

North Los Angeles County Regional Center
State of Emergency: COVID-19 Outbreak
Methodology for Billing Absences
Date: March 13, 2020

As a result of the State of Emergency declared for California, the Department of Developmental Services has authorized regional centers to pay vendors for absences that are the direct result of the COVID-19 outbreak. The applicable regulation specifies that, "If payment for absences due to a State of Emergency is authorized by the Department, the vendor shall bill only for absences in excess of the average number of absences experienced by the vendor during the 12-month period prior to the month in which the disaster occurred."

To bill NLACRC for absences that are the direct result of the COVID-19 outbreak, please use one of the following two methodologies:

Method 1 – Absence Factor

- A) Add the total payments received from NLACRC for the vendor number during the last 12 months ("Total Payments Received")
- B) Divide the Total Payments Received by the rate per unit to obtain the total number of units paid by NLACRC during the last 12 months ("Total Units Paid")
- C) Add the total number of units authorized for all consumers during the last 12 months for the vendor number ("Total Units Authorized")
- D) Divide the Total Units Paid by Total Units Authorized to get the average attendance rate ("Average Attendance Rate")
- E) Add the total number of units authorized for all consumers for the service month for which you are billing (i.e. March 2020)
- F) Multiply the total number of units authorized during the service month for which you are billing by the Average Attendance Rate, calculated in step D, to get the maximum units allowable for the service month ("Maximum Allowable Units")
- G) In eBilling, enter attendance/billing information for actual units of service provided during the service month. If the amount is below the Maximum Allowable Units calculated in step F, enter additional attendance/billing for up to the Maximum Allowable Units
- H) Submit a spreadsheet with the detail of the absences directly related to the COVID-19 outbreak to your Accounts Payable Representative at NLACRC. Please include the consumer name, the dates of absences, the times or units of absences per day, etc.
- I) NLACRC will process payment based on billing submitted by the vendor. In the months following payment, NLACRC will use Method 1 to calculate the absence factor for the vendor and the actual amount owed to the vendor and reconcile to the vendor's billing. If NLACRC determines there was an underpayment based on NLACRC's calculations, NLACRC will process payment for the additional amount. If NLACRC determines there was an overpayment, NLACRC will offset the overpayment against future payments owed to the vendor.

Method 1 – Example

Assumptions:

Total payments received from Mar. 2019 to Feb. 2020 = \$100,000

Vendor rate per unit = \$50.00

Total units authorized from Mar. 2019 to Feb. 2020 = 2,500 units

Total units authorized for Mar.2020 = 225 units

Calculations:

A) Total Payments Received in last 12 months = \$100,000

B) Total Units Paid = \$100,000 / \$50 = 2,000 units

C) Total Units Authorized in last 12 months = 2,500 units

D) Average Attendance Rate = 2,000 units paid / 2,500 units authorized = 0.80

E) Total Units Authorized for Mar.2020 = 225 units

F) Maximum Allowable Units for Mar.2020 = 225 x 0.80 = 180 units

In this example, the vendor may submit billing for up to 180 units for March 2020.

If you are unable to obtain or determine the information required under Method 1 above, please use Method 2 below as an interim solution.

Method 2 – Average Monthly Payment

- A) Add the total payments received from NLACRC for the vendor number during the last 12 months (“Total Payments Received”)
- B) Divide the Total Payments Received by 12 to get the average monthly payment (“Average Monthly Payment”)
- C) In eBilling, enter attendance/billing information for actual units of service provided during the service month. If the amount is below the Average Monthly Payment, enter additional attendance/billing for up to the Average Monthly Payment amount
- D) Submit a spreadsheet with the detail of the absences directly related to the COVID-19 outbreak to your Accounts Payable Representative at NLACRC. Please include the consumer name, the dates of absences, the times or units of absences per day, etc.
- E) NLACRC will process payment based on billing submitted by the vendor. In the months following payment, NLACRC will use Method 1 to calculate the absence factor for the vendor and the actual amount owed to the vendor and reconcile to the vendor’s billing. If NLACRC determines there was an underpayment based on NLACRC’s calculations, NLACRC will process payment for the additional amount. If NLACRC determines there was an overpayment, NLACRC will offset the overpayment against future payments owed to the vendor.

Method 2 – Example

Assumptions:

Total payments received from Mar. 2019 to Feb. 2020 = \$100,000

Calculations:

A) Total Payments Received in last 12 months = \$100,000

B) Average Monthly Payment = \$100,000 / 12 = \$8,333

In this example, the vendor may submit billing for up to \$8,333 for March 2020.