



HEALTH OR SAFETY WAIVER WORKSHEET

Instructions for Vendors

October 2026



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OVERVIEW

This document provides step-by-step instructions for completing the Department of Developmental Services (Department) Health or Safety (HS) Waiver Worksheet for all hourly services. The worksheet is used when a vendor requests an enhanced rate to address a specific health or safety risk to an individual served by a regional center.

The worksheets are available at <https://www.dds.ca.gov/rc/health-safety-waiver-process/>. It contains two approaches. You can fill out both, but will submit only one, depending on your situation:

- **Incremental Worksheet:** Calculates the rate increase as the difference between your current (baseline) staff costs and the proposed costs needed to address the health or safety need. The difference is added to your existing rate.
- **Comprehensive Worksheet:** Builds a full itemized budget from the ground up, including wages, benefits, operating costs, and an administrative percentage (set at 6% or 12% depending on service type). Use this approach when the incremental method does not adequately capture all costs.

Important: Only grey-shaded cells are editable. All other cells contain formulas or locked reference data and should not be modified. The worksheet will auto-calculate the proposed rate based on what you enter.

BEFORE YOU BEGIN

Review the Department's directive at the website above and gather the following information before opening the worksheet:

- Your vendor number and business address
- The service type and staffing ratio for the individual in the request
- Current and proposed direct support staff wages
- Your workers' compensation insurance rate (as a percentage of payroll)
- Your State Unemployment Insurance (SUI) rate from the Employment Development Department (EDD)
- Paid time off (PTO) hours accrued per month per full-time employee
- Unbillable hours per month (for example, training, travel, set-up time)
- Any overtime percentage, if applicable
- Number of hours billed per month for the individual

For the Comprehensive worksheet, also have available: supervisor wages, monthly operating cost details for your full program, and any individual-specific costs (e.g., behavioral plan supplies).

COMPLETING THE INCREMENTAL WORKSHEET

The Incremental worksheet calculates the difference between your baseline (current) staff costs and the proposed costs needed to meet a health or safety need. That difference is added to your existing hourly rate.

2:1 GENERAL INFORMATION (ROWS 2–9)

Complete the following fields in the grey-shaded cells at the top of the worksheet:

Regional Center: Select your regional center from the dropdown list. This selection drives the baseline wage and rate assumptions throughout the worksheet.

Service Provider Name: Enter your agency or business name.

Vendor Number: Enter your regional center vendor number.

Vendor Address: Enter your business address.

Comparable Rate Study Service: Select the service type from the dropdown that most closely matches the service being provided. This automatically populates the Rate Study Service Code and Baseline Rate. Service Types are listed here: <https://www.dds.ca.gov/rc/vendor-provider/rate-reform/rate-models/>.

Current Hourly Rate: Enter your current hourly rate for this service. This should match the Rate Study Baseline Rate on line 9. Only change this if you are already receiving a rate different than the baseline. Example: You run a daycare under service code 851, which was not included in the rate study. Select the “community day program” model as a “comparable” model. Enter your current rate or the median rate for service code 851 under “current rate.”

2:2 INCREMENTAL RATE CALCULATION (ROWS 14–21)

This section compares your current (baseline) direct care staff costs against the proposed costs you need to meet the health or safety requirement. The worksheet has two columns: Baseline Costs on the left and Proposed Costs on the right. The final column calculates the difference automatically.

Direct Support Staff Wage (Baseline): Enter the hourly wage you currently pay your direct support staff under your existing rate. This may differ from the Burns and Associates wage assumption shown in the reference section at the bottom of the sheet. For example, if the hourly rate assumption is only \$17, but your agency has been able to pay \$18 per hour, enter the actual number you pay.

Direct Support Staff Wage (Proposed): Enter the hourly wage you need to pay staff to address the health or safety need. The justification should explain the reason for the increase and the additional qualifications staff will have at the higher wage.

