



Addus HomeCare Reports Centers For Medicare And Medicaid Services Approval Of Illinois Waiver Amendment To Increase In-Home Care Rates

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FRISCO, Texas, Nov. 18, 2019 /PRNewswire/ -- Addus HomeCare Corporation (Nasdaq: ADUS), a provider of comprehensive home care services, today provided an update on the federal Centers for Medicare and Medicaid Services ("CMS") approval of the State of Illinois budgeted rate increases and its expected impact on the Company's operations in its Illinois markets.

On November 15, 2019, the State of Illinois received and announced official CMS approval for both rate increases, with the first increase to be effective on December 1, 2019, and the second increase to be effective on January 1, 2020. The State of Illinois previously had finalized its fiscal year 2020 budget with the inclusion of an appropriation to raise in-home care rates to offset the costs of previous minimum wage increases in Chicago and other areas of the state that were imposed beginning on July 1, 2018. These rates were originally set to be effective July 1, 2019, with in-home care rates to be initially increased by 10.9% to \$20.28 from \$18.29 to partially offset the costs of the minimum wage hikes and then further increased on January 1, 2020 by an additional 7.7% to \$21.84, providing full funding for both the Chicago minimum wage increases and a statewide raise for all current in-home caregivers. While the State of Illinois had required managed Medicaid plans to honor these rates as scheduled, it needed to receive CMS approval in advance of implementing new rates in the state Medicaid program.

Commenting on the announcement, Dirk Allison, President and Chief Executive Officer of Addus HomeCare Corporation, stated, "We are pleased with the work of the Illinois state leadership and the favorable results of the budget negotiations and subsequent approval by CMS, which have provided clarity for overdue funding of the prior minimum wage increases. While we hoped to have received full funding immediately for minimum wage costs, we recognize the fiscal limitations of the state and appreciate the commitment to provide full funding by the end of their fiscal year. We expect to see a favorable impact on our Illinois operations after the rate increases become effective."

Forward-Looking Statements

Certain matters discussed in this press release constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by words such as "continue," "expect," and similar expressions. These forward-looking statements are based on our current expectations and beliefs concerning future developments and their potential effect on us. Forward-looking statements involve a number of risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements, including discretionary determinations by government officials, the consummation and integration of acquisitions, anticipated transition to managed care providers, our ability to successfully execute our growth strategy, unexpected increases in SG&A and other expenses, expected benefits and unexpected costs of acquisitions and dispositions, management plans related to dispositions, the possibility that expected benefits may not materialize as expected, the failure of the business to perform as expected, changes in reimbursement, changes in government regulations, changes in Addus HomeCare's relationships with referral sources, increased competition for Addus HomeCare's services, changes in the interpretation of government regulations, the uncertainty regarding the outcome of discussions with managed care organizations, changes in tax rates, the impact of adverse weather, higher than anticipated costs, lower than anticipated cost savings, estimation inaccuracies in future revenues, margins, earnings and growth, whether any anticipated receipt of payments will materialize and other risks set forth in the Risk Factors section in Addus HomeCare's Annual Report on Form 10-K filed with the Securities and Exchange Commission on March 15, 2019, which is available at www.sec.gov. Addus HomeCare undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. In addition, these forward-looking statements necessarily depend upon assumptions, estimates and dates that may be incorrect or imprecise and involve known and unknown risks, uncertainties and other factors. Accordingly, any forward-looking statements included in this press release do not purport to be predictions of future events or circumstances and may not be realized.

About Addus

Addus is a provider of comprehensive home care services that include, primarily, personal care services that assist with activities of daily living, as well as hospice and home health services. Addus' consumers are primarily persons who, without these services, are at risk of hospitalization or institutionalization, such as the elderly, chronically ill and disabled. Addus' payor clients include federal, state and local governmental agencies, managed care organizations, commercial insurers and private individuals. Addus currently provides home care services to approximately 42,000 consumers through 186 locations across 26 states. For more information, please visit www.addus.com.

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SOURCE Addus HomeCare Corporation

Brian W. Poff, Executive Vice President, Chief Financial Officer, Addus HomeCare Corporation, (469) 535-8200, investorrelations@addus.com. Dru Anderson, Corporate Communications, Inc., (615) 324-7346, dru.anderson@cci-ir.com.