



## Things To Know About Moderate Needs Services

1. Moderate Needs funding allows families to hire caregivers to provide respite, housekeeping or other home related services. Respite is intended to provide a period of time for families to spend personal time on their own.
2. In order to have caregivers paid, an identified individual must become an employer, enrolled through ARIS Solutions. This person is responsible to hire, train, supervise, schedule and assure that all necessary paperwork (including timesheets) is completed for employees.
3. ARIS Solutions will provide payroll on behalf of the employer, paying employees hired by the same employer.
4. All employees must be hired by the individual employer. This requires completion of hiring paperwork available from ARIS Solutions.
5. All employees are required to have background checks completed and cleared *before* they may begin working.
6. Agencies must submit authorized budgets to ARIS Solutions before an employee may be paid.
7. All participant budgets are based on dollar amounts which will be available for a period of time specified by the Agency the participant is served by.
8. The pay range will be between \$10.80 per hour and \$19.38 as set by the employer. Any rate higher than this amount must be approved by the case management prior to payment.
9. A 13.3% employer tax rate is *added* to the cost of the employee hourly wages. The employer tax covers the employer's costs for matching Social Security, Medicare, Unemployment and Worker's Compensation. Employees have their own taxes withheld from their paychecks, which are not included in the employer tax rate.
10. Payroll is issued every other Friday, in accordance with a schedule provided to all employers by ARIS Solutions. Each pay period starts on a Sunday and continues for two weeks, ending on a Saturday.
11. Time sheets must be received by ARIS Solutions no later than Monday of each pay week if submitted by mail, or by noon on Monday of the pay week if submitted by fax, email or electronically.
12. Timesheets must be submitted in a complete, accurate and legible manner. If a timesheet is missing information (other than an employer or employee signature), the employer will be called by ARIS Solutions staff to obtain the necessary information. If the employer cannot be reached or does not return the phone call, the timesheet cannot be paid.

13. Following each pay date a budget report will be issued to all employers. This report will note employees paid, the number of hours paid and wages paid to each employee, the total employer tax cost for each payment as well as the balance remaining in the participant's budget. Reports are available online at the ARIS Solutions web site as well as by mail.
14. Medicaid fraud happens. To prevent fraud, all employers and employees must be aware of the following:
  - a. Only an employer may provide information regarding changes on timesheets.
  - b. Employers and employees may not sign each other's names on timesheets.
  - c. Employers and employees must never pre-sign timesheets.
  - d. All hours of service listed on the timesheet must be hours actually worked by the employee being paid.
  - e. Employees, only, may make address, phone and direct deposit changes for their accounts.
  - f. Employers, only, may make address or phone number changes for their account.
  - g. ARIS Solutions will provide paycheck information to employees, including the date a payment was made, the total amount of the payment (gross and net wages), as well as the number of hours paid.
  - h. ARIS Solutions cannot provide any specific participant related information to an employee. All participant related information is confidential and available to the employer or funding Agency, only.
  - i. ARIS Solutions is a mandated reporter for suspected Medicaid fraud. Any suspicion of potential fraud is reported to the State of Vermont, Office of the Attorney General, Medicaid Fraud Division.

# UNDERSTANDING HOW THE MODERATE NEEDS SERVICES BUDGET WORKS

## Example:

The participant has a budget of **\$2500.00** for MODERATE NEEDS SERVICES;

You want to pay your employee **\$10.80** per hour;

Your employee works **15** hours every two weeks;

ARIS Solutions will pay your employee the \$10.80 hourly rate (or \$162.00 for two weeks). Your employee will have their own taxes withheld from their check, as usual.

ARIS Solutions will also pay “matching employer taxes” on your behalf for unemployment, Worker’s Compensation and employee Social Security and Medicare. This adds 13.3% or, \$1.44 to the **cost** of each hour of service you pay your employee.

The actual **cost** to the budget when you pay an employee \$10.80 per hour is \$12.24.

So, if you pay your employee **15 hours** every two weeks at **\$10.80 per hour**, your employee will be paid **\$162.00**. Because **each hour costs \$12.24**, the **total cost to be deducted from the budget for the 15 hours will be \$183.60**.

Your budget will then look like this:

**\$2500.00** Starting budget

**-\$183.60** Cost of 15 hours of service

(15 hours x \$10.80 = \$162.00 x 13.3%)

**\$2316.40** Remains in budget

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If you pay all your employees the same hourly rate there is an easy way to know how many hours of service you can pay for the period authorized!

If you pay your employees \$10.80, the cost with employer taxes per hour is: \$12.24 ; Divide the total budget amount, \$2500.00 by the \$12.24 and you will have the total number of hours you can use during the authorized period.

\$2500.00 budget

÷ \$12.24 cost of pay at \$10.80 per hour

204.24 hours available





# STEPS TO CALCULATE YOUR BUDGET



## Method 1:

1.

$$\frac{\$10.80}{\text{Hourly Pay Rate}} \times 13.3\% = \frac{\$12.24}{\text{Cost of Hourly Services}}$$

2.

$$\frac{\$2500.00}{\text{Total Budget Amount}} \div \frac{\$12.24}{\text{Cost of Hourly Services}} = \frac{204.24}{\text{Total Number of Hours Available}}$$

**OR**

## Method 2:

1.

$$\frac{\$10.80}{\text{Hourly Pay Rate}} \times \frac{10}{\text{Hours Worked}} = \frac{\$108.00}{\text{Employee Gross Pay}}$$

2.

$$\frac{\$108.00}{\text{Employee Gross Pay}} \times 13.3\% = \frac{\$14.36}{\text{Employer Taxes}}$$

3.

$$\frac{\$14.36}{\text{Employer Taxes}} + \frac{\$108.00}{\text{Employee Gross Pay}} = \frac{\$122.36}{\text{Total Cost of Services Deducted From Budget}}$$

## Example Budget:

\$2500.00	Moderate Needs Services	January 1, 2014 to June 30, 2014
- <u>\$122.36</u>	10 hours worked x \$10.80 = \$108.00 x 13.3%	
<b>\$2377.64</b>	Remaining in Budget	