

## Disability Providers Get Reprieve From New Wage Rule

### **Disability Scoop**

by Michelle Diament

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*Disability providers are getting extra leeway as the Obama administration moves forward with a new rule that many worried could force service cuts for people with special needs.*

*The U.S. Department of Labor said this week that it's finalizing a [rule](#) that will require far more American workers to receive extra pay for working over 40 hours per week.*

*Currently, salaried workers earning at least \$23,660 are exempt from overtime pay. Under the new rule, which will take effect Dec. 1, that threshold will double to \$47,476 with automatic increases in the future.*

*"If you work more than 40 hours a week, you should get paid for it or get extra time off to spend with your family and loved ones," President Barack Obama wrote in an email announcing the change.*

*But heeding widespread concerns from providers of home and community based services to people with developmental disabilities, the administration is committing to [delay enforcement](#) of the new mandate for such providers through March 17, 2019.*

*The special exemption comes after intense lobbying by the American Network of Community Options and Resources, or ANCOR, a trade group that represents over 1,000 private agencies providing disability services across the country.*

*The group [argued](#) that the new rule could prompt service cuts for people with developmental disabilities. That's because many of the agencies' workers would be newly eligible for overtime under the rule. Yet, the agencies' main income source — payments from Medicaid — hasn't adjusted to account for the new wage mandate.*

*"The 34-month delay in department enforcement for residential providers is an important recognition that the rule poses unique problems for our members who rely almost exclusively on Medicaid to provide services to some of our most vulnerable citizens," said Barbara Merrill, ANCOR's chief executive officer.*

*Merrill indicated that delayed enforcement is "not a complete solution," but will offer a first step so that provider agencies can work with federal and state lawmakers to ensure adequate funding is available to appropriately pay workers while maintaining services for those with disabilities.*

*The Labor Department said that the non-enforcement period will apply to providers of Medicaid-funded services to people with intellectual or developmental disabilities in residential homes and facilities with 15 or fewer beds.*