

## **Temporary 8.4% Rate Increase for PCA Services During Covid-19**

In response to COVID-19, the Minnesota Legislature approved a temporary rate increase of 8.4% starting Dec. 1, 2020 and will be in effect until February 7, 2021.

### **The Requirement**

The legislation requires providers to use at least 80% of the additional revenue to increase wages, salaries, and benefits for direct support workers. Any corresponding increase may be applied to the employer's share of FICA taxes, Medicare taxes, state/federal unemployment taxes and workers' compensation premiums. Additionally, providers may use the remainder of the additional revenue, if any, for activities and items necessary to support compliance with Centers for Disease Control and Prevention (CDC) guidance on sanitation and personal protective equipment.

### **Alliance's Distribution Plan**

Alliance will be passing on 90% of this increase towards PCA Choice and Traditional PCA wages. All eligible PCA hours worked between the dates of 12/1/20 – 2/7/21 will be paid at regular rate of pay, however the rate differential will be applied to those hours and paid in one lump sum as taxable earnings sometime between February 8, 2021 and April 1, 2021. The addition of these funds will not affect or change the number of approved units on participant service agreements. Alliance will use the remaining 10% to cover the cost of its employer's share of payroll taxes, unemployment taxes and workers' compensation. This rate increase does **not** apply to Qualified Professionals, administrative staff, or field staff working in other service programs.

PCAs who feel they have not received the compensation-related increase as required by April 1, 2021, should contact Human Resources at 651.895.8030. Employees may also contact the Department of Human Services:

#### **By Mail**

Minnesota Department of Human Services  
Community Supports and Continuing Care for Older Adults  
PCA Temporary Rate Increase  
P.O. Box 64967  
St. Paul, MN 55164-0967

#### **By Email**

Email questions to [dhs.ccarates@state.mn.us](mailto:dhs.ccarates@state.mn.us). DHS will direct the questions to the person who can best provide an answer.

#### **By Phone**

If you have questions, you can call the DSD Response Center at 651-431-4300. DHS will direct the questions to the person who can best provide an answer.

**Note:** The telephone number listed is a voice number. TDD users may call the Minnesota Relay at 711 or 800-627-3529. For the speech-to-speech relay, call 877-627-3848

**This Distribution plan will remain posted on the Alliance Health Care webpage, in the Eagan office, and on our Facebook page until January 31, 2021.**