




**State of Louisiana**  
Louisiana Department of Health  
Office of the Secretary

**To:** The Honorable John Bel Edwards, Governor, State of Louisiana (Via Email)  
The Honorable Jeff Landry, Attorney General, Louisiana Department of Justice (apa.submission@ag.louisiana.gov)  
The Honorable Patrick Page Cortez, President, Louisiana Senate (apa.senatepresident@legis.la.gov)  
The Honorable Clay Schexnayder, Speaker, Louisiana House of Representatives (apa.housespeaker@legis.la.gov)  
Catherine Brindley, Editor, *Louisiana Register* (reg.submission@la.gov)  
Senate Health and Welfare Committee (apa.s-h&w@legis.la.gov)  
House Health and Welfare Committee (apa.h-hw@legis.la.gov)

**From:** Dr. Courtney N. Phillips, Secretary, LDH 

**Date:** February 20, 2023

**Re:** Justification of Promulgation of Emergency Rule  
Home and Community-Based Services Waivers New Opportunities Waiver  
Direct Service Workers Wages and Bonus Payments (LAC 50:XXI.14301)

**MEMORANDUM**

In accordance with the Administrative Procedure Act (La. R.S. 49:950 *et seq.*) as amended, the Louisiana Department of Health is submitting the following emergency rule that amends Home and Community-Based Services Waivers New Opportunities Waiver Direct Service Workers Wages and Bonus Payments (LAC 50:XXI.14301).

Should you have any questions or require additional information regarding this matter, please do not hesitate to contact Paul Rhorer, at [paul.rhorer@la.gov](mailto:paul.rhorer@la.gov), and Erin Downing at [erin.downing@la.gov](mailto:erin.downing@la.gov).

Attachments: Emergency Rule – Home and Community-Based Services Waivers New Opportunities Waiver Direct Service Workers Wages and Bonus Payments (LAC 50:XXI.14301).

**Cc:** Tara A. LeBlanc, LDH Medicaid Director  
Julie Foster Hagan, LDH OAAS Assistant Secretary  
Veronica Dent, LDH Medicaid Manager  
Bethany Blackson, LDH Legislative Liaison  
Catherine Brindley, *Louisiana Register* Editor, Office of the State Register

**DECLARATION OF EMERGENCY**

**Department of Health  
Bureau of Health Services Financing  
and  
Office for Citizens with Developmental Disabilities**

**Home and Community-Based Services Waivers  
New Opportunities Waiver  
Direct Service Worker Wages and Bonus Payments  
(LAC 50:XXI.14301)**

The Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities amend LAC 50:XXI.14301 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:962, and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services approved the use of bonus payments for agencies providing New Opportunities Waiver services to home and community-based services waiver participants under section 9817 of the American Rescue Plan Act of 2021. The Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities promulgated Emergency Rules which amended LAC 50:XXI.14301 in order to establish workforce bonus payments in

the New Opportunities Waiver for direct service workers and support coordination providers along with audit procedures and sanctions (*Louisiana Register*, Volume 48, Number 8 and Volume 49, Numbers 1 and 2). The department subsequently promulgated an Emergency Rule, effective February 10, 2023, which rescinded these emergency provisions (*Louisiana Register*, Volume 49, Number 2).

This Emergency Rule is being promulgated to amend provisions governing reimbursement in the New Opportunities Waiver in order to establish workforce bonus payments for direct service workers and support coordination providers along with audit procedures and sanctions.

This action is being taken to promote the health and welfare of Medicaid beneficiaries by ensuring continued provider participation in the Medicaid Program. It is estimated that implementation of this Emergency Rule will increase expenditures in the Medicaid Program by approximately \$64,330,272 for state fiscal year 2022-2023.

Effective February 20, 2023, the Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities amend provisions governing reimbursement in the New Opportunities Waiver in order to establish workforce bonus payments for direct service workers

and support coordination providers along with audit procedures and sanctions.