Workers' Compensation (%): Enter your workers' compensation rate. Your insurer can provide this rate as a percentage of total payroll.

State Unemployment Insurance (SUI): Enter your SUI rate as a decimal. You receive this rate annually from EDD.

Paid Time Off Earned Per Month: Enter the number of hours of paid time off one full-time equivalent employee (173.33 hours per month) earns per month. Include vacation, sick leave, and any other paid leave.

Unbillable Time Per Month: Enter the number of hours per month a full-time employee works but does not bill. Examples: off-site training, travel between individuals' homes, meeting with a supervisor, and paperwork done without the individual present.

Overtime Factor (Column F): Enter the percentage of total hours that are overtime (proposed column only, if different from baseline). If overtime differs from the baseline, provide a written justification of the health and safety need. The Department may remove this cost if not substantiated.

Note: The Fixed Payroll Costs rate (Social Security/FICA, Medicare Tax, and Federal Unemployment) is set at 8.35% and cannot be changed.

2:3 HEALTH AND SAFETY JUSTIFICATION (ROWS 23–33)

In the large text area below the calculation section, provide a short justification summarizing these items from your formal request letter:

- The specific health or safety risk(s) to the individual
- Why the current rate is insufficient to address the risk
- What service changes are needed (higher-skilled staff, specialized training)
- The consequences if the HS Waiver is not approved

2:4 UNITS BILLED AND OTHER COSTS (ROWS 31–38, COLUMN G)

Units Billed Per Month: Enter the total number of billed hours per month for this individual. Used to calculate monthly cost and fiscal impact. You will get a “#DIV/0” error for the final rate if this field is blank or set to zero.

Increased Monthly Cost (Other): If there is a non-wage cost directly related to the health and safety need, enter the total additional monthly cost here. Costs must be substantiated with receipts and directly tied to a health or safety need. If you have multiple additional costs, use the “Comprehensive” worksheet instead.

2:5 REFERENCE: BURNS AND ASSOCIATES ASSUMPTIONS (ROWS 41–47)

The bottom section of the Incremental worksheet is a read-only reference area. **You do not need to enter anything in this section.** It displays the rate model assumptions from the Burns and Associates rate model for the service and regional center you selected. This includes the model wage, payroll and benefits rate, workers' compensation rate, productivity factor, and overtime factor. These values are provided for your reference so you can compare your actual costs against the rate model.

Commented [AT1]: what is this referencing?

Commented [AP2R1]: 41-47 auto populate. I'll add it in the body for clarity!

COMPLETING THE COMPREHENSIVE WORKSHEET

The Comprehensive worksheet builds an itemized budget for the service. It captures all direct care wages, supervision costs, program-wide operating costs, and individual-specific costs. The administrative overhead is set to a fixed percentage (6% or 12% depending on the service type) and should not be itemized separately in the operating costs section.

3:1 GENERAL INFORMATION (ROWS 2–11)

Most fields in this section auto-populate from the Incremental worksheet. Confirm the following:

Regional Center, Provider Name, Vendor Number, Address, Service: These auto-populate from the Incremental sheet. Verify they are correct. If blank, you can type over the formula or return to the Incremental sheet and enter the information there first.

Current Rate: Default is the “Rate Study Baseline Rate.” Change only if your current rate is higher.

Hours Billed Per Month: Enter the total billed hours per month for this individual. This drives the hours-based calculations throughout the budget.

3:2 DIRECT CARE STAFF (ROWS 15–27)

Enter the full cost details for the staff person who bills for their time. Usually, this is the Direct Support Professional (DSP). However, if you are using a clinical service code like Service Code 612 — Behavior Analyst, the Board-Certified Behavior Analyst (BCBA) is the line-level staff member who generates billable hours.

Direct Support Staff Wage: Enter the proposed hourly wage for the direct care staff.

State Unemployment Insurance (SUI): Enter the SUI percentage from your annual Employment Development Department (EDD) notice.

