

New Hampshire Division of Health and Human Services
Bureau of Developmental Services
Updated 05/22/2017

Directions for completing the budget workbook for
Traditional Adult Medicaid budgets

The Bureau of Developmental Services requires that any traditional adult residential, community support and or community participation service budget request be submitted to it using this format. This format is also required for annual renewals of He-M 521 budgets. Any other format will be rejected automatically. The Bureau will not accept the budget formats of agency sub-contractors.

A standardized budget format, for all parties, is required:

- To establish uniformity of practice between what is submitted to the Bureau and what costs are allowed.
- To provide for equity and uniformity in the application of accounting guidelines.
- To make the budget review process less burdensome for all involved.
- To enable the Bureau to readily compare and analyze budgets, on a case by case basis, and eventually on a statewide basis.
- To provide the Bureau with budget documents whose information is in conformity with Medicaid and waiver rules.

When submitting a new budget for an individual who has another adult traditional service, the budget workbook must include both the new budget and the old budget for the service that remains in place. For example; if a person currently has a community participation service (CPS) and you are now submitting a budget for a residential service the budget workbook must contain both the prior CPS budget and the new residential budget.

The Traditional Services Budget Workbook is to be used for budgets for adults supported by the Developmental Disability or Acquired Brain Disorder Waivers (including He-M 521 budgets) that are not Personally Directed Medicaid Services (PDMS). PDMS budgets for Children's In-Home Supports and Consolidated Developmental Services have a separate budget template.

Note: Changes starting with the 04/11/17 edition:

- 1. The Room and Board tab has had a line added (#30) so the home provider's room and board cost can be entered. It will automatically flow to the residential tab. You are no longer able to enter the room and board cost on the residential tab directly.**
- 2. An additional CPS/SEP tab has been added to accommodate those individuals who receive CPS and SEP services from separate provider agencies.**
- 3. Recreational therapy has been added, line 29.**

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4. **The Transportation test has been changed to conform with the Medicaid waiver. The test is now set for a maximum of \$5,000 for the individual's combined day and residential budgets even if the services are provided by different service providers. Exceptions may be granted upon discussion with the Bureau.**
5. **The SIS and HRST scores have been defined.**
6. **The definition of specialty services has been changed to conform to the Bureau's memo of 04/10/17.**

Previous changes:

1. All budgets of \$150,000 and over will need to be reviewed via conference call, with the Bureau. The Area Agency Executive Director and the staff most familiar with the clinical and budgetary issues are required to participate in the call.
2. Contracted services have been removed. They are now to be included under sub-contracting.
3. Therapies and consultative services have been removed. They are now to be listed under specialty services.
4. General management is now limited to a maximum dollar amount of \$18,000. The 12% limit remains in place also. A test for this has been added. Existing budgets are exempt, unless new money is being requested.
5. A test for the \$150 "other professional fees" limit has been added.
6. How to list room and board expense for home providers has been clarified.

The six-tab workbook has been designed to have one worksheet as a "Total" page and separate worksheets (tabs) for a. Residential services, b. Room and Board, c. Community Participation Services / Supported Employment and, 5. Specialty Services.

There is also a tab which contains the Bureau's updated chart of accounts expenditure line item descriptions. The line item numbers in the budgets are hyperlinked to the definitions.

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Total Tab

The “Total” tab collects the data entered on the other four worksheets with the exception of those items highlighted in green. The items in green are those you will enter on the Total spreadsheet. These items include;

- Individual: Enter the person’s name for which the budget is being prepared.
- Current Budget: Enter the total current budget for the services being considered.
- Area Agency: Self explanatory
- Medicaid Waiver: Pick either Developmental Disability or Acquired Brain Disorder waiver from the drop down list.
- Residential Vendor: Enter the name of the residential provider agency.
- CPS-SEP Vendor: Enter the name of the CPS-SEP services provider agency.
- Preparer / Contact: Enter the name of the area agency staff who should be contacted regarding the budget.
- Date Prepared / submitted: Self-explanatory.
- HRST: Enter the HRST level of need score (1-6), when available.
- SIS: Enter the SIS (support needs index), when available.
- CC#: This is the cost center number that this budget will be assigned to in BTS and Form A.

As appropriate, this information will populate the other tabs.

In addition, the Service Coordination expense is entered in cell C61 using the drop down list provided.

