

# Cost Standards Reference Guide

Issued: October 2021

**Funds must be available in the budget or authorized by PRAT when using any of the services and supports in the Program Allowance Quick Reference. All requests for prior approval go to the regional designee and are time limited for a period no greater than 3 years.**

**This reference supersedes the Cost Standards revised in 2014 and is considered the interim guidance upon issuance until a policy is issued.**

Support/Service Type	Is the Support/Service Allowable and What is the Process for Approval?	Supports/Service Overview and Guidelines
<b><i>Self-Directed Employee Wages - Payment to Family Members</i></b>		
<p>Wages provided to family members or relatives (defined below) who provide routine care and supervision (excluding legal representatives, legally responsible relatives, guardians, or employer of record).</p> <p>Definition of a family member is as follows:</p> <p>One party with any of the following relationships to another party:</p> <ul style="list-style-type: none"> <li>• Spouse, and parents</li> <li>• Children, and spouses</li> <li>• Parents, and spouses</li> <li>• Siblings, and spouses</li> <li>• Grandparents and grandchildren, and spouses</li> <li>• Domestic partner and parents, including domestic partners of any individual in the above bullets</li> <li>• Any individual related by blood or affinity</li> </ul>	<p>Allowed (Requires a Family Hire Form)</p> <p>Does Not Require Prior Approval</p>	<p>A family member or relative that is the individual’s legal representative, legally responsible relative or guardian is not eligible for payment for supports provided to such individual under this program. There are <b>NO</b> exclusions to this requirement.</p> <p>An Employer of Record (EOR), regardless of family relationship, is also not eligible for payment for supports provided to such individuals under this program.</p> <p>The parent of a child under 18 who is receiving services or a child under 21 who is receiving Behavioral Services Program (BSP) is also not eligible for payment for supports provided to such individuals under this program.</p> <p>The family member must follow the Family Hire Policy Guidelines.</p> <p>The family member must be qualified to provide the supports needed.</p> <p>Family members or relatives who are hired are required to (1) meet waiver service qualifications for any service that they provide; (2) adhere to applicable DDS Individual Supports procedures; and (3) abide by DDS policy for hiring a family member.</p>

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Transportation by family member	Allowed and may need prior approval	<p>Mileage reimbursement paid at rate established by DDS but paid ONLY if it is related to IP goal or has prior approval. No mileage reimbursement is given for typical family outings/activities unrelated to IP goals.</p> <p>CDS training not required if this is only service being provided. However background and license checks are still required.</p>
Third Party Reimbursement and payment to individuals/families	<p>Funds must be available within present allocation. Items need to be identified and listed in the IP Payment allowed with Supervisor of Case Management approval for up to \$500.00.</p> <p>Prior approval REQUIRED when greater than \$500.00.</p>	Need must be in outcome on IP. List approved and submitted through Case Manager or prior approval if amount is greater than \$500.00 to FI in advance of purchase. Only items on preapproved list will be reimbursed unless a prior approval has been approved.
Worker's Compensation	Required	Worker's Comp is required for all self-directed supports through the current Collective Bargaining Agreement (CBA). Cost not to be added to budget (Paid externally and not through funding in the budget).
<b>Overhead Wages</b> – Allowed for Direct Hires Only (with available funds). Not allowed for Vendor services		
Community Activity Fee for Staff	Allowed	<p>\$400.00 per budget year</p> <p>Fees must be for an activity that enhances the individual's ability to be integrated into the community and is part of the individual plan but cannot be paid through another source. These costs may include admissions to events and community activities for employees hired directly by the individual.</p>
Advertising (for recruitment expenses)	Allowed	Expenses are for the recruitment and hiring of direct support professionals.
Background Check/pre-employment	Required Completed by the FI with submitted employee application.	On average \$50.00 for each background check. Out of state background checks may be more expensive, please make sure EOR is working with FI to determine.

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Car Insurance	Allowed	For employer or staff vehicle. Applies only to increase in insurance to allow staff to drive individual.
<b>Overhead Wages</b> – Allowed for Direct Hires Only (with available funds). Not allowed for Vendor services		
Cell Phone use	Allowed for emergency support, calling backup employees, or when required for an individual's health, safety, medical, or behavioral needs.	\$20.00 per month reimbursement maximum. Cost of phone not included.
Employee Compensation for meals	Allowed	Employee must work full shift of 8 hours to be eligible. One meal per full shift. \$9.00 maximum.
Employee Health Insurance	At EOR's discretion, allowable option DDS will support if within budget allocation	Must be full time (35 hrs. per week) and cannot be EOR/sponsoring person or family member. Cannot exceed 10% of the employee's annual salary.
Employee Paid Time off	At EOR's discretion, allowable option DDS will support if within budget allocation	<p>Compensation is allowed to be paid to direct support employees for vacation, sick time or other authorized personal time, not to exceed ten days, based on average hours worked per day per year, if funding for this compensation is included in the individual's budget and is within the authorized funding range.</p> <p>Employee is unable to be paid through this option and be paid through the state FMLA plan simultaneously.</p>
Employee Holiday Time	Required by CBA	Direct support employees will receive holiday pay equivalent to time and a half for the hours worked on the following holidays: New Year's Day, Martin Luther King Day, Memorial Day, and Independence Day. Time and a half also will be paid for Thanksgiving Day and Christmas Day.
Employee Wages (Other) during extenuating circumstances	Subject to Prior Approval	<u>Hospital Stay</u> -Employee wages for HCB waiver services may not be provided at the same time an individual is in a Medicaid funded hospital.

