

December 31, 2016 Medicaid Transportation Minimum Wage Rate Adjustment

Dear Transportation Provider:

- Effective December 31, 2016 the Department of Health will be adjusting the Medicaid transportation fees to support the increased payroll expenditures incurred by transportation providers as a result of the first year (2017) requirements of the Minimum Wage Law contained in the 2016-17 State Budget. The fee adjustments are based on the percent of drivers receiving less per hour than the prescribed new minimum wage, the average per hour wage of those drivers, and the average length of time per Medicaid transport for the ambulance, ambulette, and taxi / livery modes of transport.
- The updated fees will be posted on the eMedNY website. Please go to <https://www.emedny.org/ProviderManuals/Transportation/index.aspx> to see the updated fee schedules for the areas in which you operate.

Important Information

- Providers cannot use any of these additional funds for any purpose other than appropriate statutory wage obligations directly associated to the minimum wage increase and shall reserve unspent funds to be returned to the State. In compliance with the appropriation language included in the SFY 2016-17 Budget, which states: "Each eligible organization...may be required to submit written certification... attesting to the total amount of funds used by the eligible organization, how such funding will be or was used for purposes eligible under these appropriations and any other reporting deemed necessary by the commissioner." The Department intends to issue minimum wage reporting data to ensure dollars were used appropriately. Dollars that were used inappropriately will be returned to the State through a future rate adjustment or some other mechanism, as determined by the Department. The Department will use additional wage data to develop future minimum wage reimbursement rates. The Department reserves the right to request any additional data necessary to assist with the development of these future minimum wage reimbursement rates.
- The Department, New York State Department of Labor (NYSDOL), and the Office of the Medicaid Inspector General (OMIG) will have the responsibility for reviewing, and enforcing the payment of the direct salary costs and related fringe benefits associated with the minimum wage increase.
- OMIG will also conduct audits of all providers to ensure that payments were made in accordance with statutory requirements and the method discussed above. Transportation providers shall maintain all records and reports required to verify that appropriate salary increases directly associated with the minimum wage increase were made and shall present them to OMIG upon request.

If you have any questions, please submit them to the Bureau of Medicaid Transportation at: medtrans@health.ny.gov