November 9, 2015

Statewide Medicaid Managed Care (SMMC) Policy Transmittal

Policy Transmittal: 15-22

Applicable to:
- Comprehensive Long-term Care (LTC) Plan
- Managed Medical Assistance Health Maintenance Organization
- Managed Medical Assistance Provider Service Network
- Managed Medical Assistance Specialty Plan
- Children’s Medical Services Network (CMSN) Plan

Re: Fair Labor Standards Act (FLSA)

The United States Department of Labor issued the Home Care Final Rule relative to the Fair Labor Standards Act (FLSA or “the Act”) in Title 29 of the United States Code, section 206-207, which extends the Act’s minimum wage and overtime protections to employees in “domestic service” – i.e. service in a household. This regulation was challenged and upheld in Home Care Association of America v. Weil, No. 15-5018 (U.S. Court of Appeals for District of Columbia Circuit, August 21, 2015). The purpose of this policy transmittal is to notify managed care plans serving Long-term Care Participant Direction Option enrollees of the Final Rule and that its requirements became effective on October 13, 2015. The Statewide Medicaid Managed Care contract requires managed care plans to comply with all applicable federal and state laws, rules, and regulations. (See Attachment II, Section XII.A.1.; Attachment II, Section XII.A.2.; Attachment II, Section VIII.B.1.c.) For more information on the Final Rule, please visit the Department of Labor Web site at http://www.dol.gov/whd/homecare.

If you have any questions, please contact your Agency contract manager at (850) 412-4004.

Sincerely,

Beth Kidder
Assistant Deputy Secretary for Medicaid Policy and Quality

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