs will be calculated differently.
- Some initial work has started to develop/modify Fiscal Definitions and Cost Reporting for other services.

B. Fiscal Review	Processing of Cost Reporting data to understanding historic activity	Review of compiled data from test group to fine tune cost reporting and standardize reporting.

In order to test the fiscal definitions and cost reporting process developed in the first step, RICCF invited six group home providers to take the fiscal definitions and reporting templet and submit data from the operation of a group home for the FY ending June 2018; five participated. This data provided an opportunity to test the fiscal reporting model, as well as develop a method to compile/review that data and present an initial fiscal review. The data was compiled by RICCF and shared with DCYF and RICCF workgroup members in February of 2019.

Process Application and Learnings

- The cost reporting process required further refining to address practices in reporting direct care staff costs and the use of "agency staffing resources" verses employed staffing.
- Staffing for direct care and clinical services is more than just an entry level job, many staff members have long tenures with their agencies. Agency requirements for direct care staff also varied greatly and impact cost.
- How agencies appropriately and reasonably manage facilities costs (rent, own, mortgage) has a significant impact on overall costs/rate.
- Lacking any detailed standard for direct care positions (number of FTE's to be funded) or guidance for the approach to be used for clinical staff, there is a great variety in how these staffing needs are met. This is further complicated by the potential of some positions being allocated across more than one group home in a given agency.
- Further work is needed to develop an understanding of the appropriate percentage to be allowed for Agency Administration and overhead, may need to vary based on size of agency, number of group homes, etc.
- All reported costs appeared well within reasonable expenditures for a given area causing need to honor and account for assumptions and practices going forward
- Rates under invest in quality practices for staff (IE resources dedicated to professional development and salaries)

C. Fiscal Analysis	Adjustments to cost reports to standardize for variables and create equivalent reporting and create the Historic Base Rate	Standardize for fluctuations in census and staffing requirements. Identify other cost centers in need of review. Determine allowable spending in each cost area.

This process involves the several steps or activities needed to take reported data and apply a standard to have same reasonably comparable data across programs (See Appendix 2 for application of Fiscal Analysis of Group Home Test Model):

Standardizing for Census: Each program is contracted with DCYF based on being prepared to handle or have a certain capacity. That census in not always the average census for the year, and so adjustments are needed to analyze costs based to meet the expected level of service delivery.

Standardize Staffing: With no set standard for staffing models or number of positions, each organization took a different approach and had a different number position and a different number of FTEs. In order to complete the analysis a work group agreeable model (internal agreement or outside standard as found in New York State's Standards of Payments) was created as an initial comparable staffing model. Historic FTE rate was then calculated from the standardizing model.

The Historic Base Rate *is that rate that would be paid if a single service stood alone as a contract. IE an agency ran 1 group home and so only had one contract with DCYF. There is no allocation of costs across program, no shared staffing, etc. It is the stand-alone rate for the service based on licensing, accreditation and other requirements the program must meet to operate. It is created by standardizing the items above and developing an allowable level of expense for each cost center.*

Process Application and Learnings

- Refinement of the standards for direct care and clinical staff will simplify the process and allow for greater consistency over time
- Allocation of costs at times creates significant swings in expenses that must be accounted for in this process
- There is an important complementary process of reviewing contractual and licensing requirements
- Understanding facts and circumstances, internal and external, for each provider and DCYF is an important part of properly informing the process
- The development of an understanding of "allowable expenses" will assist in providing additional guidance and controls.
- The standardizing process/assumptions will need to be reviewed and modified each time the rate setting process is initiated.
- Best practices are based historical costs and needs of providers for stability and sustainability, not DCYF budget
- Not all cost centers are treated the same in the model or in its application. The approach to agreeable costs in the facilities cost center may be different than the approach used in another cost center, say meals. There should be consistency in approach for each cost center, not necessarily the same approach for all cost centers.

D. Adjusted Historic Rate	Historic Base Rate is adjusted to create rate each service provider/contract	Review Historic Base Rate to facts and circumstances of each program/agency to finalize appropriate rate for each contract.

The Historic Base Rate is the rate for a standalone program in this service area created in the step above. There may not be any program that ever receives this rate. Rather, it is the basis for which further analysis and mathematical formulas are applied to address the number of program a given agency may have, and the appropriate allocation of costs across those programs, facilities ownership costs, administrative overhead allowance, and so on It is in the adjustment process that also sets performance targets for census and other variables are also considered.

The outcome of this analysis is the Adjusted Historic Rate, or the rate to be paid to an individual program before the application of Economic Factors. This is the point at which the process will also require these involved to make sure all programs are fiscally stable and sustainable. A rate setting methodology that negatively impacts young people, families and care is not the desired outcome of the process. (See Appendix 3 for scenario testing of Adjusted Historic Rate)

Process Application and Learnings

- Some attention will be needed to verify which cost centers are impacted by census fluctuations and how in order to create the correct adjustment formula for each cost center.
- Differences in scope of work and services offered by an individual program should be taken into account in this step
- This is not the final product of the rate setting process. This is the first part.

E. Economic Factors	Addition/Application of non-historic factors to rate planning	COLA, inflation, IRS, health insurance growth, salary gap management, changes (add-ons or reductions) in DCYF requirements.

In order to make sure the rate paid each agency to deliver services will meet their needs a series of Economic Factors are applied to the Adjusted Historic Rate to move from historic expenditures to current fiscal resource needs for the program. Not all cost planning can be based solely on historic expenditures. The application of these factors is determined based on research into each area during the rate setting cycle. The planning is centered on achieving the outcome of a stable and sustainable continuum of care for young people and families provided by those agencies involved in service provision. The economic realities mentioned here, as well as programming difference not accounted for in the above process support best practices in the rate setting process. *(See Appendix 4 for scenario testing of Economic Factors)*

Economic Factors:

Cost of Living Allowance	Inflation impacts purchasing power for all supplies and materials, operations, activities and business practices of the service. A percentage factor reflective of the Consumer Price Index total inflation for the period since last rate adjustment should be added to the Adjusted Historic Rate.
Salary Adjustment Strategy Expenses Minimum Wage Adjustment	Gaps in salaries to comparable standards will not be closed in one step, but over time extra monies should be added to the rate, and then absorbed as future historic costs to systematically improve the salaries of those caring for the State's needy children and families, based on Bureau of Labor Statistics data. A second factor monitors changes to the State minimum wage.
Health Insurance Inflation	At least to the total factor approved by the State of Rhode Island Health Commissioner since the last rate adjustment process. This area is so far above CPI inflation, and set by the State, that State contract should consider its own State agency decision.
New Mandates	Covering the costs of activities and mandates required of the provider by DCYF or other state or federal agencies since last contracting or rate setting activity.
Add-ons	The cost of those individual services or programs provided by a given program or agency, at the approval or request of DCYF that create costs above those contemplated in the Adjusted Historic Rate.

