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Building Infrastructure to Support CLASS: The Potential of Matching Service Registries

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The Community Living Assistance Services and Supports (CLASS) Plan – a groundbreaking component of the Affordable Care Act – creates a voluntary federally-administered insurance program to help individuals pay for needed assistance in a place they call home if they become functionally limited. Implementation will require knowledge translation from various sectors, including research and existing public and private programs. This Technical Assistance Brief Series seeks to answer questions pertinent to developing and implementing the program.

This brief examines the "service fulfillment" challenges posed by the CLASS Plan. New and improved mechanisms will be needed for connecting consumers of in-home services and supports with the workers who provide them. Outlined in this brief are findings from a recent PHI study of "matching service registries." The potential of these registries for building needed infrastructure is explored and key design issues for their development are identified.

Introduction and Why Infrastructure Matters

To date, virtually all of the attention paid to the recently enacted CLASS Plan has focused on program design and operational issues, including how to assure financial solvency. But another stated purpose of the new program is to "establish an infrastructure that will help address the Nation's community living assistance services and supports needs."[1]

Under the new title establishing CLASS, states are required to ensure "adequate infrastructure for the provision of personal care attendant [PCA] workers." In particular, within two years of the enactment of the Plan, states are directed to: assess the adequacy of their existing infrastructure, and designate or create entities in order to create a sufficient supply of PCAs while not impeding existing self-directed home and community services.

Infrastructure development to accommodate the impending expansion of in-home services and supports must address three interrelated issues: workforce supply, service fulfillment, and quality assurance. In order to meet increased demand for care services, sufficient numbers of workers need to be drawn into personal care jobs. But an adequate supply of PCAs will not be enough—effective and efficient mechanisms are needed for deploying the PCA workforce in millions of consumer homes on a daily basis. Lastly, given the lack of widely accepted standards for the provision of personal care services, it is critical to create supportive resources for both consumers and workers, thereby fostering better quality services and jobs.

The purpose of this brief is to explore the second of these three challenges—the challenge of "service fulfillment." Service fulfillment, a business term, refers to the processes and operational infrastructure that match the supply and demand-sides of a market in economic and efficient ways. We consider traditional mechanisms for connecting

consumers with workers, and the need for augmenting these under the prospect of a fully operational CLASS Plan. In particular, we focus on "matching service registries"—a type of labor market intermediary currently taking root in the context of Medicaid programs which allow "consumer direction." Under these options, consumers may create and direct their own PCA services and employ their preferred caregiver. We examine these registries and explore their potential to help build the infrastructure needed to support service fulfillment for CLASS beneficiaries.

Current Service Fulfillment Systems

There are two basic models for providing in-home services and supports in the U.S. today: an agency model and an independent provider model.

Under the agency model, a home care organization serves as a third-party service provider and is responsible for employing and assigning the worker as well as monitoring the delivery of services in the consumer's residence. In 2009, an estimated 471,000 PCAs were employed across a universe of over 70,000 agency-based establishments that provide services related to home health care and personal assistance.[2]

Under the independent provider (IP) model, the consumer assumes a range of employer responsibilities and is responsible for hiring, scheduling, supervising, and terminating the PCA. The IP model in turn has two broad variants: private and public. The private strand of the IP model, or "grey market," is fairly invisible. It is made up of households that hire PCAs under private arrangements, most of which are thought to be unreported and unregulated. The public strand operates within a plethora of state-based consumer-directed programs funded either by Medicaid, directly by states, or through programs or grants administered by the Centers for Medicare and Medicaid Services (CMS). Nearly all states offer some kind of a consumer-directed option, and about 30 percent of states offer this option in more than one program.[3,4]

In six states, the public IP model is organized under a public authority structure. Public authorities are quasi-governmental entities—sometimes called home care councils or commissions—typically governed by a board made up of consumers and their representatives and advocates as well as state officials. Public authorities generally aim to provide a forum for efforts to recruit new PCAs and to improve quality of services and supports. They usually play a role in setting compensation and other employment terms for PCAs working under specified public programs. In addition, they may also assume responsibility for the payment process and, along with the consumer, can serve as the "employer-of-record" for the workers for purposes of collective bargaining. Finally, they often maintain registries of PCAs and provide referral/matching services for consumers in need of in-home services and supports.

