



May 30, 2025

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## \*\*\*FOR IMMEDIATE RELEASE\*\*\*

## Legal Aid and Katz Banks Kumin File Amended Complaint Against Public Partnerships LLC Over Expanding Wage Theft Scheme and Abuse of Medicaid Home Care Program

(NEW YORK, NY) - The Legal Aid Society and Katz Banks Kumin LLP filed an <u>amended complaint</u> in the ongoing class action lawsuit against Public Partnerships LLC (PPL), accusing the company of orchestrating an unprecedented wage theft scheme targeting tens of thousands of Medicaid-funded home care workers across New York's downstate region.

The amended complaint, filed in federal court, includes new plaintiffs and outlines new and alarming details about how PPL exploits its role as the sole fiscal intermediary for New York State's Consumer Directed Personal Assistance Program (CDPAP) to systematically underpay wages of personal assistants — workers who provide critical care to seniors and people with disabilities. These frontline workers have been left unpaid, underpaid, or shortchanged on promised benefits, while PPL reaps substantial financial gain.

The amended complaint details PPL's violations of New York's Wage Parity Act, which include a benefits scheme that significantly overcharges downstate personal assistants for paltry benefits, including a bare-bones preventive care plan and a flexible benefits card plan which does not comply with relevant IRS regulations. To this day, plaintiffs and other downstate personal assistants still cannot access these benefits offerings, even though PPL has allocated supplemental pay to these benefits since April 1, 2025.

"After two months of chaos, PPL is still failing to pay personal assistants their hard-earned wages on time and in full," said **Richard Blum, Staff Attorney in the Employment Law Unit at The Legal Aid Society**. "PPL is also significantly overcharging personal assistants for meagre benefits offerings, denying them the minimum wage guaranteed by New York Law. Governor Hochul must step in. This exploitation is happening on her watch, under a state-run program, and it demands immediate oversight and intervention."

"PPL is funneling billions in public Medicaid dollars into its own coffers while failing to live up to the most basic obligation of an employer: paying people promptly and accurately for all hours worked," said **Hugh Baran, partner at Katz Banks Kumin LLP**. "All of the challenges faced by personal assistants in getting paid are the result of one single problem: PPL's deeply flawed infrastructure for onboarding, scheduling, recording time, paying, and communicating with its employees. Since filing this lawsuit, we've received many calls from impacted home care aides. These hardworking people, who rely on their pay to make ends meet, need to be paid and they deserve the full remedies afforded under our federal and state wage laws."

The amended complaint asserts claims on behalf of four plaintiffs whose experiences with PPL are representative of personal assistants in the downstate region. All four plaintiffs care for Medicaid consumers with disabilities, and have done so since before the transition to PPL. PPL has failed to pay each plaintiff properly, often because of persistent malfunctions in the company's timekeeping systems. Some of the plaintiffs have received pay weeks late, and others have not received pay at all for certain periods of work. When the plaintiffs have contacted PPL for solutions, they have had significant difficulty even reaching a representative to help them. PPL has allocated money from their total compensation to pay for benefits which they cannot access. PPL's misconduct has caused the plaintiffs and their consumers significant stress and financial burden, and they are unfortunately typical of the many thousands of personal assistants in the downstate region.

The lawsuit seeks to end PPL's wage violations, recover stolen wages and benefits, and hold the company accountable for its exploitation of public funds.

If you are a PPL personal care assistant who has not been paid on time — or at all, please <u>fill out this survey</u> so that we can learn more about the problems people are having.

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The Legal Aid Society exists for one simple yet powerful reason: to ensure that New Yorkers are not denied their right to equal justice because of poverty. For nearly 150 years, we have protected, defended, and advocated for those who have struggled in silence for far too long. Every day, in every borough, The Legal Aid Society changes the lives of our clients and helps improve our communities. <a href="www.legalaidnyc.org">www.legalaidnyc.org</a>