F. FINAL RATE	Outcome of Adjusted Historic Rate plus Economic Factors to establish a final rate	The rate for a service area that has been reviewed, still to be individualized as needed for a service provider.

The Final Rate is the rate of payment for each youth/family in the program that was reached as a result of going through the process. It is the starting point for conversation with the specifically involved provider to make sure the goals and outcomes of the process have been addressed and met. The reason for rate setting and its outcomes include:

- **Fiscal Predictability** and Transparency for State Agency and Executive Branch in planning for the cost of services
- An **understanding, rational, and explainable process** for how each program/agency is compensated for the services it provides
- That **the provider involved is** both **stable** in the short term, and **sustainable** in the long term from a fiscal perspective to be able to provide the services and care for which it is contracted.

Review and consideration, especially at initial implementation are vital. By starting this process, the providers and DCYF are entering an initial good faith, problem solving process to move to a different model of planning for, understanding, and collaborating on the costs of services. The move from the current practice to the final and best practices of rate setting should be considered a process over time.

A process to present the rate to a provider for review, appeal, ongoing conversation and then agreement would be the activities of this stage in the process. RICCF and DCYF partners are still in conversation regarding activities involved in modifications at the Adjusted Historic Rate, Economic Factors consideration and this Final Rate stage.

Consideration is still needed about the timing and management of the rate setting process as implemented and maintained. See the next slides for information regarding that process and issues related to this rate setting methodology.

Implementation Cycle

Rate Setting in those models reviewed was a two- or three-year cycle to allow for time for quality review and analysis of data and planning and to create a fiscally predictable model for both State and provider agency budgeting practices. Below is a model/rotation for consideration.

FY July 2019-June 2020	FY July 2020-June 2021	FY July 2021-June 2022	FY July 2022-2023	FY 2023-2024	FY 2024-2025
Report FY 1 (2018-2019) Due within 1st 6 months of new fiscal year	Report FY 2	Rate based on FY 1 paid to agency	Rate based on FY 2 paid to agency	Rate based on FY 3 paid to agency	Rate based on FY 4 paid to agency
		Report FY3	Report FY 4	Report FY 5	Report FY 6
	Review and Rate Development for FY 1	Review and Rate Develop for FY 2	Review and Rate Development FY 3	Review and Rate Development FY 4	Review and Rate Development FY 5

RICCF would be pleased to assist Department of Administration and DCYF with Chief Financial Officers and Chief Executive Officers to assist in the review process.

RICCF would respectfully suggest rate setting and review, as in many other State jurisdictions, is a practice by a body or group separate from those directly responsible for the operating budget of the state child welfare agency. This is to allow the application of best business practices and appropriate costs into the agency's operating budget, rather than rate setting process becoming subject to operating budget issues directly. State agency operating budget issues should be based on realistic costs for services for a realistic number of beds/slots standing ready to meet the State's need. The management of the expense into the agency budget is the planning and fiscal responsibility of the agency. Provider contracts and rates should be honored equal to all other contracts held by the State or the Department.

Why Are Rates Different?

(for the "same service")

From the first meeting of the workgroup the need to be able to more easily and clearly explain why rates vary from provider to provider for the same service was raised. The exercise of collecting expenditure and census data from the 3:1 group home providers has allowed for insight in the variants of real costs, and therefore some understanding as to why rates are different. Remembering, that cost report is based on expenses paid, not the rate received. One can not necessarily back into the rate from the expense as several factors impact "going backwards." However, the data does provide insight. Before looking at specific reasons in our residential model test, it is best to remember that a number "same services" have different costs across different organizations, communities or providers; school taxes, property taxes, fees for parking meters, the cost of a similar hotel room, the cost of a meal all vary from community to community. It is about understanding the differences, rather than making all these items the same. The same is true here.

Some Reasons as to Why Rates Are Different:

- RI DCYF contracts based on each service so allocated costs may vary between different agencies and even within agencies. If an agency has 4 group homes, overhead and administration is spread out of 4 programs, if only have 2 those similar costs are divided between only 2 programs. (A $100 overhead and admin fee could be $25 or $50 for the same service.)
- Staffing costs vary based on experience and education. Not all direct care work is completed by entry level individuals; many have long tenures at agencies, and some have more education than others, contributing to reasonable cost difference for retaining quality staff and meeting state licensing requirements.
- Facilities costs vary depending upon ownership, mortgages, rent costs from community to community.
- Staffing models vary. While state regulations require at 3:1 youth: staff ratio, how that requirement is met has historically been left to the agency. Some may hire more staff up front to manage costs, other rely more heavily on overtime and stipend coverages, other use employment agency staffing to cover sudden staffing shortfalls. Each practice comes with a different cost impact on the rate/costs of the provider.
- Contracted Scopes of Work are not identical, so there are differences in the approach and actual services provided.

Salary Concerns

In addition to sustainability issues and having a predictable approach to managing the reality that the cost of care increases each year due to inflation and other economic factors, providers remain concerned about the depressed level of salaries for clinical and direct care staff, which make up the bulk of the provider workforce and are becoming harder and harder to hire because of salary disparities. Rate setting cost reporting creates an accurate moment in time data source to see what actual salaries are for providers and gives DCYF/DOA insight into the disparities. That data can be used to compare to similar positions or related positions. Economic analysis of salaries in the field alone do not assist in recognize the issue in their entirety as direction care and clinical positions in this sector are depressed in most locations/markets. The lack of a systemic approach to rate increases, going years between adjustments in rates with no cost of living allowances or other factors continues to feed this concern and increase the gap.