Once the budgets are completed on the other tabs the Area Agency staff will construct the Medicaid funding at the bottom of this spreadsheet, picking the appropriate service levels as indicated in cell D72 through D78. Only the Medicaid revenues that pertain to the budget you are creating need to be completed. More regarding the funding cells will be discussed later.

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Residential and CPS-SEP budgets

If an individual is proposed to receive services from multiple providers (sub-contractors) it will be necessary for the Area Agency to enter the two or three budgets in one workbook, using worksheets provided (tabs). This is to create separate and accurate pictures of the residential and CPS/SEP costs and funding. This separation is required even when the provider of both services is the same entity. The residential and CPS-SEP budgets spreadsheets operate essentially the same. Each has its own tab and must be completed separately. Combined residential and CPS/SEP service budgets are to be split between the two tabs. If CPS and SEP is being provided by one entity the budget can be shown on one tab.

- The line item descriptions are restricted to the Bureau's updated Chart of Accounts. The definitions are hyperlinked to each line item number. Click the line item number and the workbook will take you to the definition.
- Both worksheets allow for different names to be entered for the preparer and different dates.
- No revenue is entered on either sheet
- Whatever data is entered on these sheets will be updated to the total page.
- The cells that are not highlighted (colored) will allow you to enter data.
- The totals from the detail boxes on the right will populate the appropriate cell in column B.

Staffing – Enter the staff position title, the hourly pay rate, the number of hours per week and the number of weeks were indicated. All of this information will populate the total page automatically.

The number of weeks has been added to allow this template to be used for services that are for less than the typical 52-week year.

The Bureau's maximum hourly rate for direct support professionals is \$15. If a higher rate is deemed necessary, it will need to be justified in a narrative.

Note: The Bureau has determined that there will only be two levels of management in any budget. Therefore, two lines have been locked out for management, level 1 and level 2. It will be up to the budget preparer to make the rates and hours work, for the budget being prepared.

Benefits and taxes – Enter the individual agency's benefit percentage rate in cell D24 and the tax rate in cell D25. These rates are the agency's unique anticipated cost for the service being budgeted. Upon entering the rates, the worksheet will automatically calculate the appropriate amounts.

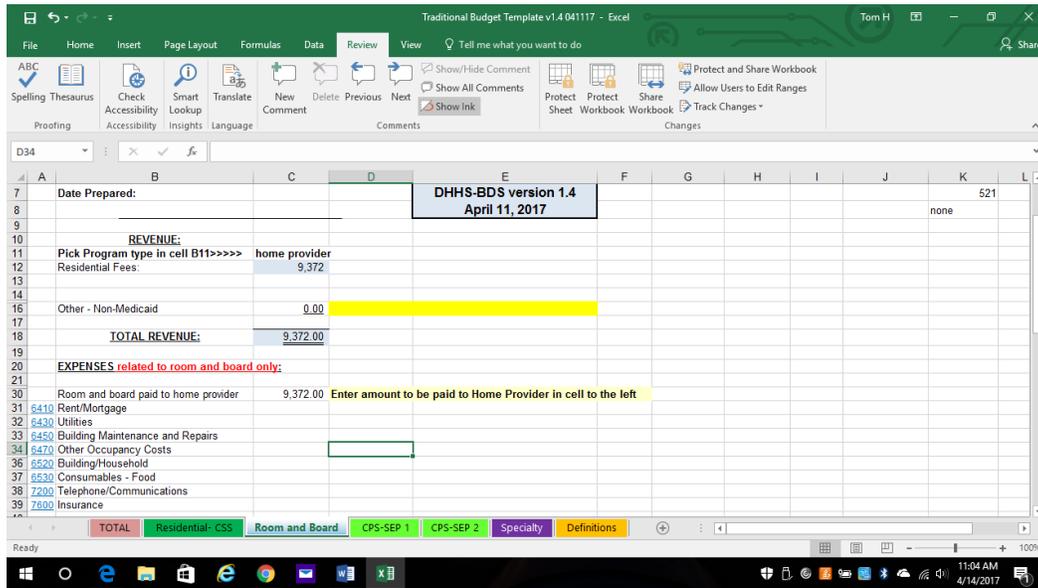
Taxes include payroll taxes paid by the agency and unemployment taxes.

Fill in the other "detail boxes" on the right (Col E). Reference the Bureau's accounting guidelines for definitions of what is allowable in each item.

