



Show Me the Money

Many people are familiar with taxes that come out of an employee's check. What many people don't know is that it costs more to employ someone than just their wages. Federal law mandates that the employer pay into employee Federal Unemployment (FUTA), Social Security and Medicare, and state law governs that the employer pay into State Unemployment (SUTA) and Workers' Compensation (WC). These employer taxes are referred to as the "Employer Burden."

What this means is that with an employer burden of 1.1666 (16.66%) for every \$1.00 you pay in wages, you (the new employer) have to additionally pay approximately 17¢ to pay for taxes and Workers' Compensation. If you have been an employer for over 2 years, your tax burden as an "experienced employer" may be different. Acumen will notify you if/when this tax burden rate changes. Paying taxes and Workers' Compensation is a service which Acumen takes care of on your behalf.

Use the calculation tool if you want to pay an employee a different wage than what is listed below in the Wage/Cost Table. **Experienced employers will use the burden amount provided by the Acumen tax team.**

Wage	X	ER Burden	=	Cost to You (Always Round Up)
10.30	X	1.1666	=	\$12.02

Example - $\$10.30 \times 1.1666 = \12.02 . Your employee will make \$10.30 an hour and the cost to you will come out of the budget.

The Wage/Cost table below is provided so you can estimate the hourly cost to employ someone, based on various wage amounts. Each service has a maximum cost that can be charged to the individual's budget. The "Cost to You" column is the wage multiplied by the employer burden. You can pay employees any amount between Minimum Wage (if applicable) and the Max Wage for that service. To pay your employees amounts other than those listed in the Wage/Cost Table multiply the wage you want to pay by your employer burden, and you will get the Cost to You. Remember these costs are paid from the budget. An employee Rate Sheet must be submitted to Acumen prior to any rate changes. Call your MT Agent if you need help or do not know your employer burden.

Wage/Cost Table

Hourly Wage	Cost to You
\$ 10.30 (Min Wage)	\$ 12.02
\$ 11.50	\$ 13.42
\$ 15.00	\$ 17.50
\$ 17.00	\$ 19.84
\$ 18.00	\$ 21.00
\$ 18.50	\$ 21.59
\$ 19.17 (Max RSP)	\$ 22.37
\$ 21.00	\$ 24.50
Hourly Wage	Cost to You
\$ 9.85 (CWS Flat Rate)	\$11.50

\$ 22.00	\$ 25.67
\$ 23.00	\$ 26.84
\$ 23.71 (Max PLS)	\$ 27.67
\$ 24.00	\$ 28.00
\$ 28.00	\$ 32.67
\$ 33.02 (Max SBS)	\$ 38.53
\$ 40.00	\$ 46.67
\$ 45.07 (Max IES/FAS)	\$ 52.59

TRM Max Rate	\$.53 per mile
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RSP - Respite Services
 FAS - Follow Along Support
 PLS - Personal Supports Services
 CSW - Co-Worker Support-Flat Day Rate
 TRM - Transportation Mileage

SBS - Supports Broker Services
 IES - Individual Employment Support



Show Me the Money- Over Time

The table below provides the max hourly wage (rate) you can pay your employee for each service when OT is worked. Each service has a maximum cost that can be charged to the participant's budget. Montana Department of Labor requires that any hours worked over 40 in a work week (Sun-Sat) must be paid at 1.5 x the hourly wage. The "Cost to You" in the table below is calculated with the 1.5 x the wage and the employer tax burden.

Montana DDP recommends that if an employer thinks the employee will ever work more than 40 hours/week/service that the wage be set at 66% so the OT rate still falls within the maximum allowable.

The calculation tool below shows you how to figure out what the OT wage will cost you with the employer burden of 1.1666. Acumen will calculate the OT wage from the hourly rate paid. Acumen can only pay up to the allowable max wage for each service below. That is the maximum rate that the state allows. **If the hourly OT wage (wage x 1.5) goes over the max wage listed, the employer would be responsible for the balance of the unpaid wages.**

The following is a calculation tool to help you determine the "Cost to You for Overtime."

Step one: Hourly Wage X 1.5 = Overtime wage

Step two: Overtime wage X ER Tax Burden (example 1.1666) = Cost to You

Example: \$10.26 X 1.5 = \$15.39

\$15.39 X 1.1666 = \$ 17.96 (the Cost to You - and the max service cost that can be charged to your budget)

How to Determine 66% of Hourly Wage

Hourly Wage X .666= Max Wage that will allow 1.5 OT Rate

Example: \$15.85 X .666 = \$ 10.56 X 1.5 = \$15.83

Max Hourly Wage and Cost to You When Overtime is Worked

Hourly Wage	Cost to You
\$ 12.77 (Max OT Wage RSP)	\$ 22.35
\$ 15.80 (Max OT Wage PLS)	\$ 27.65
\$ 22.00 (Max OT Wage SBS)	\$ 38.50
\$ 30.02 (Max OT Wage IES/FAS)	\$ 52.53

RSP - Respite Services

FAS - Follow Along Support

PLS - Personal Supports Services

CSW - Co-Worker Support-Flat Day Rate

SBS - Supports Broker Services

IES - Individual Employment Support

TRM - Mileage