

5123:2-7-17

Intermediate care facilities - leased staff services.

(A) "Leased staff services" means services provided by staff who are furnished to an intermediate care facility by a leasing firm under contract with the intermediate care facility.

(B) Costs related to leased staff services are reimbursable as other/contracted costs if all of the following apply:

(1) The intermediate care facility has contracted for leased staff services through an established staff leasing firm. An established staff leasing firm is one that is, and over a period of time has been, in the business of leasing staff in a variety of industries. Individuals with a variety of skills are generally included in the contractual agreement between the intermediate care facility and the staff leasing firm.

(2) The leased staff are present in the intermediate care facility on a consistent basis. It is the responsibility of the provider to maintain documentation showing continuity in staff.

(3) The contract between the intermediate care facility and the staff leasing firm is for a period of one year or more.

(4) The intermediate care facility maintains control over the day-to-day management of leased staff.

(C) Staff leasing arrangements are reimbursable through the medicaid cost reporting mechanism in the following manner:

(1) The wage component of fees paid to the staff leasing firm are reported in the direct care, indirect care, and other protected cost centers in other/contract wages (column 2) of the medicaid cost report for the applicable accounts as defined in rule 5123:2-7-16 of the Administrative Code.

(2) The payroll taxes and employee benefits portion of fees paid to the staff leasing firm are reported in the direct care, indirect care, and other protected cost centers in other/contract wages (column 2) of the medicaid cost report for the applicable accounts as defined in rule 5123:2-7-16 of the Administrative Code on the basis of dollars allocated to the appropriate employee benefit and payroll accounts.

(3) The payroll administration portion of fees paid to the staff leasing firm not identified as wages or benefits are reported in account 7305, administrative and general services, other indirect care (column 2) of the medicaid cost report as defined in rule 5123:2-7-16 of the Administrative Code. Payroll administration fees paid to a staff leasing firm meeting the definition of a related party as defined in rule 5123:2-7-01 of the Administrative Code are not reimbursable beyond those expenses that would be reimbursable if

incurred by the provider itself.

(D) It is the provider's responsibility to maintain adequate documentation of the staff leasing costs.

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CERTIFIED ELECTRONICALLY

Certification

12/31/2012

Date

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