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		<p>For extenuating circumstances, prior approval is required, funds are billed as state funded, and needs to be documented in the individual budget.</p> <p><u>Out of State Travel</u>- Wages for a direct support employee to accompany an individual on out-of-state travel- not to exceed 30 days, are allowed to be paid, if (1) funding is available in the individual's budget; (2) the travel is a part of the individual plan; and (3) the direct support employee is qualified to provide the service.</p>
Fax Machine/Office Supplies	Allowed	Only for the management and supervision of supports and services directly related to the individual. Not for general use.
Personal Protection Supplies	Allowed	Supplies to meet OSHA such as gloves and wipes for staff working directly with the individual.
<p>Staff training initial and ongoing. Includes College of Direct Supports (CDS)*</p> <p>*Clarifying Note: CDS training in the IP6 budget system can be found in service type- Self Hire</p>	Allowed CDS Training is Required	Staff time must be documented on separate time sheet and marked as training.
Workers Compensation	Required per CBA	Worker's Comp is required for all self-directed support staff, per CBA. Cost not to be added to budget (Paid externally and not through funding in the budget).
<b>State Funded Items /Services- Up to \$900.00 if not stated otherwise. State Funded Items/Services should only be utilized when not available through a waiverable service.</b>		
Camp	Allowed	State Funded only if provided by someone other than a DDS-approved respite provider. Camps may include town camps and local organization camps. Must be state or locally licensed.
Damages	<p>Allowed but requires a prior approval</p> <p>May be paid through a 3<sup>rd</sup> party reimbursement</p>	<p>Damages must be related to an individual's disability.</p> <p>Must be documented in the IP</p>

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Education- Adult/Post - Secondary	Allowed  Over \$900.00 requires a prior approval	Education, not funded by IDEA or Department on Aging and Disability Services that prepares individual for greater independence and employment in a competitive job.
Gym Membership	Allowed	Membership may be purchased for the individual only and may not exceed \$900 annually.
Maintenance to a home modification	Allowed	Must be for maintenance that is disability related and cannot be repaired by another resident of the household. (e.g. ramps, accessible showers etc) May not exceed \$900 annually.
Vehicle expenses	Allowed	Cost to maintain and repair vehicle used solely to transport individual.
Personal Recess	Allowed	Cost only for individual to support vacation related expenses not to exceed \$250.00.
Apartment Set Up and Moving Costs	Allowed	Limit of \$1,500.00 per occasion.
Security Deposit	Allowed	Must be no other source of income. Move must be emergency related to health and safety. Apartment must meet rent subsidy guidelines.
Internet /Broadband: Available only for individuals and not for general utility for family members.	Prior Approval required to assure appropriate usage & billing. Must be State Funded.	Basic to moderate /enhanced broadband up to \$50.00 /monthly including router fees. Provider service cost may vary but any additional cost/fee is the responsibility of the individual.
<b>Environmental and Vehicle Modifications</b>		
Environmental Modifications – Home  Must be provided by a licensed contractor	Prior Approval Required If more than \$2,500.00: three comparable bids (on same modifications) are required.  Environmental Checklist	Cannot exceed \$25,000 total over waiver period. Must have three competitive bids and family/CM must complete DDS Environmental Modification Checklist. May require review by DDS Plant Facility Engineer.
Modifications - Vehicle	Allowed Prior Approval	Cannot exceed \$15,000 total over waiver period. Vehicle Repairs are allowed up to \$750 per year for repairs to accessibility equipment.

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Vehicle Lease	Not Allowed	
Pre-modified Wheelchair - Vehicle	<ul style="list-style-type: none"> <li>• Prior approval is required.</li> <li>• The documentation must include the full scope of the project including a budget that itemizes the cost for the entire project.</li> <li>• Year, make, model, mileage, condition of vehicle and itemized cost of the pre-modifications (closest estimate)</li> </ul>	Cannot exceed \$15,000.00 during waiver period.
<b>Transportation /Mileage</b>		
Mileage Reimbursement	Allowed	<p>Mileage rates established by DDS (Waiver Codes and Rates document)</p> <p>Mileage reimbursement is allowed for activities/appointments related to IP goals and for the DDS individual only.</p>
Reimbursement for Transportation services including 3 <sup>rd</sup> party contractors	Requires prior approval	Reimbursement for transportation services such as taxi, Uber, Lyft may be provided
Transportation Per Trip	Allowed	<p>Approved entities who are licensed as a Livery Service may follow established DOT Rates.</p> <p>Self-hire entities providing the transportation per trip follow established rates.</p> <p>One way trip rate up to \$25.00 (\$22.32 + 12% = \$25.00 total, which includes benefits &amp; payroll tax).</p> <p>Self-directed Individuals and families have the right to negotiate with a self-hire entity a lower rate within bargaining agreement stipulations.</p>

