

PIHP Report

(FY2020 Appropriation Act - Public Act 67 of 2019)

March 1, 2020

Sec. 1009. (1) *From the funds appropriated in part 1 for Medicaid mental health services and Healthy Michigan plan - behavioral health, the department shall maintain the hourly wage for direct care workers from the previous fiscal year. Funds provided in this section must be utilized by a PIHP to maintain the wage increase for direct care worker wages, for the employer's share of federal insurance contributions act costs, purchasing worker's compensation insurance, or the employer's share of unemployment costs.*

(2) *Each PIHP shall report to the department by February 1 of the current fiscal year the range of wages paid to direct care workers, including information on the number of direct care workers at each wage level.*

(3) *The department shall report the information required to be reported according to subsection (2) to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, and the state budget office by March 1 of the current fiscal year.*



Section 1009(3) PA 67 of 2019

The Pre-paid Inpatient Health Plans (PIHP) received funding to support the \$.50 direct care wage increase for behavioral health workers in their monthly Medicaid capitation payments starting October 1, 2017. The wage increase remained in the Medicaid capitation payments for Fiscal Year 2019 which began on October 1, 2018.

Each PIHP has completed an attestation indicating that they have provided the wage increase to all eligible direct care workers and that they have maintained that wage increase in Fiscal Year 2019. As part of the attestation, each PIHP has retained the documentation to demonstrate how the raise was passed to workers.

The table below reflects the number of reported direct care workers and the pay ranges for those workers. Pay ranges and the distribution of wages within those ranges were created by analyzing the distribution of raw wage sample data after controlling for outliers.

Pay Range (per hour)	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	Region 7	Region 8	Region 9	Region 10	TOTAL
\$9.25 – \$10.65	339	748	985	169	1,887	539	2,819	1,127	1,478	1,034	11,125
\$10.66 – \$10.75	22	48	64	11	122	35	182	73	95	67	719
\$10.76 – \$11.24	109	241	318	55	609	174	910	364	477	334	3,591
\$11.25 and up	624	1,375	1,811	311	3,470	991	5,184	2,072	2,718	1,902	20,458
TOTAL	1,094	2,412	3,178	546	6,088	1,739	9,095	3,636	4,768	3,337	35,893