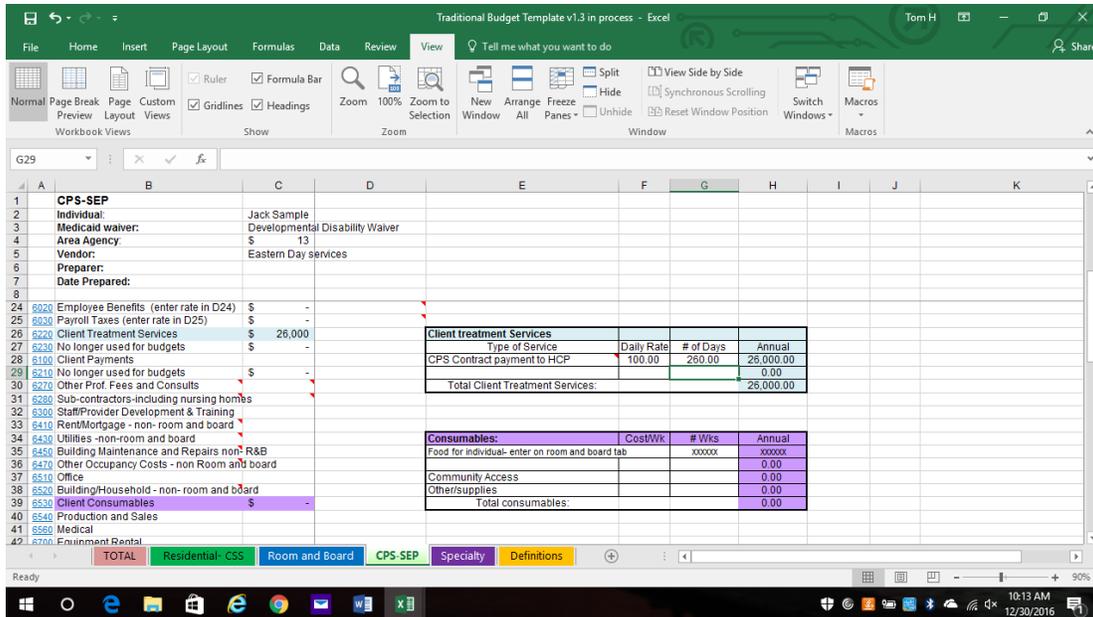
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Client Treatment Services (home care provider)-This box includes payments for home care providers, payments to families (He-M 521), respite paid to providers and room and board paid to providers.

Room and board expense – The room and board expense paid to a home provider is entered on the room and board tab in cell C30. It will automatically flow to the residential tab.



Community participation services paid to home providers are entered on the CPS tab in the client treatment services box. See sample below.



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Transportation - The transportation detail includes a test to alert you if the total transportation (from all tabs) exceeds the \$5,000 Bureau cap. Transportation costs exceeding \$5000 are only allowed for health and safety reasons and must be justified in a narrative.

All of the other expenses, in column B, not supported by a “detail box”, are available for use as needed.

General Management – There are two cells for GM one for the Provider GM and one for the Area Agency GM. The definition of general management is hyperlinked and included at the end of the Bureau’s Chart of Accounts.

General management is limited to both 12% of the budget and \$18,000.

Tests- At the bottom of the worksheet there are a number of “tests”. These “tests” are included to provide the preparer and the reviewer with a quick means of checking for various limits and information. A description of each “test” may be found by placing the cursor on the cell with the red diamond in the upper right corner.

Room and Board budget

A separate room and board tab is included in this workbook. All room and board expenses for the individual are to be budgeted on this tab.

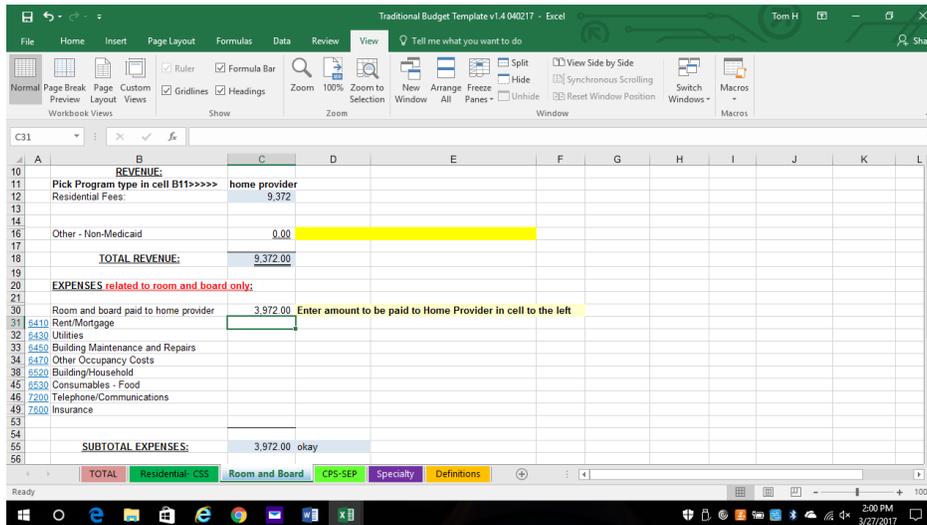
No Medicaid may be used to fund room and board expenses.

