

Carolyn Ross, Program Manager
Medicaid and Food Stamps

Authorized Signature

Number: SS-IM-04-040

Issue Date: 12/06/2004

Topic: Other

Subject: Change in State Minimum Wage

Applies to (check all that apply):

- | | | | |
|--------------------------|-------------------------------|--------------------------|--------------------------------------|
| <input type="checkbox"/> | All DHS employees | <input type="checkbox"/> | County Mental Health Directors |
| X | Area Agencies on Aging | <input type="checkbox"/> | Health Services |
| X | Children, Adults and Families | X | Seniors and People with Disabilities |
| <input type="checkbox"/> | County DD Program Managers | <input type="checkbox"/> | Other (please specify): |

Message: The State minimum wage will increase effective January 1, 2005. This is an annual change and impacts the redeterminations, recertifications, 852 and APR decisions being made in December 2004 for January 2005.

The State minimum wage will increase to \$7.25 an hour effective January 1, 2005. This will impact employed clients who are earning less than \$7.25 an hour.

It is not possible for Central Office to identify those clients who will be impacted by this change in the minimum wage. Therefore, the computer systems are not able to automatically update the income for UCMS or FSMIS.

For the ERDC, FS, OHP, TANF, MAA and MAF programs, clients are not required to report the annual change in Oregon's minimum wage. For other program benefits, however, clients are required to report the change in rate of pay, including the annual change in state minimum wage, within 10-days.

The wage verification provided by clients may show the \$7.05 rate and not provide the new rate of \$7.25. **To assure the correct income is anticipated for January and February, please use \$7.25 per hour to determine the new income amount for clients earning less than \$7.25 an hour in December for any case not in Monthly Reporting. Apply the new rate with the next redetermination or recertification unless the change is reported by the client or an action taken prior to the redetermination or recertification requires the agency to review the income.** For FS cases using SRS, the next action may be when the Interim Change report is processed.

For ERDC cases in which the number of child care hours are determined by dividing the self-employment income by the minimum wage, begin using \$7.25 at the next APR.

For ERDC, FS, OHP, TANF, MAA and MAF, there is no overpayment for failure to report the change in state minimum wage to \$7.25 an hour.

In all other programs, clients may have an overpayment for failure to report a required change within the appropriate time frames.

If you have any questions about this information, contact:

Contact(s):	ERDC: Rhonda Prodzinski, (503) 945-6087		
	Shiela Carter, (503) 945-6110		
	FS: Sandy Ambrose, (503) 945-6092		
	Lydia Dale, (503) 945-5826		
	Anne Hilgers, (503) 945-6105		
	Rosanne Richard, (503) 945-6077		
	GA: Erika Miller, (503) 945-5974		
	Medical: Joyce Clarkson, (503) 945-6106		
	Michael Avery, (503) 945-6072		
	Michelle Marks, (503) 947-5129		
OSIP: Jeff Miller, (503) 945-6410			
Joanne Schiedler, (503) 947-5201			
TANF: Jeff Stell, (503) 945-6542			
Phone:		Fax:	
E-mail:			