



US Department of Labor Companionship Exemption

April 21, 2016



Companionship Exemption

- January 2016
- New Federal Rule – Fair Labor Standards Act
- Impacts agencies employing Direct Care Workers providing in-home services
 - Attendant Care
 - Personal Care
 - Homemaker
 - Respite
- A total 1,800 (74%) members live in their own home
- There are 67 agencies providing in home services (50 are not contracted by an MCO)

What is different?

- Agencies must pay DCWs overtime if they work over 40 hours per week
 - *If a DCW makes \$9.00 per hour, they must get paid \$13.50 for each hour worked over 40 hours per week.*
- Agencies must pay DCWs for time they spend traveling from work with one member to work with another member

What is NOT different?

*The new rule **does not change** the number of services and service hours authorized by the Case Manager and outlined on the member's service plan.*



Agency and Member Decisions

- Agencies can decide whether or not to allow DCWs to work more than 40 hours per week.
 - If an agency decides not to allow DCWs to work more than 40 hours per week, members may have to make decisions about the DCWs providing their care.

*A priority must be placed on the **preservation** of the **member's services** and service hours and their **preferences** for the DCW(s) providing their care.*

AHCCCS Work Plan

- Collect information from agencies *[March/April 2016]*
 - Plans to comply with new rule
 - Number of members who may need to make new decisions about who is providing their care
 - Number of DCWs who had hours reduced
- Send Member notice *[April 2016]*
- Evaluate current compensation rate structure based upon analysis of costs potentially incurred by providers to comply with the new ruling *[Ongoing]*

Thank You.

