

## CDASS Attendant Rate Setting Guide

CDASS empowers you to manage your own service budget. Your budget is based on the Task Worksheet you complete with your Case Manager during your initial assessment. As the legal employer of record, you are responsible for setting pay rates for the Attendants you choose to hire. This guide will help you calculate your Attendant rates to stay within your CDASS budget.

### Tips when setting rates of pay:

- CDASS lets employers set up to three rates. You may set different amounts based on your care needs. For example, morning or evening shifts, in-home or community shifts, etc.
- Wages must be between the state minimum wage that applies to you and the CDASS maximum wage.
  - As of 7/1/23, Colorado's minimum wage for [Direct Care Worker Base Wage](#) is \$15.75/hour. If **you live** in Denver city or county, it is \$17.29/hour as of 1/1/23.
- Set rates that attract and retain quality Attendants while staying within your CDASS budget.
- Evaluate the experience and skills of an Attendant. Someone with more experience or specialized skills may warrant a higher rate.
- Consider budgeting for periodic raises to motivate Attendants and pay them for increased skill and experience.
- Shifts that are shorter, early morning, or in a rural location may be more appealing to Attendants if you pay a higher rate.
- Know what rates you can pay **before** you negotiate rates with any Attendant.

### SECTION A - ATTENDANT WAGE CALCULATION STEPS

1. Look at the [CDASS Monthly Allocation Worksheet](#) to get the total Monthly Allocation amount.
2. Divide the CDASS Monthly Allocation by 4.3 (average number of weeks in a month) to get the total weekly amount.
3. Divide this weekly amount by the total number of service hours the Member needs each week. This amount calculated is called the Maximum Cost to You. It's called "Cost to You" because the amount includes the cost of employer taxes.
4. Look at the Member's FMS Cost to You Worksheet (Section 2 in Training Manual) and find the closest Cost to You Rate, without going over the Maximum Cost to You found in step 3.

**Remember: This Cost to You rate CANNOT be more than the amount found in step 3.**

5. Looking at the Cost to You worksheet, find the hourly rate to the left of the Cost to You rate you highlighted in step 4. This is the Maximum Hourly Wage the Attendant can be paid.

**Remember: You cannot pay less than the minimum wage that applies to you.**

**EXAMPLE - Finding an Attendant’s Wage Range**

**Step 1:** Find your CDASS Monthly Allocation amount on your [CDASS Monthly Allocation Worksheet](#).

<b>All of the numbers outlined are examples, including the Adjusted Hourly Rates.</b>						
<b>SERVICE</b>	<b>Weekly Service Hours</b>	<b>Adjusted Hourly Rate</b>	<b># of Weeks</b>	<b>CDASS Period Allocation</b>	<b>Daily Rate</b>	<b>Monthly Allocation</b>
Homemaker	5.00	\$19.14	52.14285714	\$4,989.55	\$13.67	\$415.80
Personal Care	5.00	\$19.14	52.14285714	\$4,989.55	\$13.67	\$415.80
Health Maintenance	10.00	\$30.08	52.14285714	\$15,684.05	\$42.97	\$1,307.00
<b>Totals</b>	<b>20.00</b>			<b>\$25,663.15</b>	<b>\$70.31</b>	<b>\$2,138.60</b>

**Step 2:** Divide your total CDASS Monthly Allocation by 4.3.

$$\$2,138.60 \div 4.3 \text{ weeks} = \$497.35 \text{ (Your weekly allocation amount)}$$

**Step 3:** Divide your total weekly allocation by your total weekly service hours.

$$\$497.35 \div 20 \text{ hours} = \$24.86 \text{ (Your Maximum Cost to You)}$$

**Step 4:** Look down the Cost to You column on your FMS Cost to You Worksheet and find the closest Cost to You rate that is equal to or less than your Maximum Cost to You found in step 3.

\$24.54 is the closest to \$24.86 without going over.

Hourly Rate	Cost to You Rate
\$20.50	\$23.40
\$21.00	\$23.97
\$21.50	\$24.54
\$22.00	\$25.11

**Step 5:** To the left of the rate will be the Maximum Hourly Wage can pay your Attendant.

21.50/hour is your Attendant’s Maximum Hourly Wage. If you live in Denver, it is \$17.29 to \$21.50 per hour. If you live outside of Denver, it is \$15.75 to \$21.50 per hour.

**Remember: As long as the Cost to You rate for the wage you select is equal to or less than your Maximum Cost to You amount, you will stay within your CDASS budget.**

You are in charge of setting your Attendants’ wages based on the number of approved service hours you have. If you choose to pay a higher wage than your Maximum Cost to You allows, you **must lower** your service hours to stay within your CDASS Monthly Allocation. If your monthly allocation ever changes, it is recommended you complete these steps before adjusting your Attendant’s wage.

**Tax Exemptions that impact your Cost to You:**

FMS Cost to You worksheets only display Cost to You rates with all employer taxes included. Some CDASS employers who hold the EIN (Employer Identification Number) have different tax rates based on their relationship to the Attendant. Talk with your FMS to make sure you know who will hold the EIN—the Member or the Authorized Representative.

If the Attendant meets tax exemption requirements, then you will first need to find your Unique Cost to You percentage before taking the steps outlined in Section A to find their wage range.

**SECTION B – USING A UNIQUE COST TO YOU**

1. Use the Member’s FMS’s Cost to You worksheet to determine which taxes will apply for the Attendant based on their relationship to the CDASS employer (EIN holder).
2. Add up all the applicable tax rates that apply for the Attendant to find the total tax rate.
3. Take the total tax rate found in step 2 and divide the number by 100, then add 1. This is the Unique Cost to You percentage.
4. Take the Unique Cost to You percentage and multiply it by the total weekly service hours.
5. Take the amount calculated in step 4 and divide it into your total weekly allocation. This is the Maximum Hourly Wage the Attendant can be paid.

