



2021-2022 General Assembly

SENATE BILL 105: 2021 Appropriations Act, Sec. 9D.15: Increase Rates to Intermediate Care Facilities for Direct Care Worker Wage Increases

Committee:
Introduced by:
Analysis of: Sec. 9D.15 of S.L. 2021-180

Date: February 22, 2022
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OVERVIEW: *Section 9D.15 of S.L. 2021-180 expresses the General Assembly's intent to assist in increasing the hourly wage paid to direct care workers to \$15.00. To that end, this section directs the Division of Health Benefits (DHB), Department of Health and Human Services, to increase the Medicaid rate paid to intermediate care facilities (ICFs), and each ICF receiving the rate increase must use at least 80% of the rate increase to increase the wages it pays to its direct care workers above the wage paid on October 1, 2021. The section also specifies the following:*

- *DHB will determine the amount of the Medicaid rate increase paid to ICFs.*
- *DHB will determine the applicable definition of direct care worker.*
- *DHB will set the documentation standards that are necessary to verify that ICFs use 80% of the rate increase for wage increases.*
- *DHB may recoup funds related to rate increase from any ICF that DHB determines did not use at least 80% of the rate increase for wage increases.*
- *Capitation rates paid to local management entities/managed care organizations will be increased to provide funding for the Medicaid rate increase to the ICFs.*

This section became effective November 18, 2021, and the rate increase to ICFs is effective upon federal approval.

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Legislative Analysis
Division
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