

S.23 – increases for employees of certain Medicaid-participating providers

Sec. A. INCREASES FOR EMPLOYEES OF CERTAIN MEDICAID-PARTICIPATING PROVIDERS; APPROPRIATION

(a) Of the funds appropriated to the Department of Vermont Health Access for fiscal year 2020, the Department shall use \$XXX,XXX.00 to increase Medicaid reimbursement rates to home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies to facilitate the payment of wages to their employees that are equal to or greater than the minimum wage set forth in 21 V.S.A. § 384.

(b) On or before November 15, 2019, the Department of Vermont Health Access shall submit a written report to the Joint Fiscal Committee regarding the adequacy of the funds appropriated pursuant to subsection (a) of this section, any additional appropriation that may be necessary to satisfy the requirements of 33 V.S.A. § 7601 during fiscal year 2020, and the projected cost of complying with the requirements of 33 V.S.A. § 7601 during fiscal year 2021.

Sec. B. 33 V.S.A. chapter 76 is amended to read:

CHAPTER 76. ~~CHOICES FOR CARE~~ LONG-TERM CARE AND HOME- AND COMMUNITY-BASED SERVICES

Subchapter 1. Choices for Care Program

§ 7601. DEFINITIONS

As used in this ~~chapter~~ subchapter:

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Subchapter 2. Service Providers

§ 7611. WAGES FOR SERVICE PROVIDERS

(a)(1) For each State fiscal year, the Department of Vermont Health Access shall adjust Medicaid reimbursement rates for home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies in order to increase the wages of the employees described in subdivision (2) of this subsection by the same rate of growth as the annual percentage increase in the minimum wage under 21 V.S.A. § 384.

(2) The wage increase described in subdivision (1) of this subsection shall apply to employees of home health agencies, nursing homes, residential care homes, assisted living residences, and adult day agencies who work in occupations with a statewide average starting wage that is within \$1.00 of the minimum wage established pursuant to 21 V.S.A. § 384, as in effect on January 1 of the applicable State fiscal year.

(b) The Department shall collaborate with providers using cost reports, audited financial reports, and other documentation as needed to identify the portion of the reimbursement rates requiring adjustment pursuant to subsection (a) of this section in order to increase both employee wages and wage-related costs, including benefits, payroll taxes, provider taxes, and workers' compensation insurance, by the annual rate of growth in the minimum wage set forth in 21 V.S.A. § 384.