Reliable counts of PCAs employed under public and/or private IP arrangements are not available.[5] However, we do know that there are approximately 535,000 PCAs working in public IP programs across the country covered under collective bargaining agreements.[6] Two-thirds of these PCAs are based in California and the majority are paid family caregivers.

The agency and IP models differ significantly in their structures and functions, and in the responsibilities they place on both consumers and workers. Under the agency model, the home care organization is responsible for service fulfillment: it directly employs a pool of available workers and carries out the matching function of assigning a particular worker to a particular consumer. Under the IP model, there is no inherent fulfillment platform. Usually, as a result, consumers are responsible for recruiting and hiring their PCAs and workers must search for their own consumer-employer. In other words, consumers and workers must fend for themselves in locating each other and determining workable "matches."

Matching Services as Promising Service Fulfillment Platforms

Previously informal and unpaid caregiving arrangements between friends and family members are becoming increasingly formalized in the face of steadily growing demand for in-home supports and services. Evidence suggests that growing numbers of families are compensating relatives who serve as caregivers, either privately or through state Medicaid programs that permit hiring family members or friends.[7,8]

While this reliance on family and friends for the provision of in-home services and supports is feasible and preferable for many individuals, this is not true for all consumers. Moreover, one of the stated purposes of the CLASS Plan is to "alleviate burdens on family caregivers."

Consumers often utilize other informal channels to locate workers, including: word-of-mouth, classified ads, postings at sites in their communities such as places of worship, banks, or supermarkets, and online postings at sites such as Craigslist. However, consumers can encounter difficulties in finding qualified workers through these informal channels, and as a result may experience unmet needs.[9,10,11] Furthermore, even when a consumer has engaged the services of an independent provider, finding back-up workers in last minute or emergency situations, or when workers have planned absences, can be challenging.[12]

One alternative to these informal channels is a type of labor market intermediary that has been emerging in public IP programs, namely, "matching service registries." These entities create a dynamic platform for matching supply and demand by allowing consumers to tap into an up-to-date bank of available workers, while also enabling workers to signal their availability for employment.

What Matching Services Do

Matching service registries typically gather detailed information about both

the consumer's needs and preferences, and the worker's availability, skills, and preferences. Consumers and workers must each initiate their side of the transaction. The gathered information is electronically stored and updated by the registry staff.

When a consumer contacts the registry with a request for a worker, the "matching" is done in one of two ways: either the consumer performs their own electronic searches of the worker database using one or more searchable criteria, or the consumer connects with trained staff who in turn conduct the database searches and report the search results back to the consumer.

Matching services often are structured as just one component of a larger continuum of services that support self-directing consumers and their independent providers. These additional services may include: recruitment and outreach to potential workers, screening and orientation for workers; and training, skills enhancement, and peer mentoring opportunities for both consumers and workers. Matching services may also include program components that assist consumers in need of irregular services such as back-up or emergency support and on-call assistance with an event such as returning from a stay in an acute care or rehabilitation facility.

Note that matching service registries play a very different role from two other kinds of registries that exist in all states: "safety registries" such as criminal background check and abuse registries,[13] and "quality assurance registries" such as nurse aide registries, which list individuals who have satisfactorily completed a state's training requirements to work in nursing homes and other long-term care programs.

Existing Matching Services

Under a project for the Center for Personal Assistance Services (www.pascenter.org), with support from the National Institute on Disability and Rehabilitation Research,[14] PHI has been tracking the development of publicly-funded matching services across the country. A summary of our findings to date follows.

- **Numbers** — Based on a 50-state survey, we have identified 16 state-based matching services. Larger states tend to operate their registries at the county level. In addition, we found 6 regional matching services operating in other states, one of which—the Care Registry of the Wisconsin Quality Home Care Authority—is slated to become statewide in 2011. Two-thirds of states lack any kind of publicly-supported matching service.

For more information on the PHI Matching Services Project, including an interactive state map, visit: http://phinational.org/policy/the-phi-matching-services-project/

- **Years of Operation** — The oldest matching services are found in California and date back to the mid-

1990s. However, most matching services have been established just within the past five years.

- **Operational Responsibility** — Of the 16 state-based services, five operate under public authority systems: California, Massachusetts, Michigan, Oregon, and Washington. The registry in Wisconsin also operates under a public authority.