Data from the RICCF 3:1 Group Homes Test Group		Related Salaries/Potential Benchmarks	
House Manager/Supervisor:	$32,809	JPW @ RITS (AA required) [1]:	$47,088 average starting
Direct Care Staff [2]:	$24,918.91	ri.gov Psychiatric Attendant (high school grad):	$37,984
Case Worker (BA/BS):	$22,174	DCYF Social Caseworker (BA):	$43,956 average starting
Social Worker (MA/MSW):	$41,762.75	LISCW (salaries.com, Providence RI):	$72,241

[1] No direct comparison to House Manager.

[2] DCYF Licensing regulations call for BA/BS or high school credential and significant related experience challenging concept of an "entry level" salary concept.

Resolution of this concern is two pronged. Attention to salary gap in considered in the Economic Factors as it will require commitment of added resources over time to close the gap. Further, COLA's etc. are included separately to prevent the gap from growing further, even if it is not closing.

Rate Setting & Increased Cost

Rate Setting does not exist in a vacuum, but rather is part of larger economic realities as well as government and provider budget planning. This process sets the state for predictable and informed planning for both providers and State agency partners. Several issues need to be understood as part of this context:

1. Rate Setting requires commitment from all parties involved to honor the rates as set. Providers enter into contracts and rate agreements in a "single vendor" environment and need to know in good faith that rates, like obligations in other contracts, will be honored as agreed upon for the care of the State's children. The process of rate adjustments (cuts) requests by the State create undo stress to comply as there is no other customer for the provider. Further cuts have longer term negative impacts on care, salaries paid for jobs in Rhode Island and organizational stability and sustainability.
2. The Economic Factors need to be included in all rate setting activities. It will always be easier to manage incremental change than large sudden change.
3. The State should pay for the cost of care for the State's youth and families. Providers should not be required or requested to operate at structural deficits or take on added burdens that should be reasonably compensated for by the State.
4. Costs increase. The last number of years has seen an attempt to create saving and reduce various types of services to manage costs. That may work from time to time, but the reality is costs increase for both the State and providers each year and is not realistic to ignore that fact and not plan for it. Rate Setting attempts to create a predictable and managed process to be used over time, rather than the often practiced: keep contracts/rates flat for as many years as possible, and then be required to do a sizable jump in costs all at once.

The use of an Adjusted Historic Cost model will begin to create a standard for expenses in a service area. It is likely that initially there will be an increase in costs as the process of averaging and adjusting is implemented. The model does allow for consideration of "allowable" costs going forward which can assist in managing costs. The implementation schedule proposed allows for cost projections to be projected into budget planning, just like cost increases built into other contracts are known and planned for by the agencies involved.

APPENDIX 1
Participants in the Process

Rate Setting Workgroup

RI Department of Children, Youth, and Families

Dr. Trista Piccola, *Director* (to Fall 2019)

Deb Buffi, *Associate Director, Contracts & Compliance*

Susan Lindberg, *Associate Director, Community Services & Behavioral Health*

Kayleigh Pratt, *Chief Financial Officer* (to Fall 2019)

Chris Strnad, *Administrator* - Children's Behavioral Health

Rhode Island Coalition for Children and Families

Br. James Martino, FSC (Chair), *President & CEO*, Ocean Tides Inc.

William Lyttle, *President & CEO*, Key Program

Carlene Casciano-McCann, *President & CEO*, St. Mary's Home for Children

John Farley, *Vice President*, Children's Services, Family Service of RI

Phyllis Pelletier, *Chief Financial Officer*, Family Service of RI

Linda D'Amario Rossi, *Of Counsel*, Advocacy Solutions

APPENDIX 2
Fiscal/Cost Center Definitions and Cost Reporting Template

RI Code /Sub-Group	Title/Area	Description	Guidance
DC1	**PROGRAM MANAGERS**		
DC1a	Program Manager	An individual who has overall responsibility for management, oversight and coordination of a programmatic function areas within or across programs.	Medical Director, Residential Director, Education Director, Regional Managers, Education Coordinators, etc. not Programs Administration. Admin under Administrative Support with no direct child services
DC1b	Program Director	An individual who has overall responsibility for the daily operation of one or more individual programs.	Residential Supervisor/Senior Staff
DC1c	Assistant Program Director	An individual who reports directly to the Program Director, acts for the Program Director in his/her absence and function as an advisor/assistant to the Program Director	
DC1d	Supervising Professional	A credentialed professional whose primary responsibility is the supervision of fellow credentialed professionals in the daily performance of their programmatic functions.	Physicians, Psychiatrist, Social Worker, Nurse, etc. Supervision of non-professionals accounted for in Program Supervisor Staff (MA UFR 133)
DC2	**MEDICAL STAFF**		
DC2a	Physician	Licensed and Board Certified/Eligible physician (include dental, psychiatry) with MD or DO whose primary responsibility is delivery or supervision of health/medical care to program participants	
DC2b	Physician's Assistant	An individual registered as a PA, NP, or comparable position functioning in that capacity in the care of program participants/staff	**Includes nurse practitioners functioning as a health care provider**

DC3	**NURSING STAFF**		
DC3a	Registered Nurse/MA, NP….	An individual with a Master's degree in nursing, registered as an RN and practicing in an expanded role and functioning in any of these capacities.	
DC3b	Registered Nurse RN	An individual licensed as an RN without master's degree, and engaged in nursing duties	
DC3c	Licensed Practical Nurse	A person licensed as an LPN and engaged in nursing duties	
DC4	**ALLIED HEALTH PROFESSIONALS**		**(See DC7h for Medication Assistant/CAN)**
DC4a	Pharmacist	An individual licensed as a pharmacist and functioning in that capacity.	
DC4b	Occupational Therapist	An individual licensed as an occupational therapists and functioning in that capacity	
DC4c	Physical Therapist	An individual licensed as a physical therapist and functioning in that capacity	
DC4d	Speech/Language Pathologist, Audiologist	An individual licensed as a Speech/Language Pathologist or as an Audiologist and who provides speech and hearing therapies	
DC4d	Dietitian/ Nutritionist	An individual registered as a dietitian providing nutritional counseling, education, supervision of meals/menu preparation or an individual with a BA or MA in nutrition who provides nutrition counseling, education and supervision of meals/menu preparation	

