



REGION 10 PIHP

SUBJECT Direct Care Worker Wages		CHAPTER 01	SECTION 06	SUBJECT 10
CHAPTER Administration		SECTION Provider Network Management		
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I. APPLICATION:

- PIHP Board CMH Providers SUD Providers
- PIHP Staff CMH Subcontractors

II. POLICY STATEMENT:

Region 10 will ensure that its CMH Providers, CMH Subcontractors, and SUD providers provide Direct Care Worker Wage Increases as intended by State legislation and Medicaid policy issued by the Michigan Department of Health and Human Services.

III. DEFINITIONS:

Direct Care Worker (DCW): Any employee of a CMH Provider, CMH Subcontractor, or SUD provider that provides a qualifying service.

DCW Enhancement Rate: Is the rate enhancement to be provided to any provider that pays no less than the DCW Required Wage to any Direct Care Worker.

DCW Adjustment: Is the increase, calculated per hour, funded by MDHHS to increase DCH wages.

DCW Required Wage: Is the per hour base rate that must be paid to any employee of a provider that provides a qualifying service.

Minimum Wage: Is the minimum hourly rate to be paid to any worker in accordance with Michigan legislation.

Qualifying Service: Is a service code identified by MDHHS in a Behavioral Health Capitation Rate Certification.

IV. STANDARDS: N/A

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V. **PROCEDURES:**

1. PIHP Staff shall calculate and publish the DCW Required wage. The calculation shall be the Minimum Wage plus any and all DCW Adjustments funded via Medicaid and Healthy Michigan. The DCW Adjustment(s) shall be aggregated as documented in the Behavioral Health Capitation Rate Certification letters.
2. PIHP staff must recalculate and publish a revised DCW Required Wage prior to the effective date of any change to either the Minimum Wage or to the DCW Adjustments. If legislation or Medicaid policy revises either the Minimum Wage or the DCW Adjustments effective less than 30 calendar days after the legislation is signed or Medicaid policy is issued, the PIHP Administration will publish the revised DCW Required Wage with 30 calendar days.
3. PIHP staff in conjunction with the CMH Providers will calculate a DCW Enhancement Rate for each Qualifying Service. The Enhancement Rate shall be the DCW Adjustments plus 12% for provider administration plus a reasonable assumption of unbillable time associated with that service code. The PIHP staff and CMH providers must offer this DCW Enhancement Rate to any CMH Subcontractors or SUD Providers that agree to pay the DCW Required Wage to all DCW employees. Acceptance of the DCW Enhancement Rate and agreement to provide the DCW Required Wage must be documented in an executed provider agreement.
4. For the SUD Provider Network, the PIHP MAX Rate Grid shall be posted inclusive of the DCW Enhancement Rate. Any SUD provider that does not agree to provide the DCW Required Wage shall be paid no more than the PIHP Max Rate Grid less the DCW Enhancement Rate.
5. At least annually, PIHP staff and CMH Providers will perform a desk audit of all CMH subcontractors and SUD providers receiving the DCW Enhancement Rate.

VI. **EXHIBITS:** N/A