

I. Salary Ceilings for Nursing Facilities for FYE 6/30/07

<u>Position</u>	<u>FY06*</u>	<u>FY07*</u>
Administrator:		
0 – 49 beds	74,769	77,535
50 – 74 beds	87,212	90,439
75 – 99 beds	99,662	103,350
100 – 149 beds	107,976	111,972
150+ beds	112,112	116,261
Asst. Administrator:		
0 – 49 beds		
50 – 74 beds		
75 – 99 beds	54,006	56,005
100 – 149 beds	58,148	60,300
150+ beds	66,458	68,917
Dietary Supervisor	49,830	51,674
Social Worker	49,830	51,674
Director of Nursing	58,149	60,301
Maintenance Supervisor	54,006	56,005
Activities/Social Service Director	49,830	51,674
Bookkeeper	45,691	47,382
Office Supervisor	45,691	47,382

\*These salary ceilings should be applied only to individuals who are non-owner related parties. Salaries for nursing home owners should be limited to \$100,000. The effective date of this change was July 1, 2001, with the use of the 2000 cost report.

Home Office Salaries

- A. •A “per bed” approach is used to establish annual limits for home office salaries\*. Based on the 70<sup>th</sup> percentile, the following caps would be set for the 2007 cost report:

<u>Position</u>	<u>Per Bed (70<sup>th</sup> Percentile)</u>
CEO	\$457
COO	382
CFO	156

- Salaries for all other positions should be limited to the CFO cap. Fringe benefits costs should be adjusted accordingly.
- B. The maximum allowable expense for fees paid to members of a facility’s board of directors is \$2,217 per member per year.
- C. For fees paid to medical directors, the following general ceilings have been established:
- |          |          |          |          |
|----------|----------|----------|----------|
| bed size | 0-100    | 101-200  | 200+     |
| amount   | \$22,783 | \$30,378 | \$37,971 |
- D. For expenses related to vehicles, a general guideline of one vehicle for each one hundred beds or portion thereof has been established. If a facility reports property costs or operation costs for more vehicles than the guideline suggests, the facility should be informed that disallowance would be made unless the facility could justify its high number of vehicles. If any justification is offered, the auditor should exercise his/her judgement in waiving the disallowance. Also, continue your review of vehicles comparing the lower of IRS or Medicare limits.
- E. Review any changes to Chapter 1000 of the Nursing Facility Services Manual.