

52503 Direct and Indirect Care Non-Labor Costs Category

The Department shall calculate the daily direct and indirect care non-labor costs by dividing direct and indirect care non-labor costs by total resident days.

(a)

The benchmark for the daily direct and indirect care non-labor cost rate component shall be the 75th percentile of each peer group.

(b)

The Department shall determine the rate component for each facility either at actual inflated cost or the benchmark for its peer group, whichever is lower.

(c)

Each facility's direct and indirect care non-labor costs shall be adjusted by the California Consumer Price Index for All-Urban Consumers from the mid-point of the cost reporting period to the mid-point of the rate year.