

Regional Center Gap Payroll Funding

Based on the payment commitments that Regional Centers have made in writing to STAR of CA for COVID-19 related cancellations we have established gap payroll funding opportunities for those Behavior Technicians and hourly Supervisors directly impacted.

March 2020 is the first month in which the Regional Centers are providing their payment commitment for COVID-19 related cancellations. Be advised that Regional Centers are using a specific methodology to determine their payment commitment to us, they are not paying us for all COVID-19 related cancellations.

To clarify, this method involves calculating the average monthly billed hours for each Regional Center client for the prior year (March 1 2019 to February 29, 2020), and this average monthly billed hours would only include the number of months in which services were actually delivered. Agencies are allowed to bill for COVID-19 related cancellation hours that when combined with the actual billed service hours for the month do not exceed the prior year monthly average or the current monthly authorized level of service, whichever is lower. Examples are provided below to help explain how this methodology works so you can better understand what to expect.

Example 1

- Gap Funding to STAR of CA if a Regional Center client had a monthly average of 55 hours billed in the prior 12 months, 60 hours authorized for the month of March 2020, 50 hours of actual billed services in the month of March 2020, and 10 hours of COVID-19 related cancellations in the month of March, then STAR of CA would be eligible to bill for 5 hours of COVID-19 related cancellations as 'gap funding'. The calculation of the potential gap funding is made as follows:
 - 55 hours as prior 12 month average 50 hours delivered in March = 5 hours of potential gap funding; given there were 10 hours of COVID-19 cancellations, then 5 hours of gap funding can be billed to the Regional Center.
- o *Gap Payroll Funding to Staff* We would use these 5 gap funding hours to then determine what gap payroll funding would be available to the impacted Behavior Technician(s) and hourly Supervisor assigned to the client. More specifically, if a Behavior Technician had 8 of the 10 hours of COVID-19 related cancellation (80%) and the hourly Supervisor had 2 of the 10 hours of COVID-19 related cancellations (20%), these percentages would be applied to the 5 gap funding hours and then multiplied by the staff's hourly clinical rate to determine the specific amount of **gap payroll funding** issued to them. In this example the Behavior Technician would be eligible for 4 hours multiplied by their clinical rate of gap payroll funding, while the hourly Supervisor would be eligible for 1 hour multiplied by their clinical rate of gap payroll funding.



• Example 2

- Gap Funding to STAR of CA if a Regional Center client had a monthly average of 40 hours billed in the prior 12 months, 50 hours authorized for the month of March 2020, 40 hours of actual billed services in the month of March 2020, and 10 hours of COVID-19 related cancellations in the month of March, then STAR of CA would not be eligible to bill any hours for COVID-19 related cancellations as gap funding. The calculation is made as follows:
 - 40 hours as prior 12 month average 40 hours delivered in March = 0 hours of potential gap funding, even though there were 10 hours of COVID-19 cancellations.
- Gap Payroll Funding Given the gap funding is zero, there would not be any gap payroll funding available to the impacted Behavior Technician and hourly Supervisor.

Based on the methodology the Regional Centers are using it is important that you understand that just because you may have been impacted by COVID-19 related cancellations with your Regional Center client, gap payroll funding is not guaranteed. Instead, when there is gap funding available to STAR of CA using the Regional Center's methodology, that is when gap payroll opportunities would be available to impacted Behavior Technicians and hourly Supervisors as the examples above illustrate.

The first gap payroll opportunity for the month of March 2020 will be paid to impacted and eligible Behavior Technicians and hourly Supervisors on Tuesday April 14th. Each subsequent Regional Center gap payroll opportunity will be paid on the regular pay date of the 7th of each month to allow for the gap funding and gap payroll funding to be properly calculated for the prior month. This would mean that April 2020 gap payroll for impacted Behavior Technicians and hourly Supervisors would be paid on May 7th, 2020.

Please be advised that gap payroll funding opportunities with the Regional Center are subject to change if their methodology for calculating gap funding is changed or they discontinue providing these payment commitments for COVID-19 related cancellations to STAR of CA.

Thank you for your patience and ongoing commitment to us as we continue to support each other during this challenging time.

If you have questions please direct them to Riskmanagement@starofca.com .

Together,

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President