Using a multi-state platform, five state-based matching services are operated by a third-party non-profit corporation called Rewarding Work Resources, Inc. As of March 2010, 5,629 consumers and 16,388 workers were registered across Rewarding Work's matching service registries in Connecticut, Massachusetts, New Jersey, Rhode Island, and Vermont. Florida's Developmental Disabilities Resources registry is operated by Delmarva Foundation, a non-profit Quality Improvement Organization (QIO) in partnership with the State of Florida's Agency for Health Care Administration (AHCA) and the Agency for Persons with Disabilities (APD).

Four more matching services are directly maintained or operated by state agencies in Arkansas, North Dakota, Ohio, and South Carolina. The two remaining state-wide services are operated by Centers for Independent Living (CILs): the Alpha One CIL in Maine, and the Granite State Independent Living Center in New Hampshire. We have also identified five regional matching services of note in five separate states: Idaho, Kansas, Illinois, Pennsylvania, and New York. These regional services are operated by CILs.

- **Eligibility** — Each of the state-based matching services was designed to accommodate consumers of personal care services under specific Medicaid programs. These consumers utilize the registries for no charge. However, the majority of these services also allow private pay consumers to access the registry (13 states). And most of these states offer the service to private pay consumers for free (9 states). At the same time, use of the registries by private-pay consumers appears to be relatively limited.
- **Search Platform** — All of the state-based matching services allow consumers to search for a worker based on geographic location. Most also allow the consumer to search based on worker availability, such as times of day, live-in service, and availability for back-up and emergency services. Some registries offer more expanded search criteria. For example, the Rewarding Works registries collect searchable information regarding the experience, education and training of workers, and also their access to transportation. The Wisconsin Quality Home Care Authority matching service registry includes searchable criteria relating to personality and work/home environment details with the goal of making a better "relationship-match" between the consumer and worker.
- **Additional Functionalities** — A smaller number of matching services offer an expanded continuum of functionalities that allow them to serve as de facto "quality infusion" points. Some provide access to a rich set of training opportunities for both consumers and workers. For example, the Oregon Home Care Commission

operates a matching service registry and also organizes optional training courses for both consumers and workers. Consumers can use the registry to search for a worker based on which training courses the consumer would like his or her worker to have completed.

- **Linkages to Other Public Information and Referral Networks** — Existing matching services, with few exceptions, appear to have weak interconnections with other publicly supported information and referral networks such as those provided by Aging and Disability Resource Centers, Area Agencies on Aging, and Centers for Independent Living. In states with statewide matching services, less than 10 percent of all AAAs and CILs demonstrated any notification or information about the registry on their websites.
- **Funding** — Virtually all of the matching services we identified are publicly funded, most with state dollars. A few receive federal dollars through reimbursement for Medicaid administrative costs. Initial or start-up funding for several of the registries was provided by federal Medicaid Systems Transformation grants. Given the severe fiscal pressures facing many states, it is not surprising that funding streams for matching service registries, along with funding for publicly-administered home- and community-based services more generally, are tenuous. In fact, the matching service registries in California, Washington, and Vermont were each at risk for termination or severe cuts during the prior fiscal year.

Considerations for CLASS Plan Design and Implementation

Implementation of the CLASS Plan will require innovations in the infrastructure for long-term care delivery; matching service registries could be leveraged to help improve this infrastructure. Already across the country, interest in these registries is growing, driven by increasing demand for self-directed home-based services. However, matching services are arguably in their infancy and their scale is limited. Furthermore, virtually no research has been conducted to examine the outcomes of these entities and demonstrate their value. At the same time, the role and potential of matching services are compelling.

As labor market intermediaries, matching services carry out a brokerage function that connects seekers and providers of in-home services. The intermediation offered by these registries has the potential to create genuine value for both sides of the market, especially by overcoming barriers due to lack of information that both consumers and workers can experience. These barriers or “market imperfections” are endemic to service fulfillment in the IP model precisely because it is so decentralized as it strives to yield the benefits of individualized services and supports in one-on-one consumer/worker relationships.

In addition, matching services may offer value as venues for linking to other services that foster and support higher quality care for consumers and better quality jobs for

workers. This quality infusion role may be particularly important in a highly dispersed system where the services for consumers may be unsupervised and largely unregulated, and the job environment for workers is often unprotected.

