

November 24, 2014

Subject: Official Notice of Home Care Worker Wage Parity Minimum Rate of Total Compensation - Update

Dear Administrator:

The purpose of this letter is to provide all certified home health agencies (CHHAs), long term home health care programs (LTHHCPS) and managed care organizations (MCOs) in New York City with an updated explanation of the existing rates as they relate to changes in the computation of overtime.

Included in this notice is a document that further explains what is included in the rates as well as more details regarding changes to overtime. If you have any questions regarding this information, please email to the following address: HCWorkerParity@health.state.ny.us.

Sincerely,



Mark L. Kissinger, Director
Division of Long Term Care

Enclosure

cc: Jason Helgerson
Valencia Lloyd

Wage Parity 2015 Rates

New York City

For the period of March 1, 2015 through February 28, 2016, the minimum rate home care aide total compensation (Total Compensation) will be \$14.09, consisting of a Base Wage of at least \$10.00 per hour, Additional Wages of up to \$1.69 per hour, and Supplemental (benefit) Wages of up to \$2.40 per hour.

Wages	Per hour
Base Wage	\$10.00
Additional Wages	\$ 1.69
Supplemental Wages	\$ 2.40
Total Compensation	\$14.09

Overtime	Per hour
FLSA (<i>1½ times regular rate</i>)	\$15.00 (<i>if regular rate is \$10.00</i>)

Total Compensation may be satisfied entirely through wages, or through a combination of wages, additional wages and supplemental wages, with the following limitations:

The Base Wage is the minimum amount of the Total Compensation that must be paid directly to workers as regular hourly wages for all hours worked.

Additional Wages are the amount of the Total Compensation that employers may satisfy through additional payments directly to workers for hours not worked and for differentials and premiums other than overtime. Examples include paid leave (vacation, holiday, sick and personal days) and differentials or premiums for certain shifts (nights, weekends and holidays) or assignments (sleep-in or live-in work, care for multiple clients during the same shift). Additional Wages do not include overtime compensation required under FLSA or State minimum wage orders or extra compensation creditable toward required overtime compensation for hours worked in excess of normal, regular or maximum daily or weekly hours. The Additional Wage portion can also be satisfied either directly, by increasing the Base Wage rate, or indirectly, by increasing the Supplemental Wage rate.

Supplemental Wages are the amount of Total Compensation that employers may satisfy indirectly, for example, by providing health insurance required by federal law.

Overtime is generally required at 1½ times the regular rate of compensation under the Fair Labor Standards Act (FLSA) as well as under the New York State Labor Law's provisions for minimum wage and for domestic workers. The exceptions to this general rule that applied to most employers of home care workers and to certain non-profits prior to 2015 will become largely irrelevant after 2014 when the new FLSA overtime rules for home companions take effect. At that point, FLSA will require that such employers pay overtime at 1½ times the regular rate. For more information visit www.dol.gov/whd/homecare.