INFORMATION MEMORANDUM

SUA-20-IM-09 **07/01/2019**
Rescinds: SUA-18-IM-11

TO: Subrecipients of Medicaid and Long-Term Care Home and Community Based Services, and the State Unit on Aging

FROM: Cynthia Brammeier, Administrator, State Unit on Aging
Kathy Scheele, Administrator, MLTC Home and Community Based Services

SUBJECT: Time Study Guidance

CONTENT: This Information Memorandum is a replacement of SUA-18-IM-11 with further guidance from the Auditor of Public Accounts, and DHHS Fiscal. This is designed to provide agencies with guidance on the use and implementation of time studies. Time studies may be used to allocate personnel costs.

If a time study will be used to allocate personnel costs, issues to consider:

1. Approval is required from Medicaid and Long-Term Care prior to administering it.
2. A full description of the allocation method, by position, must be provided with the allocation plan.
3. Provide one month of time study of staff time by program on an annual basis.
4. Include a description of the activity and a breakdown by time for each employee in the worksheet.
5. Include a "key" to any acronyms used.
6. Sample Excel workbooks are available for time studies.
7. Once complete, submit the excel workbooks and documentation to MLTC, Home and Community Based Services and the State Unit on Aging for approval.

Time Study Guidance

Identify positions within the agency. All positions must be represented in the time study.

Look at what programs each position supports.

- For the Older Americans Act programs, these should be reflected in the taxonomy and service definitions. If personnel costs are included in the budget for a taxonomy service, those hours need to be reflected in the time study.
- For Medicaid funded programs, personnel costs should be included in the budget for each subaward.
- For other programs and funding sources, personnel costs should be included in the budget for each contract or subaward.
- All programs, regardless of funding source, must be included in a time study for cost allocation purposes. Funding source information can include information such as, but not limited to, Title III OAA (Older Americans Act), state funds, Medicaid AD Waiver, TBI Waiver, Level of Care, or Department of Insurance Senior Health Insurance Information Program.

Each position should have a division of the programs they support.

Positions dedicated to one program should be included with 100% of their time to the program. These positions would not need to participate in the time study, however, their hours do need to be represented in the time study for calculation purposes.

<u>Travel time</u> should be included. If the person is traveling for two programs, the time should be split between the programs for which the person is traveling. If the person is traveling for more than two programs, the time should be split across the programs based on the percent of time spent in those programs overall.

<u>Staff meeting</u> time should be included. If the person works on two programs, the time should be split between the programs. If the person works on more than two programs, the time should be split across the programs based on the percent of time spent in those programs overall.

<u>Break time</u> should be included. Break time is paid time during the workday. If the person works on a program prior to the break, and the same program after the break, the break should be billed to the program. If the person works on different programs before and after the break, the time should be split across the programs based on the percent of time spent in those programs overall.

<u>Paid time off</u> should be included. Their time should be allocated across all programs, based on the percent of time they work on.

<u>Lunch breaks</u> should not be coded to a program. Lunch breaks are unpaid.

Examples of positions and allocation:

1. Executive Director, Finance Director
    a. These positions support all programs within the agency. Their time should be allocated across all programs, based on the percent of time for the full team.

b. These positions would not participate in the time study. Their hours would be fully split across all programs.

2. Receptionist
    a. This position supports all programs within the agency.
    b. If a portion of their work can be charged directly to a program, that time must be coded to that program.
    c. The remainder of their time should be allocated across all programs, based on the percent of time for the full team.

3. LOC / Waiver Services Coordinator
    a. This position often works on two subawards.
    b. If a portion of their work can be charged directly to a program, that time must be coded to that program / subaward.
    c. The remainder of their time should be allocated across the programs, they support.

4. Resource Developer
    a. If this position only supports the Waiver program, and is funded by the Waiver, 100% of their time should be coded to that program / subaward.
    b. If this position supports two or more programs, the portion of their work that can be charged directly to a program, must be coded to that program / subaward.
        i. The remainder of their time should be allocated across the programs, they support.

5. Nutrition Coordinator
    a. This position often works on two programs, Congregate and Home Delivered Meals.
    b. If a portion of their work can be charged directly to a program, that time must be coded to that program / subaward.
    c. Senior Farmers Market Coupon activities could be allocated to Nutrition Education, since Nutrition Education is offered with the coupons, and there is no administrative money with the coupons.
    d. The remainder of their time should be allocated across the programs, they support.

6. Care Manager / Waiver
    a. This position often works on three subawards.
    b. If a portion of their work can be charged directly to a program, that time must be coded to that program / subaward.
    c. The remainder of their time should be allocated across the programs, they support.

7. CHOICES Supervisor
    a. This position often works on multiple subawards

   b. If a portion of their work can be charged directly to a program, that time must be coded to that program / subaward.
   c. The remainder of their time should be allocated across the programs, they support / supervise.

8. Transportation Supervisor
   a. This position often works on multiple subawards.
   b. If a portion of their work can be charged directly to a program, that time must be coded to that program / subaward.
   c. The remainder of their time should be allocated across the programs, they support / supervise.

9. ADRC Coordinator / Supervisor
   a. If this position only supports the ADRC program, and is funded by the ADRC, 100% of their time should be coded to that program / subaward.
   b. If this position supports two or more programs, the portion of their work that can be charged directly to a program, must be coded to that program / subaward.
      i. The remainder of their time should be allocated across the programs, they support / supervise.

10. Options Counselor
   a. If this position only supports the ADRC Options Counseling program, and is funded by the ADRC, 100% of their time should be coded to that program / subaward.
   b. If this position supports two or more programs, the portion of their work that can be charged directly to a program, must be coded to that program / subaward.
      i. The remainder of their time should be allocated across the programs, they support / supervise.

For Fiscal Coordinators

Application of percentages.

1. Benefits must be applied based on the staff person's percentages by program.
2. Retirement or severance payments must meet 2 CFR 200.431 guidance. Sections of interest are Pension Plan Costs and Severance Pay. Lump sum payouts must be allocated across the highest level of the agency structure costs. These payouts cannot be charged directly to a grant.
3. Any adjustments made to a program, other than rounding, must be described in footnotes on the worksheet. Provide enough detail to justify the change. An example would be special projects the employee worked on during the time study period. These hours could be allocated across all programs that employee support

4. Time study allocations could be applied to other expenses within the office. Justification must be provided in the cost allocation procedure for the agency.
    a. Rent
    b. Office supplies
    c. Utilities
    d. Printing
    e. Copier
    f. Phones
5. Other allocation methodologies can be used, for example:
    a. Rent – based on square footage
    b. Utilities – based on square footage
    c. Printing – based on the printer location and programs using each
    d. Phones – number of people

MLTC, HCBS and the SUA will review the data, materials, and issue an approval letter.

If you have questions, please email dhhs.mltchcbs@nebraska.gov and dhhs.aging@nebraska.gov .