DC5	**EDUCATION PROGRAM STAFF**		**Discuss delineation needed for DCYF funded programming with Provider CFO's. Education Coordinator included in DC1a**
DC5a	Special Education Teacher	An individual licenses/qualified as a Special Education teacher and providing those educational services	
DC5b	Teacher	An individual licensed/qualified as a teacher, including required content area, and providing those educational services	
DC5c	Principal	An individual licenses/qualified as a Principal	
DC5d	Guidance Counselor	An individual licenses/qualified as a Guidance Counselor	
DC5e	Special Education Director	An individual licenses/qualified as a Special Education Director	
DC5f	Other Professionals	An individual licensed/qualified as a professional in educational services, such as behavioral specialists	
DC6	**CLINICAL SERVICES STAFF**		
DC6a	Psychiatrist	An individual licensed to practice medicine and board eligible or certified in psychiatry	**To be coordinated with Consulting expense for services if managed off payroll**
DC6b	Psychologist-PhD	An individual holding a doctoral degree in psychology or closely related field, registered/licenses as a psychologist and primarily involved in providing diagnostic evaluations, psychological counseling/therapy or development and implementation of behavioral treatment plans	**To be coordinated with Consulting expense for services if managed off payroll**

DC6c	Clinician	An individual holding a master's degree in psychology or closely related field and primarily engaged in diagnostic evaluations, psychological counseling or development and implementation of behavioral treatment plans	
DC6d	Social Worker-LISCW	An individual registered/licensed as an LICSW primarily engaged in providing diagnostic evaluations, psychological counseling/therapy or development and implementation of behavioral treatment plans	
DC6e	Social Worker-LSCW	An individual registered/licensed as an LCSW and providing social work services	
DC6g	Licensed Counselor	An individual with at least a master's degree in counseling, or a related discipline, who is licensed in RI to and provides counseling services	
DC6h	Certified Vocational Rehabilitation Counselor	An individual certified by CARF who provides vocational rehabilitation counseling	
DC6i	Certified Drug/Alcohol Counselor	An individual registered/licensed as either an Alcoholism Counselor, Drug Abuse Counselor, etc. in RI and who is providing substance abuse counseling services	
DC6j	Counselor	An individual who provides therapeutic or instructive counseling to program clients/service recipients	
DC6k	Case Worker-MA	An individual with at least a master's degree in counseling who provide casework/case management services including service eligibility determination, service plan development, service coordination, resource development, advocacy, etc.	
DC6l	Case Worker-BA	An individual with a bachelor's degree who provides casework/case management services, including service eligibility determination, service plan development, service coordination, resource development, advocacy, etc.	

DC6m	Aftercare Worker	An individual with a bachelor's degree who provides casework/case management services, including service eligibility determination, service plan development, service coordination, resource development, advocacy, etc.	
DC6n	Family Advocate/Parent Partner		**BBI Framework**
DC6o	Youth Advocate		**BBI Framework**
DC7	**DIRECT CARE STAFF**		
DC7a1	Direct Care/ Program Staff Supervisor (non-clinical)	A staff member whose primary responsibility is the supervision of direct care program staff (other than those in DC6) in the performance of their programmatic functions or whose duties involve significant responsibility for program operations or logistics. A supervisor in this classification may also perform direct client care.	
DC7a2	Direct Care/ Program Staff Supervisor (clinical)	A staff member whose primary responsibility is the supervision of direct care clinical program staff in the performance of their programmatic functions or whose duties involve significant responsibility for program operations or logistics. A supervisor in this classification may also perform direct client care.	**Confirm how different than DC1a**
DC7b	Direct Care/ Program Staff III	Specialized direct care staff who are responsible for the general daily care of the program/clients/service recipients or for primary program service delivery. This category may be used to reflect a specialized staff requirement necessary to serve the particular nature of clients (bilingual, sign language, physical or development needs, etc.) beyond those expected of other Direct Care/Program Staff Members (II or I)	**Direct Care Specialized Includes House Manager and Shift Supervisors**

DC7c	Direct Care/ Program Staff II	Staff with a bachelor's degree who are responsible for the general daily care of program clients/service recipients or for primary program service delivery. This category can include specialized staff who would otherwise be considered Direct Care/Program Staff I.	**Direct Care BA**
DC7d	Direct Care/ Program Staff 1	Staff with a high school diploma and other than those described above who are responsible for the general daily care of program clients/service recipients or for primary program service delivery. This includes relief staff on the payroll.	**This includes relief staff on the payroll.**
DC7e	Relief Staff Expense	Payments to an individual to provide direct care services to relieve regular employees of their direct care duties on a temporary basis. Individuals providing temporary direct care services may not be an employee of the contractor employed to provide the same type of employment services as the relief staff services. This expense is related to individual not considered to be independent contractor and/or employees of the program that are not entitled to receive overtime payments for furnishing direct care services to relived regular employees of their duties on a temporary basis.	
DC7f	Direct Care Overtime Expense	Overtime payroll expense paid to employees pursuant to Federal and State regulations regarding overtime. Overtime payment represents the total amount paid once the overtime threshold has been crossed.	**Review detail in 139 for inclusion of further guidance**
DC7h	Program Clerical Staff	Program clerical staff is that staff required and responsible to carry out the direct program clerical activities such as program or client record keeping. Not staff with administrative or overall direction of the agency.	**Includes Medical Assistant/CNA**
DC7i	Program Support Staff	Housekeeping, Maintenance, Janitorial, Groundskeeper, Driver, Cooks who care out direct program activities for client health and safety.	