**Title 50**  
**PUBLIC HEALTH-MEDICAL ASSISTANCE**  
**Part XXI. Home and Community-Based Services Waivers**  
**Subpart 11. New Opportunities Waiver**

**Chapter 143. Reimbursement**

**§14301. Unit of Reimbursement**

A. - E. ...

F. Direct Support Worker Wages and Workforce Bonus Payments

1. Establishment of Direct SupportService Worker Wage Floor for Medicaid Home and Community-Based Services for Intellectual and Developmental Disabilities

a. Effective October 1, 2021, providers of Medicaid home and community-based waiver services operated through the Office for Citizens with Developmental Disabilities employing ~~defined~~ direct supportservice workers will receive the equivalent of a \$2.50 per hour rate increase.

b. Effective October 1, 2021, this increase or its equivalent will be applied to all service units provided by direct supportservice workers with an effective date of service for the identified home and community-based waiver services provided beginning October 1, 2021.

c. The minimum hourly wage floor paid to direct support workers shall be ~~\$9.00~~\$9 per hour.

d. All providers of services affected by this rate increase shall be subject to a direct ~~support~~support service worker wage floor of ~~\$9.00~~\$9 per hour. This wage floor is effective for all ~~affected~~eligible direct ~~support~~support service workers of any work status ~~(, whether full-time, or part-time, etc.)~~.

e. The Department of Health reserves the right to adjust the direct ~~support~~support service worker wage floor as needed through appropriate rulemaking promulgation consistent with the ~~Louisiana~~ Administrative Procedure Act.

2. Establishment of ~~Audit Procedures for Direct Support Service Worker Wage Floor~~Workforce Bonus Payments

a. ~~The wage enhancement payments reimbursed to providers~~Providers who provided services from April 1, 2021 to October 31, 2022 shall ~~be subject to audit by the department~~receive bonus payments of \$300 per month for each direct service worker that worked with participants for those months.

b. ~~Providers shall provide to the department or its representative all requested documentation to verify compliance with the~~The direct support service worker wage floor who provided services to participants from April 1, 2021 to October 31, 2022 must receive at least \$250 of this \$300 bonus

payment paid to the provider. This bonus payment is effective for all eligible direct service workers of any working status, whether full-time or part-time.

~~c. This documentation may include, but not be limited to, payroll records, wage and salary sheets, check stubs, etc~~Bonus payments will end October 31, 2022.

~~d. Providers shall produce~~ LDH reserves the requested documentation upon request and within~~right to adjust the time frame provided by~~amount of the department~~bonus payments paid to the direct service worker as needed through appropriate rulemaking promulgation consistent with the Administrative Procedure Act.~~

~~e. Noncompliance or failure to demonstrate that the wage enhancement was paid directly to direct support workers may result in:~~

~~\_\_\_\_\_ i. sanctions; and~~

~~\_\_\_\_\_ ii. disenrollment in the Medicaid Programe.~~

~~- e.ii. Repealed.~~

3. SanctionsAudit Procedures for Direct Service Worker Wage Floor and Workforce Bonus Payments

a. ~~The provider will be subject to sanctions or penalties for failure to comply with this Rule or with requests issued by LDH pursuant to this Rule. The severity of such action~~



~~will depend on:~~ wage enhancement and bonus payments reimbursed to providers shall be subject to audit by LDH.

~~i. failure to pay I/DD HCBS direct support workers the floor minimum of \$9.00 per hour;~~

~~ii. the number of employees identified as having been paid less than the \$9.00 per hour floor; or~~

~~iii. the persistent failure to pay the floor minimum of \$9.00 per hour.~~

~~iv. failure to provide LDH with any requested documentation or information related to or for the purpose of verifying compliance with this Rule.~~ iv. Repealed.

b. Providers shall provide to the LDH or its representative all requested documentation to verify that they are in compliance with the direct service worker wage floor and bonus payments.

c. This documentation may include, but is not limited to, payroll records, wage and salary sheets, check stubs, etc.

d. Providers shall produce the requested documentation upon request and within the timeframe provided by LDH.

e. Non-compliance or failure to demonstrate that the wage enhancement and/or bonus payments were paid directly to direct service workers may result in:

- i. sanctions; or
- ii. disenrollment from the Medicaid Program.