Workers’ Compensation: Enter the workers’ compensation rate as a percentage. From your insurer.

Monthly Benefit Cost: Enter the monthly cost of benefits (health insurance and similar) for one full-time employee. Enter as a dollar amount, not a percentage.

Overtime Factor: Enter overtime as a percentage of total hours. Must be justified by the health and safety need.

Paid Time Off Per Month: Hours of paid time off earned per month per full-time employee.

Unbillable Time per Month: Hours worked but not billed per month per full-time employee. Things like training, travel, and paperwork.

Staff Hours: These are automatically set to match the hours billed. Non-billable time is covered in the “Unbillable Time per Month” field.

Note: Fixed payroll costs (8.35%) are pre-set. The staffing ratio and hours billed auto-populate from General Information, Line 11. The billable hours and direct staff hours worked will always match, and the time spent working but not billing is captured on line 22.

3:3 SUPERVISION (ROWS 28–37)

If a direct field supervisor is part of this request, complete this section. Leave it blank for parent-directed services, supplemental staffing where supervision is captured elsewhere, or services that do not require a field supervisor.

Supervisor Staff Wage: Enter the supervisor’s hourly wage. This should be a direct field supervisor. Agency-level management’s direct, service-related time can be itemized in the Operating Costs section below.

SUI, Workers’ Compensation, Benefits, Paid Time Off: Enter the same types of costs as the Direct Care section, but specific to the supervisor position.

Supervision Hours Per Month: Enter the number of hours per month the supervisor spends on the individual in this request. This is not total supervisor hours — only the hours typically devoted to this individual. Individuals with high support needs may require more individual attention, so the Department is not using a typical “caseload ratio.”

3:4 OPERATING COSTS (ROWS 39–85)

Important — Per [Welfare and Institutions Code \(WIC\), Section 4629.7](#):

- Do not enter administrative costs (salaries, wages, or employee benefits for managerial personnel whose primary purpose is the administrative management of the entity, including directors and chief executive officers).
- Also exclude salaries, wages, and benefits of employees performing administrative functions such as payroll management, personnel functions, accounting, budgeting, and facility management. The portion of their time and salary allocated to program and client services is acceptable.
- Do not include facility and occupancy costs associated with administrative functions, maintenance and repair, data processing and computer support services, contract and procurement activities (except those provided by direct service employees), training, travel, licenses, taxes, interest, property insurance, personal liability insurance, and depreciation.

- Do not enter general expenses such as non-DSP communication costs and supplies when these are directly associated with administrative functions.

Full Program Operating Costs

These are agency-wide operating costs that are shared across all individuals you serve. The worksheet allocates a portion to this request based on the Percentage Allocation you set.

Percentage Allocation (Row 44): Enter the percentage of your total program budget that this individual represents. Example: If you serve 20 people and the request is for one person, you can allocate 5% of your budget to them. For individuals with higher-than-typical service hours, the percentage can also be based on hours billed compared to the full-agency billing.

Operating Cost Line Items (Rows 47–66): For each row, enter a description in the left column and the monthly cost for your full program in the right column. Enter the cost for the whole company. The worksheet will automatically calculate the allocated amount. Examples: program supplies, vehicle costs, insurance, technology, and facility costs.

Client-Specific Operating Costs

These are costs that apply only to the individual in this request and are not shared across your program.

Line Items (Rows 70–84): For each row, enter a description in the left column and the monthly cost in the right column. Examples: supplies or incentives for a behavioral plan, specialized equipment, and individual-specific materials.

3:5 RATE CALCULATION (ROWS 87–95)

This section is mostly auto-calculated. You have one editable field:

Administrative Percentage: Select 6% or 12% from the dropdown. Use 6% for supplemental staffing, parent-directed services, and employer-of-record arrangements. Use 12% for all other request types.