DC8	**EMPLOYMENT EXPENSES**		
DC8a	Payroll Taxes	Employer's share of FICA/Medicare, RI SUTA, Workers Compensation Insurance, and other payroll taxes paid by the employer on the direct care/program staff listed in DC1-DC7	
DC8b	Fringe Benefits	Life, health and medical insurance, pension and annuity plan contributions, day care, tuition benefits and all other non-salary/wage benefits received by the staff listed in DC1-DC7 on the budget as compensation for personal services	
PR1	**PROGRAM CONSULTANTS**		**Track consultants within larger group with payroll as needed for accurate costs in each rate cost care.**
PR1a**1**	Direct Care Consultant-**Non-Medical/Clinical**	Individuals processing specialized experience or expertise in matters of individual service plan design, program design, program management, or operation and who are engaged to provide technical assistance on matters of appropriate client care, program design, etc.	
PR1a2	**Direct Care Consultants-Medical/Clinical**	**Psychiatrist/Psychology and related**	**Consider if further delineation is needed to manage potential swing in costs.**
		OT/PT and related	
		Other medical related	
PR1b	Temporary Help	Individuals engaged on an "as needed", "on call", "standby" or "specialist" basis to provide client care or treatment. This component includes contracted relief staff services furnished by individuals or organizations.	

PR1c	Provider Reimbursement/Stipends	Per diem reimbursements to independent individual care givers (not provider agency staff) such as family day care providers, specialized home care providers or foster families to compensate them for their personal services and/or to defray all or a portion of the costs associated with client care in their homes.	
PR1d	Subcontracted Direct Care	Client care or other program services which are a primary or integral part of the total program, but which are furnished the program under contract or agreement by a separate program or provider	**Contracted with another program or service provider**
PR2	**PROGRAM STAFF SUPPORT COSTS**		
PR2a	Staff Training	Formal instruction to meet professional continuing education requirements, to satisfy program licensing requirements or to enable direct care staff to acquire and maintain acceptable levels of knowledge, skills and proficiency for the routine performance of their assigned functions.	This is training costs, staffing time and costs to meet requirements should be calculated as part of FTE requirements. This is not Tuition and Educational Benefit costs (DC8d)
PR2b	Professional Development	**Conferences and Professional Growth activities related to work and care by program staff, but not required by contract, license etc.**	
PR2c	Staff Mileage/Travel	Direct care staff travel within normal scope of the staff members' assigned duties, using staff's vehicle or public transportation	
PR2d	Staff Communication	Direct care staff cost for cellphone and other job-related communication expenditures	

PR3	PROGRAM SUPPORT ACTIVITIES		
PR3a	Meals	**Food and snacks only**	**Supplies and equipment to be accounted for in PR3k, PO2b**
PR3b	Client Transportation **and vehicles**	The resources (other than staff compensation) associated with the transportation of clients to/from/among program sites or as part of routine program service delivery. Included costs for contracted transportation services	Include Provider owned vehicles (depreciation and finance charges) or leased, all associated operating, maintenance, insurance and non-owned auto insurance costs.
PR3c	Health/Medical Care	The resources (other than staff compensation) associated with providing health/medical care on an as needed or emergency basis to clients of a program, which are primarily intended to address the ongoing medical needs of program participants.	Includes ambulance services
PR3d	Medicine/Pharmacy	The resources (other than staff compensation) associated with on-site inventory and administration of medical necessary prescription pharmaceuticals, patient medicines and medical supplies.	
PR3e	Hygiene and Clothing	Expenses for resources needed to allow clients to maintain good personal hygiene practices and to have adequate and seasonally appropriate clothing	I do not see this anyplace else…. maybe I missed it.
PR3f	Client Personal Allowance	Cash paid to program clients as an incentive to program participation, as part of instruction in money management, to give clients a measure of economic independence, to acquire personal items or other program purposes.	This category includes “indirect” client wages (not related to the economic value of the client’s work)
PR3h	Computer Technology	**Servers and “capital” needs for computer networks**	
PR3i	Recreation and Activates	Costs associated with equipment, activities and outings for clients of the program. Includes therapeutic recreation as well as those involved in the development of hobbies, pro social youth development, and entertainment	

PR3j	Program Services	Costs associated with delivery of psycho-educational, vocational and career preparation, and other enrichment activates	
PR3k	Program Supplies, Materials and Expendable Items of equipment and furnishings	Program and materials and expendable items of equipment and furnishings that are not required to be capitalized and are routinely needed for ongoing client care and program service delivery.	**Includes house supplies and non-capital computer/technology expenses.**
PR3l	Accreditation, licensing, CQI	Costs associated with maintaining accreditation, licensing and non-HR costs related to CQI functions for the programs	
PR3m	Aftercare Program costs	Non-HR costs related to providing required aftercare program/services	
PR3n	BBI Costs	Costs other than staffing for implementation of support of BBI Framework	
PO1	Commercial Income Resources		
PO2a	Program Facilities	Owned or leased program facilities and grounds (including rent or mortgage interest and building depreciation).	Principle or amortization costs?
PO2b	Facilities Operation, Maintenance, Equipment and Furnishings	This category includes all resources associated with occupancy, furnishings and maintenance of program facilities include all utilities (other than phone), contract housekeeping, laundry, contracted grounds keeping, routine repair and maintenance, leased office equipment and office furnishings and equipment and routine replacement (depreciation and finance charges only) of capitalized program furnishings and equipment, property and general liability insurance, real estate taxes or payments in lieu of taxes, and all other such resources and expenses.	This does not include payroll costs associated with these services (see DC7i)

AS1	Agency and Program Administration and Support	All admin, support and clerical staff not covered in above items.: Accounting and Audit Fees Advertising-Direct Care Annuity Contribution for Admin Staff Data Process Depreciation Office/Equip in Program Facility and Admin offices Depreciation of Admin Vehicles Depreciation of Agency Admin Buildings Directors and Officers Insurance FICA Agency Admin Finance Charges: admin equip/furn., admin cars, working capital Professional insurance Third Party billing and data processing equipment Vehicle insurance, agency admin	**Need understanding of agreeable percentage against program costs.**
		Tracking for add-ons and things like 1:1 care needed; emergency needs, items outside of regular/annual rate expenses	