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		<p>May not combine a direct service with a per trip rate for the driver.</p> <p>CDS training not required if this is only service being provided. However, background and license checks are still required.</p>
Family Member Transportation		Please refer above to section on Self-Directed Employee Wages - Payment to Family Members
<b>Individualized Goods &amp; Services</b>		
<ul style="list-style-type: none"> <li>• Homemaker Services</li> <li>• Specialized Clothing (i.e. Adaptive Shoes)</li> <li>• Self-Advocacy Training (i.e. public speaking)</li> <li>• Items/Supports for increasing Independence</li> </ul>	Allowed up to \$2,000.00. Prior Approval required if more than \$2,000.00.	Cannot be available from private insurance or Medicare/Medicaid (HUSKY). Provide denial documentation as appropriate.
Therapies not covered by Medicare/Medicaid or Private Insurance.	Allowed up to \$2000.00. Prior Approval required if more than \$2000.00.	Cannot be available from private insurance or Medicare/Medicaid (HUSKY) Provide denial documentation as appropriate. Hourly rate capped at \$71.02.
Individual Goods and Service Supervisor	Allowed Prior Approval when cost of supervisor exceeds 15% of individual's total payroll. Wage rate exceeding cap of \$26.75 requires prior approval.	<p>Qualification requirements are established for supervisor.</p> <p>Basic Requirements include:            -Must be at least 21 years old            -Must have at least 5 years' experience working with individuals with ID/DD with one year providing supervision</p> <p>Supervisor may not be a legal guardian or an immediate relative (mother, father, spouse/partner or sibling).</p>
Specialized Medical Equipment - (Adaptive Equipment)	<p>Prior Approval - if cost is over \$1,000.00.</p> <p>Three bids if greater than \$2,500.00.</p>	Items that are not covered under Medicaid, Medicare, private insurance, or other waivers, such as assistive or augmentative communication devices, adaptive clothes or shoes, therapeutic furniture, therapeutic equipment, and computer (\$1000 max) and computer software supplies that are directly related to disability of the individual

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		when recommended by a licensed professional which include physicians, therapists, counselors, psychiatrists, nurses, occupational therapists, physical therapists, and vocational rehabilitation counselors. All equipment is transferrable if individual moves to another setting.
<b>Assistive Technology</b>		
<ul style="list-style-type: none"> <li>Assistive Technology (Items)</li> </ul>	Allowed Prior Approval Required Not to exceed \$15,000 over 5 yr waiver period.	<ul style="list-style-type: none"> <li>An item, piece of equipment, or product system, whether acquired commercially, modified, or customized, that is used to increase, maintain, or improve functional capabilities of participants.</li> </ul>
<ul style="list-style-type: none"> <li>Assistive Technology (Services)</li> </ul>	Allowed Prior Approval Required Not to exceed \$15,000 over 5 yr waiver period.	<ul style="list-style-type: none"> <li>Service means a service that directly assists a participant in the selection, acquisition, or use of an assistive technology device.</li> </ul>
<ul style="list-style-type: none"> <li>Assistive Technology (Evaluation)</li> </ul>	Prior Approval required if over \$1,000.00.	<ul style="list-style-type: none"> <li>Evaluation of the assistive technology needs of a participant, including a functional evaluation of the impact of the provision of appropriate assistive technology and appropriate services to the participant in the customary environment of the participant. Covered only if service cannot be available from private insurance or another state plan such as Medicaid (Husky).</li> <li>Provide denial documentation as appropriate.</li> <li>Hourly rate capped at \$175.00.</li> </ul>
<ul style="list-style-type: none"> <li>Internet /Broadband:</li> </ul>	(See definition in State Funded items)	



## **Restrictions and Expenses Not Allowed**

### **DDS cannot pay for the following:**

- Personal recess costs that exceed \$250, including travel, lodging, food, and entertainment as identified and documented in the IP;
- Cost for personal clothing that is not related to the individual's disability;
- Purchase of any alcoholic beverage or any fee to access an establishment that serves alcohol;
- Recurring room and board expenses, including any utility costs, food, or other housing costs;
- Gratuities (i.e., tips);
- Experimental medical or non-medical treatments;
- Fines of any kind;
- Debts of any kind;
- Legal fees;
- Donations or contributions of any kind;
- Costs for items or services that are of general utility to the members of a household;
- Any costs that do not provide direct support or remedial benefit to the individual;
- Costs of items or services that are covered by an individual's private insurance or by Medicare/Medicaid;
- Gift cards;
- Full cost to purchase or lease a vehicle; and
- Any use of annualized funds from an individual's prior budget period is not allowed unless Prior Approval has been authorized for the purpose of project completion.

\*Money Follows the Person (MFP) plans may follow different requirements