

August 4, 2020

Region 2 Area Agency on Aging
 Network Service Providers

Dear Service Providers:

RE: COVID-19 Response: Premium Pay Extension

Effective July 1, 2020, through September 30, 2020, in response to the COVID-19 state of emergency, an extension of the temporary hourly wage increase (referred to as “Premium Pay”) will be applied to payment for direct care workers providing the following services:

Program Name	Services	Related HCPCS Codes
MI Choice Waiver	Community Living Supports, Respite	H2015, H2016, S5150, S5151

The temporary Premium Pay for services provided in July, August, and September, 2020, in addition to April, May, and June, 2020, is intended to cover a \$2.00 per hour increase in direct care worker wages, along with a \$.24 per hour increase for agencies to cover their additional costs associated with implementing this increase. These amounts are to be paid in addition to the wage the direct care worker was earning since April 1, 2020, and recorded separately from base pay. The \$2.00 per hour Premium Pay must be applied entirely to direct care worker wages. The \$2.00 and \$.24 per hour amounts may be implemented by an equivalent as divided per billing unit. One example of “an equivalent as divided per billing unit” is, for programs billing in 15-minute increments, the payment would be \$.50 per 15-minute unit for the direct care worker, and \$.06 per 15-minute unit for the additional agency cost.

For program participants receiving services through a self-determination arrangement under the MI Choice Waiver programs, direct care workers must receive this Premium Pay for the hours or billing units worked in July, August, and September, 2020, in addition to April, May, and June, 2020. The Fiscal Intermediary (FI), will receive \$.24 per hour for related taxes. The “equivalent as divided per billing unit” described above applies.

Region 2 will execute a claim edit for the July, August, and September, 2020, bills in addition to the April, May, and June, 2020 bills. Depending on how providers receive their payments from us, the extra pay amounts will be issued via a separate check or by a separate direct deposit, usually within 30 days after the close of billing for each prior month.

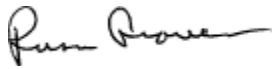
All CLS/Respite providers and FIs will need to sign a copy of this letter below attesting that all applicable caregivers receive the additional \$2.00/hour premium pay for hours worked for July, August,

and September, 2020, in addition to April, May, and June, 2020, and email the signed letter to my attention at russ.graves@r2aaa.net for processing the premium payment.

We recommend that you record and track the premium pay separately on the employee's pay stub and include communication that the premium pay is temporary for the months of July, August, and September, 2020, in addition to April, May, and June, 2020.

If you have general questions regarding the content of this letter, please reach out to me at (517) 867-1065 or by email, russ.graves@r2aaa.net.

Thanks again for partnering with us.



Russ Graves
Compliance/Contracts Officer

Provider/FI Name

Signature of Provider Representative

Typed/Printed Name

Date