Choose the residential service type (staffed, home provider, 521 or none) from the drop-down list in cell C11. This will generate the appropriate room and board revenue rate.

Optional “Other” non-Medicaid revenue may be entered in cell C16. By doing so a warning will pop up stating that “No Medicaid is being used to fund room and board.”

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For home provider budgets, enter the room and board amount to be paid to the home provider in cell C30. This amount will automatically flow to the residential tab and the Client Treatment Services box, cell H31.

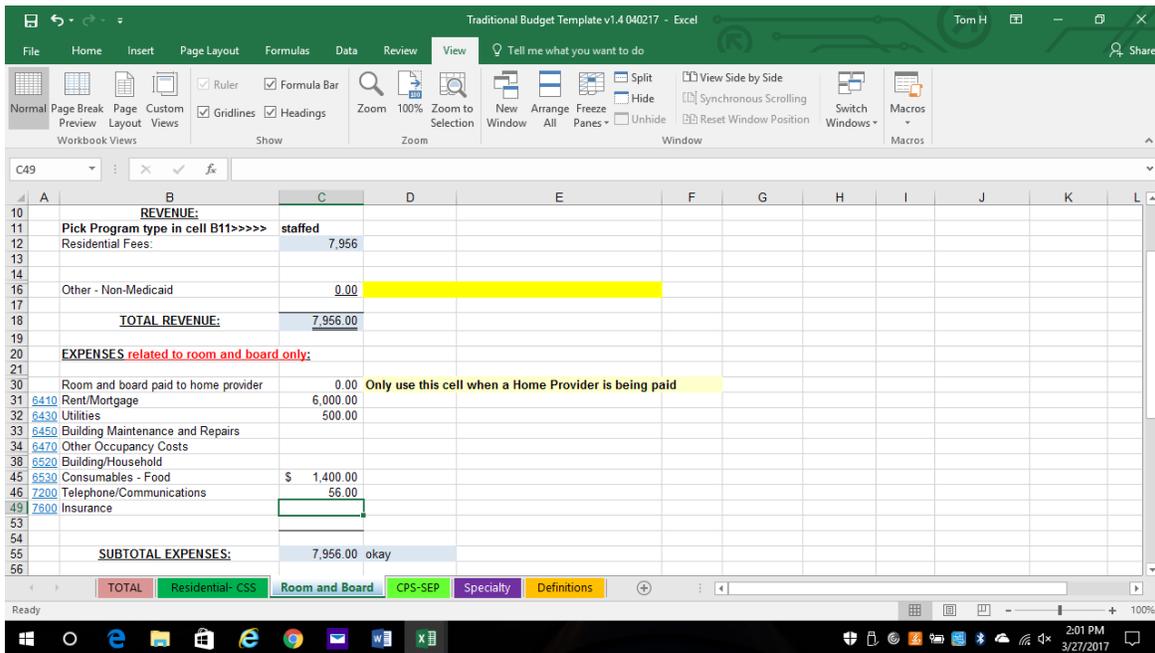


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For staffed budgets; enter the budgeted room and board expenses on the lines provided. Definitions may be found in the Bureau's Chart of Accounts and are hyperlinked.

The Centers for Medicaid and Medicare Services (CMS) defines Room and Board to include the following;

- Rent and / or mortgage interest
- Insurance (title, mortgage, property and casualty)
- Building and/or grounds maintenance costs
- Resident food
- Household supplies necessary for the resident room
- Furnishings used by the resident (does not include office furnishings)
- Utilities (electricity, water and sewer, heating fuel)
- Resident telephone
- Resident cable television



CMS rules state that no Medicaid may be used to fund room and board expenses.

If the total expense exceeds the total revenue a warning will appear. The Bureau will not accept a budget where the room and board expense exceeds the revenue.