The worksheet will then calculate and display: total monthly operations costs, administrative overhead, total budget, direct support hours worked, the comprehensive hourly rate, the increase over your current rate, total monthly cost, and the monthly fiscal impact (difference from your current rate).

TIPS AND REMINDERS

- 1. Only edit grey-shaded cells.** All white cells are locked and contain formulas or reference data.
- 2. Choose one worksheet.** Complete either the Incremental or the Comprehensive worksheet, not both. The Incremental approach is simpler and works well when the only change is an increase in wages. The Comprehensive approach is better when multiple cost categories are involved.
- 3. Fill out General Information on the Incremental sheet first.** The Comprehensive sheet automatically pulls vendor information from the Incremental sheet. If you have overwritten the formulas, you may need to hand-enter on the Comprehensive tab.
- 4. The HS Waiver must address individual-specific health or safety risks.** It is not intended for general business operations, financial hardship, rate model issues, or staffing difficulties.
- 5. Provide thorough justification.** The Department may deny, delay, or reduce a request if the health or safety need is not clearly documented.
- 6. Do not include administrative costs in the operating costs section.** Administrative overhead is applied automatically at 6% or 12% in the Rate section of the Comprehensive worksheet.
- 7. Substantiate all costs with documentation.** Receipts, payroll records, and schedules may be required. The Department may request additional information.
- 8. Submit the completed worksheet to your regional center.** The regional center will review it and submit the HS Waiver request to the Department on your behalf.

SUBMITTING YOUR REQUEST TO THE REGIONAL CENTER

Once you have completed the HS Waiver Worksheet, you must submit a written request to your regional center. The regional center will review your request, gather additional documentation, and submit the full package to the Department on your behalf. Below is what you should include in your submission.

5:1 YOUR WRITTEN REQUEST LETTER

Prepare a formal written request addressed to your regional center service coordinator or community services director. The letter should clearly explain why an enhanced rate is needed. At a minimum, your letter must address:

- The name (or initials) of the individual and Unique Client Identifier (UCI) number
- A detailed description of the specific health or safety risk(s) the individual faces
- What service changes are necessary to protect the individual's health or safety (for example, higher-qualified staff, specialized training, increased staffing ratios)
- What will happen if the request is not approved — the consequences of inaction

5:2 DOCUMENTATION TO INCLUDE WITH YOUR REQUEST

Attach the following supporting documents to your written request letter:

Completed HS Waiver Worksheet

- The completed Incremental or Comprehensive tab (not both) with all grey-shaded fields filled in

Clinical and Individual Assessments

- Any behavior support plans, nursing plans, person-centered plans, or individual service plans that document the health or safety need

5:3 WHAT HAPPENS AFTER YOU SUBMIT

After receiving your request, the regional center will:

- Review your documentation for completeness and accuracy
- Verify that alternative services, vendors, and generic resources have been considered
- Obtain an executive director signature on the formal submission to the Department
- Submit the full package with IPP and other regional center assessments to the Department within 30 days of receiving your request

5:4 EXPEDITED REQUESTS

If there is an immediate health or safety risk, ask your regional center about an expedited review. Expedited scenarios may include preventing admission to a more restrictive setting, addressing a crisis situation, or maintaining critical services when no alternatives exist. For expedited requests, the Department will respond within five working days.

QUESTIONS AND TECHNICAL SUPPORT

If you need assistance completing the worksheet or have questions about the HS Waiver process, contact your regional center's community services or fiscal department. Vendors and regional centers may also request technical support from the Department by emailing healthandsafetyrequest@dds.ca.gov.

To obtain a blank copy of the HS Waiver Worksheet:

- Contact healthandsafetyrequest@dds.ca.gov , or
- Visit <https://www.dds.ca.gov/rc/health-safety-waiver-process/>

Questions?

Contact the Office of Community Operations

Email: healthandsafetyrequest@dds.ca.gov

Phone: (833) 421-0061

Mailing Address: 1215 O Street, Sacramento, CA 95814