**EXAMPLE – Finding an Attendant’s Wage Range with Unique Cost to You**

Chart 1 is an example of tax rates on a Cost to You worksheet. Your FMS worksheet may have different tax rates. Chart 2 are the standard employer exemptions.

**CHART 1**

<b>Default Rates for New Employers with No Exemptions</b>	
<b>Employer Tax</b>	<b>Tax Rates</b>
Social Security & Medicare (FICA)	7.65%
Federal Unemployment Tax (FUTA)	0.60%
State Unemployment Tax (SUTA)	*1.70%
Workers’ Compensation Insurance	1.59%
Sick Leave	1.70%
Family & Medical Leave Insurance	0.90%
<b>Total Employer Cost to You Tax Rate</b>	<b>14.14%</b>
*The CO Dept. of Labor & Employment’s default rate for new employers; <b>Your rate may be cheaper.</b>	

**CHART 2**

<b>Employer Tax Exemptions</b>			
<b>Attendant Relationship to EIN Holder:</b>	<b>FICA</b>	<b>FUTA</b>	<b>SUTA</b>
Child employed by Parent	Exempt until 21 <sup>st</sup> Birthday	Exempt until 21 <sup>st</sup> Birthday	Exempt until 21 <sup>st</sup> Birthday
Parent employed by Adult Child (including Adoptive or Step-Parent)	Exempt	Exempt	Not Exempt
Spouse employed by Spouse	Exempt	Exempt	Exempt

**Step 1:** Identify which taxes **must be paid** based on the employer-employee relationship (Chart 2).

The example is an Attendant who is the spouse of the Member. The Member holds the EIN. This is a Spouse Employed by a Spouse relationship.

The employer IS exempt from paying:

- Federal Insurance Contribution Act tax - Social Security and Medicare Taxes (FICA)
- Federal Unemployment Tax (FUTA)
- State Unemployment Tax (SUTA)

The employer is NOT exempt from paying:

- Workers' Compensation Insurance
- Colorado Sick Leave
- Colorado Family & Medical Insurance (FAMLI).

**Step 2:** Add up all of the taxes that you must pay for this Attendant (your spouse).

$$1.59\% \text{ Workers' Compensation} + 1.70\% \text{ Sick Leave} + 0.90\% \text{ FAMLI} = 4.19\% \text{ (Your total Cost to You Tax)}$$

**Remember: Think carefully about the employer-employee relationship to make sure you are adding up the correct taxes.**

**Step 3:** Take the total percentage from step 2, divide it by 100, then add 1.

$$4.19\% \div 100 = 0.0419$$

$$0.0419 + 1 = 1.0419\% \text{ (Your unique Cost to You percentage)}$$

**Step 4:** Take your Unique Cost to You percentage and multiply it by your total weekly service hours.

$$1.0419\% \times 20 = 20.838$$

**Step 5:** Now take your total weekly allocation and divide it by the number you calculated in step 4 to get the Maximum Hourly Wage for your spouse. \*Always round to the second decimal.

$$\$497.35 \div 20.838 = \$23.86/\text{hour}^* \text{ (Your Attendant's Maximum Hourly Wage)}$$

**Now you're ready!** You've walked through the examples so you can now use your own CDASS Allocation to calculate the best rate for YOUR Attendant. First, revisit the key things to remember:

- Set pay rates that attract good Attendants AND keep you within your CDASS budget.
- Your Attendant must earn at least minimum wage (the Base Wage or Denver minimum wage).
- You should not choose a rate that exceeds your Maximum Cost to You (see Sec. A, step 3).
- If you pay a higher wage than your Maximum Cost to You allows, you MUST lower your service hours to remain in budget.
- Choose the right employer-employee relationship when calculating your Unique Cost to You.

## Attendant Support Management Plan (ASMP) Budget Scratch Worksheet

Use this worksheet to set your own Attendant’s Pay Rate

#1	<b>My Monthly CDASS Allocation</b> (see your CDASS Monthly Allocation Worksheet)	
#2	Divide by 4.3 (weeks in a month) <b>My Weekly Allocation</b>	
#3	Divide by your total number of service hours per week _____ <b>My Maximum Cost to You</b> (see your Task Worksheet)	

**Remember: #3 is your Maximum Cost to You. It is NOT the highest wage you can pay your Attendant. Your Maximum Cost to You includes the employer taxes you must pay.**

You will now need to look at your FMS Cost to You Worksheet (Section 2 of Training Manual) to find the wage range you can pay your Attendant. Write down a few hourly wages and their Cost to You rate amounts you think are good rates to set for your Attendant.

#4	#5
<b>FMS Cost to You Rates</b> (see your FMS Cost to You Worksheet)	<b>My Attendant’s Maximum Hourly Wages</b> (see your FMS Cost to You Worksheet)

**Remember: The Cost to You Rates you choose from your FMS’s Cost to You Worksheet must be EQUAL TO OR LESS THAN the amount calculated in the yellow box above.**

From the Maximum Hourly Wages you listed above, pick the one that works best for your care needs, gives you room for periodic raises, and you think will attract a quality Attendant. Transfer this amount to your ASMP to complete PART SIX – CDASS Monthly Budgeting Worksheet, as directed by your Consumer Direct Training Coordinator. Note: You will not have to send this Budget Scratch Worksheet to your Case Manager unless they request it.

**For additional guidance and questions, please contact Consumer Direct for Colorado at [InfoCDCO@ConsumerDirectCare.com](mailto:InfoCDCO@ConsumerDirectCare.com) / 1-844-381-4433 or your FMS provider.**