4. ~~New Opportunities Waiver Fund~~Sanctions for Direct Service Worker Wage Floor and Workforce Bonus Payments

a. ~~The department shall deposit civil fines and the interest collected from providers into the New Opportunities Waiver Fund.~~provider will be subject to sanctions or penalties for failure to comply with this Rule or with requests issued by LDH pursuant to this Rule. The severity of such action will depend upon the following factors:

i. Direct Service Worker Wage Floor

(a). failure to pay I/DD HCBS direct service workers the wage floor minimum of \$9 per hour;

(b). the number of I/DD HCBS direct service workers who are identified as having been paid less than the wage floor minimum of \$9 per hour; or

(c). the persistent failure to pay I/DD HCBS direct service workers the wage floor minimum of \$9 per hour;

ii. Direct Service Worker Workforce Bonus Payments



(a). failure to pay eligible I/DD HCBS direct service workers the \$250 monthly workforce bonus payments;

(b). the number of eligible I/DD HCBS direct service workers identified as having not been paid the \$250 monthly workforce bonus payments; or

(c). the persistent failure to pay eligible I/DD HCBS direct service workers the \$250 monthly workforce bonus payments; or

iii. failure to provide LDH with any requested documentation or information related to or for the purpose of verifying compliance with this Rule.

G. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office of the Secretary, Bureau of Community Supports and Services, LR 30:1209 (June 2004), amended by the Department of Health and Hospitals, Office for Citizens with Developmental Disabilities, LR 34:252 (February 2008), amended by the Department of Health and Hospitals, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities, LR 35:1851 (September 2009), LR 36:1247 (June 2010), LR 37:2158 (July 2011), LR 39:1049 (April

2013), LR 40:80 (January 2014), LR 42:898 (June 2016), amended by the Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities, LR 44:58 (January 2018), LR 45:44 (January 2019), LR 46:1682 (December 2020), LR 48:41 (January 2022), LR 48:1558 (June 2022), LR 49:

Implementation of the provisions of this Rule may be contingent upon the approval of the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services (CMS), if it is determined that submission to CMS for review and approval is required.

#### **Public Comments**

Interested persons may submit written comments to Tara A. LeBlanc, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. LeBlanc is responsible for responding to inquiries regarding this Emergency Rule. A copy of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Dr. Courtney N. Phillips

Secretary

**DECLARATION OF EMERGENCY**

**Department of Health  
Bureau of Health Services Financing  
and  
Office for Citizens with Developmental Disabilities**

**Home and Community-Based Services Waivers  
Residential Options Waiver  
Direct Service Worker Wages and Bonus Payments  
(LAC 50:XXI.16903 and 16905)**

The Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities amend LAC 50:XXI.16903 and adopt §16905 in the Medical Assistance Program as authorized by R.S. 36:254 and pursuant to Title XIX of the Social Security Act. This Emergency Rule is promulgated in accordance with the provisions of the Administrative Procedure Act, R.S. 49:962, and shall be in effect for the maximum period allowed under the Act or until adoption of the final Rule, whichever occurs first.

The U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services approved the use of bonus payments for agencies providing Residential Options Waiver (ROW) services to home and community-based services waiver participants under section 9817 of the American Rescue Plan Act of 2021. The Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities promulgated Emergency Rules which amended LAC 50:XXI.16903 and adopted §16905 in order to establish workforce

bonus payments in the ROW for direct service workers and support coordination providers along with audit procedures and sanctions (*Louisiana Register*, Volume 48, Number 8 and Volume 49, Numbers 1 and 2). The department subsequently promulgated an Emergency Rule, effective February 10, 2023, which rescinded these emergency provisions (*Louisiana Register*, Volume 49, Number 2).

This Emergency Rule is being promulgated to amend and adopt provisions governing reimbursement in the ROW in order to establish workforce bonus payments for direct service workers and support coordination providers along with audit procedures and sanctions.

This action is being taken to promote the health and welfare of Medicaid beneficiaries by ensuring continued provider participation in the Medicaid Program. It is estimated that implementation of this Emergency Rule will increase expenditures in the Medicaid Program by approximately \$7,583,352 for state fiscal year 2022-2023.

Effective February 20, 2023, the Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities amend and adopt provisions governing reimbursement in the ROW in order to establish workforce bonus payments for direct service workers and support coordination providers along with audit procedures and sanctions.

