

PUBLICATION

Florida Medicaid Provider Minimum Wage Increase (Deadline: October 1, 2022)

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In June 2022, the Florida governor signed a budget into law that provided more than \$600 million in additional Medicaid funding to increase the minimum wage for employees of Medicaid providers. These funds are intended to be used to pay increased Medicaid rates to providers.

What do I have to do?

No later than October 1, 2022, Florida health care facilities that provide Medicaid services must enter into a Supplemental Minimum Wage Agreement (Agreement) with the Agency for Health Care Administration (AHCA) on the AHCA Medicaid Provider Secure Web Portal. The Agreement requires:

- All nursing home providers accepting Medicaid payments to pay all of their employees and independent contractors at least \$15/hr.
- Most other Medicaid providers that are reimbursed for services under Medicaid fee-for-service schedules to pay their direct care workers (including independent contractors) this minimum wage. "Direct Care Workers" are workers who have direct contact with a Medicaid recipient for purposes of providing a Medicaid-reimbursable service, but not including workers whose primary duty is maintaining the physical environment of the workplace or who primarily perform administrative duties.

The full list of impacted providers can be found at the AHCA website:
https://ahca.myflorida.com/Medicaid/Finance/finance/enh_wage/ew_feesched.shtml

What are the consequences for not complying?

Providers that do not sign the Agreement or fail to pay the required minimum wage may be subject to recoupment of the additional payments.

In addition, beginning January 1, 2023, workers who are not receiving the required wages may bring a civil suit against the provider for twice the amount of the back pay owed, plus attorney's fees and costs.

What must impacted providers do to comply?

- Enter into the Agreement prior to October 1, 2022.
- Make certain that wages are paid at the required level.
- Frequently check AHCA's website for updated FAQs addressing ongoing questions from providers:
https://ahca.myflorida.com/Medicaid/Finance/finance/enh_wage/ew_faq.shtml.
- Verify that you receive the increased Medicaid payments for services provided on and after October 1, 2022.

- Medicaid managed care plans receiving Medicaid funds must revise their contracts with Medicaid providers to increase the providers' contracted rates and they must provide attestation to AHCA that they have done so. You should follow up to make certain you have these revised agreements in place and that the higher rates are paid.

If you have questions about this topic, please feel free to reach out to [Sandra Adams](#) or the Baker Donelson [Health Law](#) team member with whom you typically work.