Hello HCAOA-FL Members,

The below questions and answers were taken directly from updated entries on AHCA's Frequently Asked Questions website. That site can be viewed here.

Does the \$15 Minimum wage requirement apply to all employees of an enrolled employer or just those employees providing direct care?

All providers, including local governments, who are enrolled with the Florida Medicaid program and who bill using the included fee-schedules found here are included in the minimum wage requirement. With the exception of nursing homes, this requirement is limited to employees providing direct care services within the service category(ies) for which the provider/employer is enrolled.

Example: If a provider is enrolled as an ambulance/transportation provider, the entity would only be required to pay \$15 an hour for those employees providing direct care within the enrollment category, meaning only direct care employees for the ambulance/transportation category would need to be increased.

When will the reimbursement rates be increased to offset the financial impact of the legislative mandate?

The Agency is finalizing the fee-for-service fee schedule increases related to the minimum wage requirement and is expecting these to be completed well before the October 1, 2022, deadline. As each fee schedule is updated, the Agency will notify providers impacted by the specified fee schedule.

Increases for Nursing Homes, Federally Qualified Health Centers and Rural Health Clinic rates will be effective October 1, 2022. All other fee schedule increases related to the minimum wage will be complete by October 1, 2022 and will be made retroactive for claims processed on and after July 1, 2022.

Is there a distinction between all employees and direct care employees?

For all providers other than nursing home providers, the requirement applies only to direct care workers employed by the enrolled Medicaid Provider.

A Direct Care Worker is defined as an individual that has direct contact with a Medicaid recipient for purposes of providing a Medicaid reimbursable service. Direct care workers do not include individuals who do not provide a Medicaid reimbursable service, whose primary duty is maintaining the physical environment of the workplace, or whose duties are primarily administrative.

Are providers required to sign the supplemental wage agreement?

Medicaid providers, including local governments, who are reimbursed for services under the following Medicaid fee-for-service fee schedules must sign the supplemental wage agreement related to direct care employees (or all employees if the provider is a nursing home provider):

- Assistive Care Services Fee Schedule
- Behavioral Health Overlay Services
- Birthing Center Fee Schedule
- Child Health Targeted Case Management Services Fee Schedule
- Community Behavioral Health Services
- Dental Fee Schedule
- Hearing Services Fee Schedule
- Home Health Visit Services Fee Schedule
- Licensed Midwives Fee Schedule
- Medical Foster Care Services Fee Schedule
- Mental Health Targeted Case Management Services Fee Schedule
- Occupational Therapy Services Fee Schedule
- Personal Care Services Fee Schedule
- Physical Therapy Fee Schedule
- Practitioner Fee Schedule
- Prescribed Pediatric Extended Care Services Fee Schedule
- Private Duty Nursing Services Fee Schedule
- Radiology Fee Schedule
- Respiratory Therapy Services Fee Schedule
- Specialized Therapeutic Services
- Speech-Language Pathology Services Fee Schedule
- Transportation Services Fee Schedule
- Visual Services Fee Schedule
- FOHC/RHC Rates
- Hospice Room & Board Rates and Level of Care
- Hospital and ASC Inpatient and Outpatient Services Fee-for-Service Rates
- ICF/IID Fee-for-Service Rates
- Nursing Home Fee-for-Service Rates

Medicaid Fee-for-Service Fee Schedules that did not receive an increase to support the minimum wage can be found <u>HERE</u>. Medicaid providers who are reimbursed *exclusively* under these fee schedules do not have to sign the supplemental wage agreement.

The attestation requires providers to select a statement regarding "all employees" yet the proviso only requires nursing homes to increase the salary of all workers learning less than \$15 per hour. Can the attestation be amended or clarified for providers enrolled in all provider types other than nursing homes?

Only Nursing Home providers will be obligated to pay all employees a minimum wage of \$15 per hour.

The language in the supplemental wage agreement mirrors that found in proviso throughout the GAA, which states:

The agency shall enter into a supplemental wage agreement with each provider to include this minimum wage requirement to ensure compliance. The agreement must require the provider to agree to pay each of its employees at least \$15.00 per hour. The agreement shall include an attestation under penalty of perjury under section 837.012, Florida Statutes, stating that every employee of the provider, as of October 1, 2022, will be paid at least \$15.00 per hour.

However, the GAA provides additional proviso to clarify this requirement for providers who are not enrolled as nursing homes which states the requirement applies to only direct care employees.

An example is below:

From the funds in Specific Appropriation 208, \$333,481 from the General Revenue Fund and \$506,521 from the Medical Care Trust Fund are provided to the Agency for Health Care Administration to adjust fee for service rates at the annual rate setting date for the sole purpose of raising wages of direct care employees of Medicaid providers including 1099 employees who provide services under the Florida Medicaid Program to at least \$15.00 per hour. The funds are contingent upon House Bill 539 or similar legislation becoming law.

The initial supplemental wage agreement included an introductory wherefore clause to account for this as noted below:

WHEREFORE, The Agency and the Provider (the "Parties") are required to enter into this Agreement to ensure that as of October 1, 2022, all employees, including 1099 employees of the Provider are paid at least \$15.00 per hour *pursuant to the State of Florida General Appropriations Act* ("GAA") for State Fiscal Year 2022-2023.

However, in an effort to provide additional clarity for providers, the Agency will insert the following language into the supplemental wage agreement as underlined below:

"On behalf of the Provider, I attest under the penalty of perjury pursuant to section 837.012, Florida Statutes, that as of October 1, 2022, <u>all employees impacted by the requirements of the 2022-2023 General Appropriations Act, including employees defined as 1099 workers,</u> will be paid at least \$15.00 per hour.

When must health plans begin paying the enhanced rate to providers in their network?

Capitation rates that become effective on October 1, 2022, will include the necessary funding for plans to begin reimbursement their network providers beginning on October 1, 2022.