Title 50  
PUBLIC HEALTH-MEDICAL ASSISTANCE  
Part XXI. Home and Community-Based Services Waivers  
Subpart 13. Residential Options Waiver

Chapter 169. Reimbursement

**\$16903. Direct ~~Support Professional~~ Service Worker Wages and Workforce Bonus Payments**

A. Establishment of Direct ~~Support~~ Service Worker Wage Floor for Medicaid Home and Community Based Services for Intellectual and Developmental Disabilities

1. Effective October 1, 2021, providers of Medicaid home and community-based waiver services operated through the Office for Citizens with Developmental Disabilities employing ~~defined~~ direct ~~support-service~~ workers will receive the equivalent of a \$2.50 per hour rate increase.

2. Effective October 1, 2021, this increase or its equivalent will be applied to all service units provided by direct ~~support-service~~ workers with an effective date of service for the identified home and community based waiver services provided beginning October 1, 2021.

3. The minimum hourly wage floor paid to direct ~~support-service~~ workers shall be \$9 per hour.

4. All providers of services affected by this rate increase shall be subject to a direct ~~support-service~~ worker wage floor of ~~\$9.00~~ \$9 per hour. This wage floor is effective

for all affected direct ~~support service~~ workers of any work status ~~(, whether full-time, or part-time, etc.)~~

5. The Department of Health reserves the right to adjust the direct ~~support service~~ worker wage floor as needed through appropriate rulemaking promulgation consistent with the Louisiana Administrative Procedure Act.

B. Establishment of ~~Audit Procedures for~~ Direct ~~Support Service~~ Worker ~~Wage Floor~~ ~~Workforce Bonus Payments~~

1. ~~The wage enhancement payments reimbursed to providers~~ Providers who provided services from April 1, 2021 to October 31, 2022 shall be subject to audit by the department receive bonus payments of \$300 per month for each direct service worker that worked with participants for those months.

2. ~~Providers shall provide to the department or its representative all requested documentation to verify compliance with the~~ The direct ~~support service~~ worker wage floor who provided services to participants from April 1, 2021 to October 31, 2022 must receive at least \$250 of this \$300 bonus payment paid to the provider. This bonus payment is effective for all eligible direct service workers of any working status, whether full-time or part-time.

3. ~~This documentation may include, but not be limited to, payroll records, wage and salary sheets, check stubs, etc.~~ Bonus payments will end October 31, 2022.



4. ~~Providers shall produce~~ LDH reserves the requested documentation upon request and within right to adjust the time frame provided by amount of the department bonus payments paid to the direct service worker as needed through appropriate rulemaking promulgation consistent with the Administrative Procedure Act.

5. ~~Noncompliance or failure to demonstrate that the wage enhancement was paid directly to direct support workers may result in:~~

~~\_\_\_\_\_ a. sanctions; or~~

~~\_\_\_\_\_ b. disenrollment in the Medicaid Program.5. -~~

5.b. Repealed.

C. ~~Sanctions~~ Audit Procedures for Direct Service Worker Wage Floor and Workforce Bonus Payments

1. ~~The provider will be subject wage enhancement and bonus payments reimbursed to sanctions or penalties for failure to comply with this rule or with requests issued by LDH pursuant to this rule. The severity of such action will depend on:~~ providers shall be subject to audit by LDH.

~~\_\_\_\_\_ a. failure to pay I/DD HCBS direct support workers the floor minimum of \$9.00 per hour;~~

~~\_\_\_\_\_ b. the number of employees identified as having been paid less than the \$9.00 per hour floor;~~

~~\_\_\_\_\_ e. the persistent failure to pay the floor minimum of \$9.00 per hour; or~~

~~\_\_\_\_\_ d. failure to provide LDH with any requested documentation or information related to or for the purpose of verifying compliance with this rule.~~  
~~a. - d. Repealed.~~

2. Providers shall provide to LDH or its representative all requested documentation to verify that they are in compliance with the direct service worker wage floor and bonus payments.

