

June 22, 2017

To: Service Providers

From: Karen Ingram, MA
Director, Community Services

Re: Minimum Wage increase – City and County of Los Angeles, City of Pasadena

Dear Service Provider,

The City of Los Angeles Minimum Wage Ordinance, the Los Angeles County Minimum Wage Ordinance and the City of Pasadena Minimum Wage Ordinance is set to increase the Minimum Wage to \$12.00 per hour for employers with 26 or more employees effective July 1, 2017. For employers with 25 or less employees or non-profit organizations with 26 or more employees the Minimum Wage is \$10.50 per hour.

The City of Los Angeles is also implementing mandatory sick leave for all employees beginning July 1, 2017. Employers can either “front load” 48 hours of sick leave each year for employees or provide 1 hour for every 30 hours worked in Los Angeles. All sick time is capped at 72 hours and employees are eligible to take sick leave after 90 days of employment. Up to 72 hours of sick leave can be “rolled over” each year. However, if an employee resigns, they do not receive payout for any remaining sick leave hours.

The following links are attached to provide more in depth information:

<http://wagesla.lacity.org/#for-employers>

<http://wagesla.lacity.org/sites/g/files/wph471/f/MWO-RulesandRegulations-2017-03.pdf>

http://file.lacounty.gov/SDSInter/dca/242546_LACountyMinimumWageOrdinance.pdf

Currently, the Department of Developmental Services (DDS) is not making rate adjustments for local and/or municipality rate increases. For service providers who receive their rate from DDS, service codes **505, 510, 515, 520, 525, 805**, a request for an unanticipated rate adjustment can be requested under Title 17, Section 59722. The submission requirements are found in this link:

[https://govt.westlaw.com/calregs/Document/I978B56A0D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/I978B56A0D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

This letter is intended to be informational only. If you have questions determining whether these regulations apply to your business, LRC suggests that you contact your own legal counsel for advice.

[https://govt.westlaw.com/calregs/Document/I97B72190D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/I97B72190D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

Please send a copy of your request to LRC at 'providerservices@lanterman.org'. Please put your vendor number on the subject line.

In-home Respite Providers may also submit for an unanticipated rate adjustment under Title 17, Section 58422 as follows:

[https://govt.westlaw.com/calregs/Document/IA44C42F0D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/IA44C42F0D60711DE88AEDDE29ED1DC0A?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default))

Please send a copy of your request to LRC at 'providerservices@lanterman.org'. Please put your vendor number on the subject line

For service providers whose rate is set by the regional center, you are required to submit Health and Safety Waiver Requests to the regional center for each person affected by the minimum wage increase. Providers must send a letter to Lanterman Regional Center with the following information:

The provider letter must include:

- a. Description of the health and safety concern to the individual or group of individuals (all individuals in the group must have individual descriptions).
- b. Description of how health and safety may be affected if rate is not increased
- c. Documentation of the cost basis for the rate increase with an explanation of how it will mitigate the risk to the Health and Safety of the individual or group of individuals. Back up documentation must include detail regarding current costs and the additional costs (and proposed new rates) by type and amount of service without which HS safety will be at risk and whether these costs are short term or long term.
- d. Information as to the availability of alternative comparable local resources to meet the needs of the impacted individuals
- e. Detailed verification that the alternative services (ex. 1:1 staffing support, different vendor) have been considered, including the staffing augmentation specific to the risk mitigation for an individual or group that might be provided under another vendor code and that such alternatives do not exist and/or are not appropriate.

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- f. Detailed documentation that the rate increase is the most cost effective and client centered strategy to mitigate the identified risk.

If you choose to request a rate adjustment, please remember to review the impact of the ABX 2 1 rate increases prior to your request.

An Excel spreadsheet is attached to document your financial information. A copy of the spreadsheet and this notice can found on the Lanterman Regional Center website (www.lanterman.org) on the Service Provider tab and the 'Service Provider News' page.

Please send your completed requests to LRC at 'providerservices@lanterman.org'. Please put your vendor number on the subject line.

Thank you and if you have any questions, please contact one of the following Community Services staff:

Eduardo Del Rio, Provider Specialist – 213-252-5698
Nellia Lippman, Provider Specialist – 213-252-6002
Karen Ingram, Director Community Services – 213-252-5694

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