ORGANIZATION: **FEIN#** **FY END:**

Program Name: ***FACID:** **Program Classification:** Assessment & Stabilization

Program Address: (Number/Street) (City) (State) (Zipcode) **Capacity Clients** **Capacity Days**

RI Code	Sub Group	STAFFING_# hours/yr = 1.00 FTE:		
		DIRECT CARE/PROGRAM STAFFING	**FTE**	**Salary / Wage**
DC1		**PROGRAM MANAGERS**		
	DC1a	Program Manager		
	DC1b	Program Director		0
	DC1c	Assistant Program Director		
	DC1d	Supervising Professional		
DC2		**MEDICAL STAFF**		
	DC2a	Physician		
	DC2b	Physician's Assistant		
DC3		**NURSING STAFF**		
	DC3a	Registered Nurese/MA, NP		
	DC3b	Registered Nurse RN		
	DC3c	Licensed Practical Nurse		
DC4		**ALLIED HEALTH PROFESSIONALS**		
	DC4a	Pharmacist		
	DC4b	Occupational Therapist		
	DC4c	Physical Therapist		
	DC4d	Speech/Language Pathologist, Audiologist		
	DC4d	Dietitian/Nutritionist		
DC5		**EDUCATION PROGRAM STAFF**		
	DC5a	Special Education Teacher		
	DC5b	Teacher		
	DC5c	Principal		
	DC5d	Guidance Counselor		
	DC5e	Special Education Director		
	DC5f	Other Professionals		
DC6		**CLINICAL SERVICES STAFF**		
	DC6a	Psychiatrist		
	DC6b	Psychologist-PhD		
	DC6c	Clinician		0
	DC6d	Social Worker-LISCW		
	DC6e	Social Worker-LSCW		
	DC6g	Licensed Counselor		
	DC6h	Certified Vocational Rehabilitation Counselor		
	DC6i	Certified Drug/Alcohol counselor		
	DC6j	Counselor		
	DC6k	Case Worker-MA		
	DC6l	Case Worker-BA		
	DC6m	Aftercare Worker		
	DC6n	Family Advocate/Parent Partner		
	DC6o	Youth Advocate		
DC7		**DIRECT CARE STAFF**		
	DC7a1	Direct Care/Program Staff Supervisor (non-clinical)		
	DC7a2	Direct Care/Program Staff Supervisor (clinical)	0.00	0
	DC7b	Direct Care/Program Staff III		
	DC7c	Direct Care/Program Staff II		
	DC7d	Direct Care/Program Staff 1		
	DC7e	Relief Staff Expense		
	DC7f	Direct Care Overtime Expense		
	DC7h	Program Clerical Staff		
	DC7i	Program Support Staff		
DC8		**EMPLOYMENT EXPENSES**		
	DC8a	Payroll Taxes	12%	0
	DC8b	Fringe Benefits	18%	0

RI Code	Sub Group			Estimated FTE
		PROGRAM RESOURCES FOR DIRECT CARE		
PR1		**PROGRAM CONSULTANTS**		
	PR1	Direct Care Consultant-Non-Medical/Clinical		
	PR1a1	Direct Care Consultants-Medical/Clinical		
	PR1a2	Direct Care Consultants-Medical/Clinical		
	PR1b	Temporary Help		0.00
	PR1c	Provider Reimbursement/Stipends		
	PR1d	Subcontracted Direct Care		
PR2		**PROGRAM STAFF/SUPPOR COSTS**		
	PR2a	Staff Training	0	
	PR2b	Professional Development		
	PR2c	Staff Mileage/Travel		
	PR2d	Staff Communication		
PR3		**PROGRAM SUPPORT ACTIVITIES**		
	PR3a	Meals		
	PR3b	Client Transportation and vehicles		
	PR3c	Health/Medical Care		
	PR3d	Medicine/Pharmacy		
	PR3e	Hygiene and Clothing		
	PR3f	Client Personal Allowance		
	PR3h	Computer Technology		
	PR3i	Recreation and Activities		
	PR3j	Program Services		
	PR3k	Program Supplies, Materials and Expendable Items of equipment and furnishings		
	PR3l	Accreditation, licensing, CQI		
	PR3m	Aftercare Program costs		
	PR3n	BBI Costs		
PO		**PROGRAM OCCUPANCY**		
	PO1	Commercial Income Resources		
	PO2a	Program Facilities	0	
	PO2b	Facilities Operation, Maintenance, Equipment and Furnishings	0	
AS		**ADMINISTRATIVE SUPPORT**		
	AS1	Agency and Program Administration Support	0	

Total Direct Care Program Staffing	0	
Total Program Resources for Direct Care	0	
Total Program Occupancy	0	
Total Admistrative Support	0	
Grant Total	**0**	
Total Program Daily Cost	**#DIV/0!**	
Total Census Days		
Average Census	**0.00**	
Staff FTE & Estimated Contracted FTE	**0.00**	**0.00**
# Weeks operated during audit period (e.g., 52):		

Total 0

APPENDIX 3
Fiscal Analysis of Group Home Test Model

5 3:1 group homes reporting with Average Census: 5.65 Only showing "used" cost center definitions		
Item	Average FTE reported	Average Cost
Program Managers		
Program Manager	.032	17,228.50
Program Director	0.49	23,961.67
Asst. Program Director	0.80	27.569.88
Supervising Profession	0.80	3,714.40
Total	**1.69**	**72,974.25**
Nursing Staff		
RN	0.06	2,897.31
Total	**0.06**	**2,897.31**
Clinical Staff		
Psychiatry	0.01	960.00
Clinician	0.20	6,508.00
Social Worker LICSW	0.20	8,619.00
Social Worker LCSW	0.20	10,520.00
Counselor	0.20	7,762.40
Caseworker BA	0.63	22,175.44
Total	**1.44**	**56,545.64**
Direct Care Staffing		
DC/Program Supervisor	1.0	29,084.34
DC Program Staff III	0.20	6,872.80
DC Program Staff II	2.98	81,286.42
DC Program Staff I	3.95	82,107.56
DC Relief Staff Expense	0.30	7,851.65
DC Overtime Expense	0.79	42,848.87
Program Clerical Staff	0.07	2,235.80
Program Support Staff	0.09	2,100.00
Total	**9.38**	**254,387.33**
Employment Expenses		
Payroll Tax		30,667.03
Fringe Benefits		45,086.70
Total		**75,753.74**

