

# MINIMUM WAGE RECONCILIATION 2017-2019

## Instructions for completion

In collaboration with DOH, attached is the 2017-2019 Minimum Wage Reconciliation.

1. The reconciliation is due no later than close of business on Wednesday, January 6<sup>th</sup> COB.
2. The attachment should be saved to your computer before entering data. Please use the following format to name your file:
  - a. "Facility name" "2017-2019 minimum wage reconciliation"
3. Once completed and saved, email the file to:
  - a. Cara Groff [cgroff@esaal.org](mailto:cgroff@esaal.org)
  - b. CC: Jim Kane [bookkeeper@esaal.org](mailto:bookkeeper@esaal.org)
4. ESAAL will not be checking for errors or reviewing your data, so make every effort to carefully follow the directions and complete using the provided guidelines.
  - a. Questions prior to sending your completed reconciliation can be sent to Jim Kane [bookkeeper@esaal.org](mailto:bookkeeper@esaal.org)
5. ESAAL will be compiling the data for all ALPs and will send the completed industry reconciliation to the department of health. All information will be strictly confidential and not shared with anyone other than DOH.
6. A separate attestation is being sent from DOH. You will need to print it, sign by an authorized person representing your facility attesting to the accuracy of the data, and return to DOH. (Please see additional instructions on this from DOH for more details)
7. Please complete all tabs within the spreadsheet. Each tab represents 1 year.
8. Facilities can make the choice to opt out of the reconciliation. IF you choose to OPT OUT, we ask that you still complete section I and II for each year and return the file. It is important that we know who has opted out.
9. Many of the specific instructions for completing the reconciliation are included within the body of the reconciliation. The instructions included here will give examples that will be helpful as you work through the reconciliation.

### COMPLETING THE RECONCILIATION:

The spreadsheet contains formulas that will perform all necessary calculations. The grayed-out cells contain the formulas and cannot be changed. It is recommended you start with 2017 and work forward.

### SECTION I: GENERAL INFORMATION

1. All facilities must complete this section for each year even if you are opting out of the reconciliation.
  - a. Line 7- please enter your facility name exactly as it appears on your operating certificate
  - b. Line 8- Please enter the Medicaid provider id# associated with your ALP.
  - c. Line 9- Please enter your region where you operate using the drop-down list. Click in the box and the drop-down arrow will appear. **Note:** your region corresponds to the

minimum wage rate that your wages will be compared to and must be correct for the remainder of the reconciliation to calculate properly. The regions are:

- i. NYC – Bronx, Brooklyn, Kings, New York and Queens
  - ii. LI and Westchester – Nassau, Suffolk and Westchester
  - iii. Rest of State – all other counties
- d. Line 10- Contact person name and e-mail: Please fill in so that DOH can follow up if necessary.

## SECTION II: OPTING OUT

1. All facilities must complete this section for each year even if you are opting out of the reconciliation.
  - a. **Line 15 Do you choose to opt out?** Please be careful and choose yes from the drop-down list ONLY if you are opting out. Choose NO if you plan on completing the reconciliation
  - b. **Line 16 Reason:** If you choose YES in line 15, please click on the drop-down and choose one of the reasons. If you are not opting out, please select “N/A”

## SECTION III: DETERMINING YOUR % OF MEDICAID BILLABLE DAYS OF CARE

1. All facilities **not opting out** will complete this section using your census totals for the year you are completing
  - a. **Line 23 enter your total census for the year.** This is your days of care for the entire facility (January- Dec.) It is the same census that you would have entered on the annual financial cost report for that year.
    - i. When completing 2019, you will need to calculate the days of care as the 2019 cost report has not yet been issued.
    - ii. For example, if you had a 100-bed facility and you operated at 95% occupancy
      1.  $100 \times 365 = 36500$  potential days of care
      2.  $36500 \times 95\% = 34675$ . Your days of care should be somewhat close to 34675 depending on dates of admission and discharge.
      3. USE YOUR ACTUAL DATA from the 2017 and 2018 cost reports and compute your total days of care for this survey in 2019 as you would for your cost report
  - b. **Line 24 Enter your ALP Medicaid Census for the year:** This is your days of care for January-December for all ALP residents receiving Medicaid. This is the same census number you would have entered on your annual financial cost report. Again, 2019 will need to be computed.
    - i. Using the above example, if the 100-bed facility had 75 ALP beds with 98% occupancy and all of the beds were for Medicaid recipients:
      1.  $75 \times 365 = 27375$  possible days of care
      2.  $27375 \times 98\%$  occupancy = 26827 days of care. Your actual days of care should be close to this number depending on admission and discharge days, hospital or rehab days, home visit days all of which would reduce your actual days of care.