3. This documentation may include, but is not limited to, payroll records, wage and salary sheets, check stubs, etc.

4. Providers shall produce the requested documentation upon request and within the timeframe provided by LDH.

5. Non-compliance or failure to demonstrate that the wage enhancement and/or bonus payments were paid directly to direct service workers may result in the following:

- a. sanctions; or
- b. disenrollment from the Medicaid Program.

D. ~~New Opportunities Waiver Fund~~ Sanctions for Direct Service Worker Wage Floor and Workforce Bonus Payments

1. The department shall deposit civil fines and provider will be subject to sanctions or penalties for failure

to comply with this Rule or with requests issued by LDH pursuant to this Rule. The severity of such action will depend upon the interest collected from providers into the New Opportunities Waiver Fund, following factors:

a. Direct Service Worker Wage Floor

i. failure to pay I/DD HCBS direct service workers the wage floor minimum of \$9 per hour;

ii. the number of I/DD HCBS direct service workers who are identified as having been paid less than the floor minimum of \$9 per hour; or

iii. the persistent failure to pay the I/DD HCBS direct service workers the wage floor minimum of \$9 per hour;

b. Direct Service Worker Workforce Bonus Payments

i. failure to pay eligible I/DD HCBS direct service workers the \$250 monthly workforce bonus payments;

(ii). The number of eligible I/DD HCBS direct service workers who are identified as having not been paid the \$250 monthly workforce bonus payments; or

(iii). the persistent failure to pay eligible I/DD HCBS direct service workers the \$250 monthly workforce bonus payments; or

c. failure to provide LDH with any requested documentation or information related to or for the purpose of verifying compliance with this Rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health and Hospitals, Office for Citizens with Developmental Disabilities, LR 33:2456 (November 2007), amended by the Department of Health and Hospitals, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities, LR 41:2169 (October 2015), LR 42:900 (June 2016), amended by the Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities LR 48:42R (January 2022), LR 49:

**§16905. Support Coordination**

A. Establishment of Support Coordination Workforce Bonus Payments

1. Support coordination providers who provided services from April 1, 2021 to October 31, 2022 shall receive bonus payments of \$300 per month for each support coordination worker that worked with participants for those months.

2. The support coordination worker who provided services to participants from April 1, 2021 to October 31, 2022 must receive at least \$250 of this \$300 bonus payment paid to

the provider. This bonus payment is effective for all eligible support coordination workers of any working status, whether full-time or part-time.

B. Audit Procedures for Support Coordination Workforce Bonus Payments

1. The bonus payments reimbursed to support coordination providers shall be subject to audit by LDH.

2. Support coordination providers shall provide to LDH or its representative all requested documentation to verify that they are in compliance with the support coordination bonus payments.

3. This documentation may include, but is not limited to, payroll records, wage and salary sheets, check stubs, etc.

4. Support coordination providers shall produce the requested documentation upon request and within the timeframe provided by the LDH.

5. Noncompliance or failure to demonstrate that the bonus payments were paid directly to support coordination workers may result in the following:

a. sanctions; or

b. disenrollment from the Medicaid Program.

C. Sanctions for Support Coordination Workforce Bonus Payments

1. The support coordination provider will be subject to sanctions or penalties for failure to comply with this Rule or with requests issued by LDH pursuant to this Rule. The severity of such action will depend upon the following factors:

a. failure to pay support coordination workers the \$250 monthly bonus payments;

b. the number of employees identified as having been paid less than the \$250 monthly workforce bonus payments;

c. the persistent failure to pay the \$250 monthly workforce bonus payments; or

d. failure to provide LDH with any requested documentation or information related to or for the purpose of verifying compliance with this Rule.

AUTHORITY NOTE: Promulgated in accordance with R.S. 36:254 and Title XIX of the Social Security Act.

HISTORICAL NOTE: Promulgated by the Department of Health, Bureau of Health Services Financing and the Office for Citizens with Developmental Disabilities, LR 49:

#### **Public Comments**

Interested persons may submit written comments to Tara A. LeBlanc, Bureau of Health Services Financing, P.O. Box 91030, Baton Rouge, LA 70821-9030. Ms. LeBlanc is responsible for responding to inquiries regarding this Emergency Rule. A copy



of this Emergency Rule is available for review by interested parties at parish Medicaid offices.

Dr. Courtney N. Phillips

Secretary

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