Program Consultants		
DC Consultant Medical		204.50
Temporary Help		18,120.61
Total		**18,325.11**
Program Staff Support Costs		
Staff Training		1,734.10
Professional Development		386.07
Staff Mileage/Travel		1,378.74
Staff Communication		1,398.80
Total		**4,496.95**
Program Support Activities		
Meals		19,150.12
Client Transportation		15,881.94
Health/Medical Care		127.00
Medicine/Pharmacy		243.29
Hygiene and Clothing		4,048.42
Client Personal Allowance		2,411.39
Computer Technology		1,182.18
Recreation and Activities		4,860.48
Program Supplies		11,605.32
Accreditation, Licensing CQI		274.17
Total		**59,784.32**
Facilities		
Program Facilities		48,724.71
Facilities Operations		52,077.42
Total		**100,802.13**
Agency Admin and Supports		
Personnel Services		**62,975.24**
OTPS		**29,285.70**
Total		**92,260.94**

Other cost centers exist in the Fiscal Definitions Resource Document and may be used by other programs.
This work reflects just the cost centers reported by at least one of the group homes in the test model.

APPENDIX 4

Group Home Test Model Scenario Testing-Adjusted Historic Rate

5 3:1 group homes reporting with Average Census: 5.65 Only showing "used" cost center definitions			Adjusted Historic Average- Step One Standardize Costs	
Item	Average FTE reported	Average Cost	Adjusted FTE	1 FTE or Census @ 8
Program Managers				
Program Manager	.032	17,228.50	0.40	*45,622.00*
Program Director	0.49	23,961.67	0.49	*50,352.00*
Asst. Program Director	0.80	27.569.88	1.33	*30,511.50*
Supervising Profession	0.80	3,714.40	0.20	37,144.00
Total	**1.69**	**72,974.25**		**163,629.50**
Nursing Staff				
RN	0.06	2,897.31	0.11	43,652.80
	0.06	**2,897.31**	**0.11**	**43,652.80**
Clinical Staff				
Psychiatry	0.01	960.00	0.04	96,000.00
Clinician	0.20	6,508.00	1.0	*32,540.00*
Social Worker LICSW	0.20	8,619.00	1.0	*43,099.00*
Social Worker LCSW	0.20	10,520.00	0.5	52,600.00
Counselor	0.20	7,762.40	1.0	38,812.00
Caseworker BA	0.63	22,175.44	1.0	30,882.00
Total	**1.44**	**56,545.64**	**4.17**	**293.933.00**
Direct Care Staffing				
DC/Program Supervisor	1.0	29,084.34	2.50	*32,809.00*
DC Program Staff III	0.20	6,872.80	1.00	*34,364.00*
DC Program Staff II	2.98	81,286.42	7.45	27,277.32
DC Program Staff I	3.95	82,107.56	6.58	20,786.72
DC Relief Staff Expense	0.30	7,851.65	1.75	*28,258.00*
DC Overtime Expense	0.79	42,848.87	1.98	23,000.00
Program Clerical Staff	0.07	2,235.80	0.37	21,000.00
Program Support Staff	0.09	2,100.00	0.21	21,001.00
Total	**9.38**	**254,387.33**	**21.85**	**211,416.96**
Employment Expenses				
Payroll Tax		30,667.03		
Fringe Benefits		45,086.70		
Total		**75,753.74**		

NOTES FOR STEP ONE-STANDARDIZATION OF COSTS

FTEs are adjusted to average for number of group homes reporting rather that straight average of 5.

One FTE costs are based on adjusted average cost to one FTE bases on reported unless there was a 1 FTE salary available, in which case that number may have been used. Italics number indicates provided salary used.

Non-FTE's cost centers were adjusted to census of 8.0

Nursing adjusted cost is $23.99/hour

Psychiatric salary is $52.75/hour

Direct Care Staff Costs are also impacted by "Temporary Help" listed in section titled: "Program Consultants."

No adjustments made to this area as staffing model used in Step 2 will have impact

Program Consultants				
DC Consultant Medical		204.50		1,022.50
Temporary Help		18,120.61		45,301.53
Total		**18,325.11**		**46,324.03**
Program Staff Support Costs				
Staff Training		1,734.10		2,243.58
Professional Development		298.40		386.07
Staff Mileage/Travel		1,065.65		1,378.74
Staff Communication		1,398.80		1,809.77
Total		**4,496.95**		**5,818.16**
Program Support Activities				
Meals		19,150.12		24,776.43
Client Transportation		15,881.94		20,548.05
Health/Medical Care		127.00		164.31
Medicine/Pharmacy		243.29		314.77
Hygiene and Clothing		4,048.42		5,237.84
Client Personal Allowance		2,411.39		3,119.86
Computer Technology		1,182.18		1,529.51
Recreation & Activities		4,860.48		6,288.49
Program Supplies		11,605.32		15,014.97
Accreditation, Licensing CQI		274.17		354.72
Total		**59,784.32**		**77,348.95**
Facilities				
Program Facilities		48,724.71		48,724.71
Facilities Operations		52,077.42		52,077.42
Total		**100,802.13**		**100,802.13**
Agency Admin and Supports				
Personnel Services		**62,975.24**		
OTPS		**29,285.70**		
Total		**92,260.94**		

Administrative Costs not adjusted at this time in leu of planning appropriate percentages of costs.

