

Home Care Worker Wage Parity Act Provisions Effective March 1, 2012

The New York State Home Care Worker Wage Parity Act was enacted by the New York State Budget for 2011-2012 and has key provisions that become effective March 1, 2012. The Act specifically applies to certified home health agencies (“CHAAs”), long term home health care programs (“LTHHCs”) and managed care plans (“MCPs”) compensated by Medicaid for services rendered by home care aides who are directly employed by the CHHA, LTHHC or MCP, or to any entity which contracts with a CHHA, LTHHC or MCP to provide home care aides services on their behalf (i.e., a licensed home care service agency (“LHCSA”).

The wage requirements set forth in the Act are intended to establish wage parity among the various types of home care workers in New York City and Nassau, Suffolk and Westchester counties. Wage requirements are generally tied to the living wage law in New York City. Beginning in New York City on March 1, 2012, entities that fall under the Act will be required to pay their home care aide employees 90% of the total compensation mandated by the living wage law of New York City, which equates to a wage of no less than \$9.00/hour. Additionally, such entities will be required to provide health benefits or, in lieu of health benefits, pay a health benefit supplement rate of \$1.35 hour. Wage requirements for entities that employ home care aides providing services in Nassau, Suffolk and Westchester counties will begin on March 1, 2013.

Under the Act, no payment will be made by a government agency to a CHHA, LTHHC or MCP unless it has executed a certificate, on an annual basis, attesting to its compliance with the Act. To the extent that the CHHA, LTHHC or MCP subcontracts with a LHCSA or any other third party for the provision of services, it must obtain a certification and quarterly information documenting such compliance from the LHCSA/third party. **After March 1, 2012, no payments will be made to providers unless they have filed the required certification.**

In order to comply with these requirements, CHHAs, LTHHCs and MCPs serving clients in New York City must act now and be ready and able to comply as of March 1, 2012. Those serving clients Nassau, Suffolk and Westchester should begin preparing now for the March 1, 2013 implementation date.

If you have questions regarding compliance with Home Care Worker Wage Parity Act, or need certification forms, contact Nancy B. Sever at (518) 436-0751 or nsever@hinmanstraub.com.