In light of the enactment of the CLASS Plan, we offer the following considerations for the future evolution of matching services:

1. *Grounding the design of matching services in the "customer dyad."* Matching services have two main customers—consumers and workers—and the intermediation power of these registries is maximized when the service is designed to serve both. Interestingly, there is likely to be a strong affinity between what consumers and workers want. Both value quick access to up-to-date information, safety and quality, good matches, and access to one-stop type efficiencies and functions as well as to supportive services. Direct input from consumers and workers is needed to determine how best to translate these goals into specific registry operations and functionalities.

2. *Building broad-based, integrated support across care management and referral points.* For matching services to be successful, they need buy-in from all entities with a stake in ensuring that individuals with functional limitations can access the in-home supports they need. Care managers—publicly or privately funded—who help arrange services for their clients are critical referral points that should be connected to matching services. The same is true for existing networks of community organizations that provide information and referral services, such as AAAs, CILs, ADRCs. But an even broader inclusion of referral points is likely to be necessary, one that extends to providers of medical services such as physicians, hospitals, medical homes, and even nursing homes. These entities each have an interest in preventing re-hospitalization and promoting successful transitions to consumers' own homes, especially in light of new Medicare reimbursement regulations.

3. *Serving both public- and private-pay consumers and workers.* Existing registries predominantly serve publicly-supported consumers, although most indicate that private pay consumers can utilize their services as well. The advent of CLASS raises the question of how to accommodate a new group of consumers, some of whom may wish to self-direct their own care. Pricing issues may arise in states with noticeable differences in the wages and benefits paid to PCAs under private versus publicly-funded IP arrangements. These issues need to be addressed for matching services to serve both private and public consumers; otherwise, a segmented labor market may develop wherein the most qualified or desirable PCAs are bid away to the consumers paying higher wages, possibly resulting in labor shortages for some groups of consumers.

4. *Determining the interface with the home care agency network.* One might imagine matching services and agencies as mutually exclusive entities competing for the same consumers. But self-directed services are not for everyone and many consumers (or family members acting on their behalves) prefer to engage a home care agency. Furthermore, in some states, agencies can receive public contracts to operate fiscal management services for state-based consumer-directed programs. In others, IPs under public programs must register with an agency in order to be co-employed by a self-directing consumer, sometimes called an "agency with choice" arrangement. In sum, the possible roles and divisions of labor between agencies and registries are many and will evolve as both the agency and independent provider models of service delivery continue to develop.

5. *Creating robust business models and financing structures to support operations.* The business models employed by existing matching services registries are varied, and research is needed to understand how they could be extended to support a larger scale of operations. The sustainability of these financing structures must be considered. The near exclusive reliance of matching services on public state funding exposes these services to the risk of cut-backs or even elimination during times of state budget deficits. Options for more robust financing include subscription-based fees from private-pay consumers or health care organizations that wish to support the registry's operations. It is also worth noting that the federal government has yet to target specific funding to this area, either through the Medicaid program, the Older Americans Act, or through other federal grant programs. Additionally, this may be an area of interest to private foundations with a focus on improving the country's infrastructure for providing community living supports and alleviating the burden of family caregiving.

6. *Supporting quality assurance for consumers and workers.* The key function that matching services play is to intermediate service fulfillment. But other functions related to quality assurance can and should be built into these models thereby creating additional value for both consumers and workers. Existing registries provide important examples of these added functions, and evaluating their relative utility and ideal mix could be helpful to developing recommendations for a basic "best practice" matching service model.

In conclusion, the strong emphasis on "infrastructure" imbedded in the CLASS legislation reflects a recognition by legislative framers that current systems for delivering "community living assistance services and supports" in the U.S. need to be thoughtfully streamlined and strengthened. The call for examining and improving this infrastructure must be taken seriously if we are to accommodate a new class of beneficiaries with enriched power to purchase in-home services and supports.

Matching service registries have the potential to play an important role in service fulfillment for both privately and publicly funded in-home services and supports, thus helping states meet expanded demand. Brought to scale, these registries are likely to play an important role in reducing the unmet need experienced by some consumers when trying to locate independent providers. Additionally, effective matching service registries offer promise as labor market intermediaries that can help stabilize employment for home care and personal assistance workers as well as provide valuable access points for training and other resources that bolster high quality services.

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