



June 9, 2014

VIA FIRST CLASS MAIL

Dear Consumer or Self Directing Other:

I write on behalf of Maxim Healthcare Services, Inc. ("Maxim") regarding upcoming changes within the Consumer Directed Personal Assistance Program ("CDPAP"). Minimum wage will soon increase, while New York State Medicaid reimbursement rates have decreased. These cuts and other changes (including overtime changes to the Fair Labor Standards Act) will impact many of the consumers we collectively serve in New York. These changes will also impact Maxim, our employees, as well as numerous other healthcare providers. Maxim does not generate the kind of operational results that would allow absorption of these additional costs.

As a result, we are in a position where we must make adjustments to some of our wage and hour practices. **Effective December 28, 2014, Maxim will not allow employees in the CDPAP program to work overtime.** In the rare circumstance where overtime cannot be avoided, Maxim will pay in accordance with applicable law. However, **after 12/27/14, employees should no longer be scheduled to work more than 40 hours in a workweek.** Moreover, with the increases in minimum wage, we will need to adjust some of our rates as well. Before any change goes into effect, you and any assigned caregiver will be provided advance notice of any new pay rate. Please ensure that your caregivers are advised of the changes.

This was a very difficult decision to make, but necessary for Maxim to continue to service our consumers and employ our staff in the state of New York. We truly appreciate your business and your commitment to the Maxim CDPAP. Please contact me with any questions about the Fair Labor Standards Act or NYS minimum wage changes at (888) 476-8525. You may also contact your local Maxim office.

Sincerely Yours,

A handwritten signature in black ink that reads "Ray Donovan". The signature is written in a cursive style with a large, stylized "R" and "D".

Ray Donovan
State Program Director
New York State Consumer Directed Personal Assistance Program