



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF HUMAN SERVICES

December 29, 2015

Dear Participant,

You are receiving this letter because you are enrolled in a Department of Human Services (formerly known as the Department of Public Welfare), Office of Long-Term Living program, and you are the employer of the worker(s) who provide your services. This is to let you know about some upcoming program changes that affect you as an employer. The changes are occurring because the U.S. Department of Labor issued new regulations under the Fair Labor Standards Act that impact programs such as the one you are enrolled in.

The following changes are effective for hours worked on and after January 1, 2016. Any costs related to these changes will be covered by the Medicaid program:

Minimum Wage – You are required to pay your worker(s) at least minimum wage, currently \$7.25 per hour.

Overtime – You are required to pay your worker(s) overtime pay for hours worked over 40 hours in a week, unless you and your worker are covered under the Live-In Domestic Service Employees Exemption described below. A week is from 12:01 a.m. Sunday through 11:59 p.m. the following Saturday. Public Partnerships (PPL) will adjust workers' pay based on this new requirement. We are hopeful that overtime pay will be issued timely; however please be aware that there may be delays until all service authorizations for overtime are in place. If you are in the Services My Way model, you will need to work within your current budget to cover the cost of overtime.

Live-In Domestic Service Employees Exemption – A live-in domestic service employee is one who resides in the household where employed. "Reside" means to live in the home on a permanent basis or for extended periods of time. OLTL is requiring you to take this exemption if it applies to your situation. This means your worker(s) will be paid at the regular wage rate for all hours worked. Even if they work more than 40 hours per week, they will not receive overtime pay. PPL will identify workers who qualify for these exemptions and contact you with more information.

Common-Law Employer for Multiple Participants – One person will no longer be allowed to serve as the common-law employer for multiple participants. A common-law employer and participant must be in a one-to-one relationship (one common-law employer to one participant). PPL will notify you if this applies to you. Please work with your service coordinator to find a different person to be the common-law employer if needed.

Be assured that these changes will not affect the amount of service in your service plan. You will continue to receive the same number of service hours per week. **Please notify your workers of any changes described in this letter that will affect their wages for hours worked on or after January 1, 2016.** We appreciate your understanding and patience as we work to implement these new program changes based on federal requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Burnett".

Jennifer Burnett
Deputy Secretary