

January 20, 2021

Region 2 Area Agency on Aging
Network Service Providers

Dear Service Providers:

RE: COVID-19 Response: Premium Pay Third Extension

Effective April 1, 2020 through February 28, 2021 by the passage of Public Act 257 of 2020, a third 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 April 1, 2020 to February 28, 2021 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 March 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 between April 1, 2020 and February 28, 2021. 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 bills received for the date range of April 1, 2020 to February 28, 2021. 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 April 1, 2020 to February 28, 2021 and email the signed letter to my attention at russ.graves@r2aaa.net for processing the premium payment.

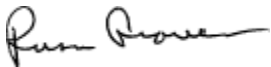
We recommend that you record and track the premium pay separately on the employee's pay stub and include communication that the premium pay is temporary for the months of April 2020 through February 2021.

All Premium Payments are subject to audit and potential recoupment. Providers should retain documentation that supports the distribution to direct care workers and that payments were made in accordance with the requirements in this letter and previous Caregiver Premium Pay Attestation letters issued by Region 2.

Direct care workers should still follow the guidance issued in March 2020 titled "Actions for Caregivers of Older Adults During COVID-19" along with the document "Actions for Caregivers for Older Adults Addendum Frequently Asked Questions". These documents describe recommendations for in-home direct care workers and methods to assure a face-to-face visit is needed. These documents can be found at: https://www.michigan.gov/mdhhs/0,5885,7-339-71547_4860_78446_78448---,00.html.

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 for partnering with us.



Russ Graves, CHC
Compliance/Contracts Officer

Provider/FI Name

Signature of Provider Representative

Typed/Printed Name

Date