

Payroll Model Temporary Rate Increase Distribution Plan

In response to COVID-19, and in effort to support caregivers during this time, the Minnesota Legislature approved a temporary rate increase of 8.4% on actual budget usage to begin *tentatively* December 1, 2020, running approximately 9 weeks. Per legislative language, at least 80% of the increase must go toward wages and benefits for direct support workers and the corresponding increase in the employer's share of FICA taxes, Medicare taxes, state and federal unemployment taxes, and workers' compensation premiums. Any additional funding, up to 20% to support compliance with Center for Disease Control and Prevention (CDC) guidance on sanitation and Personal Protective Equipment (PPE).

As part of the temporary rate increase, providers along with the Client Representative must create and display the distribution plan for these funds. This plan needs to be returned to MRCI for funds to be paid out. The plan for is as follows:

Each employer will need to elect one option:

- 100% to wages and benefits**, distributed to all Direct Support Professional who worked between Dec. 1 and Feb 7, 2021 based on hours worked
- 80% to wages and benefits**, distributed to all Direct Support Professional who worked between Dec. 1 and Feb 7, 2021 based on hours worked **and 20% to PPE**
- Other option, please specify:**

Wages will be paid out in the form of a one-time payment distributed on or before April 8, 2021. Another document will follow to identify amount and distribution of funds. These funds will not change or adjust the budget in any fashion; however, the disbursement will count as income and Paid Parent of Minor and Spouse caps do apply.

To purchase PPE or Sanitation Supplies, client representative may purchase the necessary products and submit the appropriate claim forms with proof of purchase for reimbursement. These can be submitted to claims@mymrci.org. Reimbursement will be made after March 1, 2021.

As the Client/Client Representative, return a signed copy of the Distribution Plan by emailing CDSMailings@MyMRCI.org OR fax to 888-800-7336 OR by mailing to 1961 Premier Drive, Suite 318 Mankato MN 56001.

Client/Client Representative

Client/Client Representative Signature

Date

For further information, see the attached DHS bulletin.

Office Hours:
Monday – Friday 8a-4:30p

1961 Premier Drive, Suite 318
Mankato, MN 56001