



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Long-Term Support Administration
P.O. Box 45600, Olympia, Washington 98504-5600

February 14, 2022

DSHS has received questions about state system generated letters that you may have received regarding the Consumer Directed Employer (CDE) rate of \$31.32 which is paid by the state of Washington to Consumer Direct Care Network Washington (CDWA). This amount includes an hourly labor rate for IP wages, benefits, taxes and other employee related expenses and an administrative rate for the employer functions CDWA is required to provide under their contract. This is not a rate specific to any particular caregiver different caregivers have different wage rates based on their career cumulative hours and other factors like differentials and overtime pay. This is the standard single rate paid to the CDE for all hours worked by all caregivers, which is a weighted average rate that accounts for those differences.

As an IP, your individual rate of pay will remain the same as it is today upon transition to the CDE. The expenses that the State of Washington previously has been responsible for paying to cover benefits described in the Collective Bargaining Agreement and employer taxes are now paid directly to the CDE as part of the hourly rate. As the employer, CDE will be responsible to manage these employee related expenses.

The following is an explanation of what is included in the rate.

Q. How much of the CDE's full rate of \$31.32 will go towards covering the CDE's administration fees?

A. Only \$2.23 out of the CDE's full rate will cover the CDE's administrative costs. This rate reflects initial start-up costs and will be reduced by \$0.42 per hour in approximately 9 months from full transition.

Q. If the CDE's full rate is \$31.32, how much will go towards the IP's wages and benefits?

A. After deducting the CDE's administrative rate of \$2.23 from the full rate of \$31.32, the remaining \$29.09 goes towards the IP's wages, insurance, retirement, taxes, paid time off (PTO), training, overtime (OT), holiday pay, paid family leave, and the referral registry. As noted above this rate is not specific to a particular caregiver, but is a weighted average rate paid to the CDE for all hours worked by all caregivers.