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Specialty Services

These services are intended for individuals whose needs in the areas of medical, behavioral, therapeutic, health and personal wellbeing require services, which are specialized pertaining to unique conditions and aspects of developmental disabilities and acquired brain disorders. The service definition for Specialty Services from the DD waiver is as follows:

*Specialty Services: are intended for recipients whose needs in the areas of medical, behavioral, therapeutic, health and personal well-being require services which are specialized pertaining to unique conditions and aspects of developmental disabilities. **Specialty Services are utilized to provide assessments and consultations** and are used to contribute to the design, development and provision of services, training support staff to provide appropriate supports as well as the evaluation of service outcomes.*

Any items provided under this category must be based on an assessed need by a qualified provider and cannot be available as a benefit under the NH State Medicaid Plan.

The Bureau has further determined that all therapies and consultative services are to be listed as specialty services.

On the Specialty Services tab, there is one section for both residential and CPS / SEP services.

Enter a brief description of the service (detail the requested service in the narrative) and choose a frequency of service from the drop-down list (daily, weekly, monthly, quarterly or annually).

Next enter the rate to be paid for each service delivered. Then enter the number of units of service that are anticipated to be delivered during the period chosen. Next enter how many days, weeks, months, etc. the service will be delivered during the year.

For example; if a behaviorist will be working with an individual two times a month for 11 months of a year at a rate of \$60 per visit the data entered would appear as follows;

Specialty Services Billing - Residential						
<u>Description</u>	<u>pick Frequency</u>	<u>Rate</u>	<u>units per</u>		<u># of</u>	<u>total</u>
Behaviorist	monthly	\$ 60.00	month	2	months	11 \$ 1,320

The total of all Specialty Services will carry forward to the total page.

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Completing the budget – Medicaid Funding

The Area Agency staff will complete the Medicaid funding section.

The Medicaid revenue section of the budget is located at the bottom of the total tab. Whichever Medicaid waiver was chosen initially, that name will appear at the top of the service level choices as a reminder to only pick a service which is in line with that waiver.

Depending on the services proposed it will be necessary to pick services in accordance with those services. It is expected that the residential service (exclusive of room and board) will be funded by residential level Medicaid and the CPS service by CPS levels of Medicaid, and so forth.

Upon choosing a service level the spreadsheet will automatically enter the current rate for that service. Then you will need to determine the appropriate number of units of Medicaid.

The spreadsheet will compare and report the difference between the similar proposed expense budget and the proposed Medicaid funding. It is recognized that, as the result of fixed funding levels, there will often be differences between a specific budget and the specific funding assigned to it. It is expected that those differences will be minimized. The difference should be no more than one unit of the highest value residential or CPS service chosen for the budget.

In constructing the funding units potential vacancies should be taken into consideration.

While there is only one line each for service coordination, residential, CPS and SEP, there are three lines available for specialty services. This recognizes the possibility of there be a need for three different types of specially funding, SSL1, SSL2 and / or SSLAssess.

Tests:

The Total worksheet has ten “tests” at the bottom of the spreadsheet. These tests or checks are provided to enable the reviewer to quickly check various limits and other information.

Surplus Variance test – Is the net difference between total revenues and total expenses greater +/- \$1.00? If more than \$1 please adjust the revenues and or expenses to bring the net within \$1.

Room and board test – are room and board revenues equal to or more than room and board expenses?

Transportation test – Does the total of the residential, CPS and SEP transportation costs exceed \$5,000?

General Management #1 test – is the total general management 12% or less of the total budget before service coordination and specially services.

General Management #2 test – is the total general management \$18,000 or less of the total budget before service coordination and specially services.

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Medicaid revenue versus budgeted expense tests – What is the net difference between the various proposed revenues and the corresponding proposed expenses?

Other professional fees test – Does the amount of total other professional fees exceed the Bureau’s limit of \$150? If so, provide an explanation.

Indirect expenses – This calculates the total of all costs that are not directly related to providing services to the individual. These include; the total of management salaries and the benefits and taxes on management salaries, non-room and board rent/mortgage, utilities, building maintenance, other occupancy costs, building and household costs, plus; equipment rental and maintenance, office supplies, advertising, telecommunications, printing, postage, and insurance, all divided by the sub-total of the budget before service coordination, specialty services and general management. There is no established limit on this category of expense. This number is for informational purposes only.

Indirect expenses as a percentage of the budget sub-total – This divides the total arrived at above by the sub-total. There is no established limit on this category of expense. This ratio is for informational purposes only.