**Line 25 Enter your ALP private pay census.** If your facility had ALP residents that were NOT Medicaid, you will need to compute the total days of care from your daily census reports. Note: the total of line 24 and line 25 should equal your total ALP census days of care for the year. If you did not serve any private pay ALP residents for the year, enter 0.

#### **SECTION IV CALCULATION OF EMPLOYEE STAFF COSTS**

In this section you will enter employees/positions, their total hours, and rate of pay prior to the minimum wage increase that were below the minimum wage rate on January 1 of the year you are completing. Follow these steps to assure you have captured everyone eligible. I will use 2017 as the example. The process is the same for each year.

1. Review your payroll record for all employees that were working in the last pay period of 2016.
  - a. Include only those employees that worked in the ALP and provided Medicaid approved ALP services and/or support to those services. (This includes HHA's, PCA's, Nurses that work in the ALP as managers or in direct care, and administrative staff such as bookkeepers or Medicaid billing staff)
  - b. From the list of staff identified in section a above: include only those staff that, in the previous year, were below the minimum wage set to go into effect on January 1.
  - c. For example, you employ 75 total people in the 100 bed facility with 60 ALP beds. Your facility is in the category "rest of state" and the minimum wage is set to increase to 9.70 on January 1 2017
    - i. Of those 60, 40 fit the definition in section a
    - ii. Of those 40, there are 20 employees that are making less than 9.70 in the last pay period of 2016 and each of them will be raised to 9.70 or more on January 1, 2017
    - iii. It is these 20 employees that will be included in this section.
2. Enter each employee's name and position in the table starting on line 38.
  - a. From the drop downs, select either full or part time.
  - b. **Column D** asks if the employee worked exclusively in the ALP?
    - i. Choose yes or no! Your answer is very important and must be accurate.
    - ii. Exclusive in the ALP means they provided no services to non-ALP residents.
3. **Column E asks for the Annual Hours worked.**
  - a. Hours worked includes PTO, Vacation, Sick, Holiday.
    - i. Note: These hours and wages cannot be counted as part of your cost of fringe.
    - ii. All paid time off will count in the total hours for that individual employee.
  - b. There are 2 possible ways to determine the total hours worked for 2017
    - i. If the employee worked all of 2017, you will use his/her total hours for the year
    - ii. If the employee did not work all of 2017, you will use that employees' total hours plus the hours of the employee(s) that completed the year in that position. You will enter the information all on one line
4. **Column H:** Asks for the employees' hourly rate of pay.
  - a. This is the rate of pay the employee was earning prior to the minimum wage increase.
  - b. In our example of 2017 (in the rest of state area) where the minimum wage was going to 9.70, the rates of pay will all be below 9.70. If not, then you should not have included that person.

5. **Column L** asks you to enter your fringe benefit %.
  - a. You will calculate the fringe benefit % and enter it in row 38 only. The rest of the rows will automatically be populated.
  - b. Fringe benefit % is the total of all employer costs associated with your payroll as a % of your total payroll. It includes the cost of social security, Medicare, unemployment, worker comp., Health Insurance, dental, 401K, and others.
    - i. For purposes of this survey, PTO, Vacation, Sick, Holiday should not be included in your fringe calculation.
  - c. Once you have your total cost of the fringe benefits, divide by your total payroll for the year and you will get your % to enter. For many employers, It is typically in the range of 15 to 18%

The good news is that once you have entered the information in sections III and IV, the spreadsheet does the rest of the work for you. It calculates each employee's labor cost to meet the minimum wage, it adds the fringe benefit cost on and determines total cost per employee. Finally, it totals all of your Medicaid reimbursable costs, compares it to your census and computes the estimated Medicaid add on rate that you would need to cover your additional cost.

#### **Submission of the Form**

Once completed and saved, email the file to:

- a. Cara Groff     [cgroff@esaal.org](mailto:cgroff@esaal.org) AND
- b. CC: Jim Kane     [bookkeeper@esaal.org](mailto:bookkeeper@esaal.org)

#### **Important Contacts:**

For tech questions about the excel survey or instructions, contact: Jim Kane. Please type "Minimum Wage Survey question" in the subject line

To submit your survey when complete, send to Jim Kane AND Cara Groff

For attestation, policy or other question about this form and rate setting process, contact Laura Rosenthal and/or Ann Foster at DOH

#### **Empire State Association of Assisted Living (ESAAL) 518-371-2573**

- Jim Kane, [bookkeeper@esaal.org](mailto:bookkeeper@esaal.org)
- Cara Groff, [cgroff@esaal.org](mailto:cgroff@esaal.org)

#### **NYS Department of Health, Office of Health Insurance Programs**

- Laura Rosenthal
- Ann Foster  
[Alp-rates@health.ny.gov](mailto:Alp-rates@health.ny.gov)