5 3:1 group homes reporting with Average Census: 5.65 Only showing "used" cost center definitions			Adjusted Historic Rate Step One Standardize Costs		Adjusted Historic Rate Step Two Cost Center Targets	Notes	
Item	Average FTE reported	Average Cost	Adjusted FTE	1 FTE or Census @ 8	Costs to Standards by workgroup or CFO group		
Program Managers						**Staffing Model Applied**	
Program Manager	.032	17,228.50	0.40	*45,622.00*			
Program Director	0.49	23,961.67	0.49	*50,352.00*	$60,000	*One full time program manager*	
Asst. Program Director	0.80	27.569.88	1.33	*30,511.50*			
Supervising Profession	0.80	3,714.40	0.20	37,144.00			
Total	**1.69**	**72,974.25**		**163,629.50**	**60,000.00**		
Nursing Staff							
RN	0.06	2,897.31	0.11	43,652.80	27,563.90	$30.29/hour closer to market 0.5 FTE for 8 bed GH	
	0.06	**2,897.31**	**0.11**	**43,652.80**	**27,563.90**		
Clinical Staff						**Staff Model Applied**	
Psychiatry	0.01	960.00	0.04	96,000.00	TBD	Consultant rate and model TBD	
Clinician	0.20	6,508.00	1.0	*32,540.00*			
Social Worker LICSW	0.20	8,619.00	1.0	*43,099.00*		*Supervision?*	
Social Worker LCSW	0.20	10,520.00	0.5	52,600.00	43,099.00	Model, 1 FTE SW; 1 FTE case worker	
Counselor	0.20	7,762.40	1.0	38,812.00			
Caseworker BA	0.63	22,175.44	1.0	30,882.00	30,882.00		
Total	**1.44**	**56,545.64**	**4.17**	**293.933.00**	**73,981.00**	**Psychiatric rate to be added**	
Direct Care Staffing						**Staffing Model Applied**	
DC/Program Supervisor	1.0	29,084.34	2.50	*32,809.00*	92,662.66	*2 FTEs for House Managers at $46,331.33*	
DC Program Staff III	0.20	6,872.80	1.00	*34,364.00*	551,070.00	*15.7 FTE at $35,100.00- tenure, BA, etc.*	
DC Program Staff II	2.98	81,286.42	7.45	27,277.32		15.7 FTE based on model not historic staffing	
DC Program Staff I	3.95	82,107.56	6.58	20,786.72			
DC Relief Staff Expense	0.30	7,851.65	1.75	*28,258.00*			
DC Overtime Expense	0.79	42,848.87	1.98	23,000.00	60,000.00	Allowance carried hedge factor included above.	
Program Clerical Staff	0.07	2,235.80	0.37	21,000.00	21,000.00	1 FTE for clerical and support staff	
Program Support Staff	0.09	2,100.00	0.21	21,001.00			
Total	**9.38**	**254,387.33**	**21.85**	**211,416.96**	**$724,732.66**		
Employment Expenses							
Payroll Tax		30,667.03			TBD	To be 10.7%	
Fringe Benefits		45,086.70			TBD	Initial report at 27%; RI state government 36%	
Total		**75,753.74**				**Breakout health insur. costs for Econ Factors?**	

Program Consultants							
DC Consultant Medical		204.50		1,022.50	1,022.50	Remain unclear on this consult, carried	
Temporary Help		18,120.61		45,301.53		Moved to DC Overtime Expenses	
Total		**18,325.11**		**46,324.03**	**1.022.50**		
Program Staff Support Costs							
Staff Training		1,734.10		2,243.58	2,500.00	DCYF required	
Professional Development		298.40		386.07	4,000.00	3 staff/year at federal medium conference rate	
Staff Mileage/Travel		1,065.65		1,378.74	1,000.00	Note IRS inflation was 6.42% may need to adjust	
Staff Communication		1,398.80		1,809.77		To phone	
Total		**4,496.95**		**5,818.16**	**7,500.00**		
Program Support Activities							
Meals		19,150.12		24,776.43	30,000.00	Staffing, DCYF regs, no days school, USDA standards	
Client Transportation		15,881.94		20,548.05	17,000	May include some capital costs	
Health/Medical Care		127.00		164.31	1,000.00	Increased for need, inflation, changing insurance	
Medicine/Pharmacy		243.29		314.77	500.00	Increased for need, inflation, changing insurance	
Hygiene and Clothing		4,048.42		5,237.84	9,000.00	$200 clothing at intake and 4 quarters + hygiene	
Client Personal Allowance		2,411.39		3,119.86	6,240.00	$15/week/child	
Computer Technology		1,182.18		1,529.51	2,000.00	EMR? Capital investments not considered	
Recreation & Activities		4,860.48		6,288.49	4,500.00		
Program Supplies		11,605.32		15,014.97	15,000.00		
Accreditation, Licensing CQI		274.17		354.72	2,000.00	Also pass through costs when renewed	
Total		**59,784.32**		**77,348.95**	**87,740.00**		
Facilities							
Program Facilities		48,724.71		48,724.71	55,000.00		
Facilities Operations		52,077.42		52,077.42	40,000.00		
Total		**100,802.13**		**100,802.13**	**95,000.00**	**Review with individual providers to finalize**	
Agency Admin and Supports						**(FSRI Fed rate is 16.35%-should we use?)**	
Personnel Services		**62,975.24**					
OTPS		**29,285.70**					
Total		**92,260.94**					

While totals are given in each area, no rate was calculated prior to final agreement on staffing plans and the approach taken to each cost center. Items highlighted in beige also need to be finalized. Further final rate calculated would also need be adjusted for allocated costs for programs with more than one group home.

APPENDIX 5
Group Home Test Model Scenario Testing-Economic Factors

Testing is based on a demonstration rate of $300 per diem.

Base Rate				
$300.00	$20.10	Cost of Living	+6.7%	CPI Jan 2017 to June 2019 6.7%
$320.10		Salary Adjustment		Factor to be determined in each rate setting cycle
		Minimum Wage Adj		Factor to be determined in each rate setting cycle
		Health Insurance	+13%	Adjustment factor applied to health insurance costs
		New Mandates		BBI, FFA, CSES reporting, other
		Add-Ons		Specialized activities approved in scope of work
		Indiv. Agency Adjustment		By conversation and agreement with DCYF or DOA
		FINAL RATE		