

Testimony of Allison Cook
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**Assembly Committee on Health, Committee on Aging, Committee on Labor, and Task
Force on People with Disabilities**

Home Care Workforce

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Thank you for the opportunity to testify today. I am Allison Cook, New York Policy Manager at PHI, a national non-profit based in the Bronx. PHI works to transform eldercare and disability services by promoting quality direct care jobs as the foundation for quality care. Over the past 25 years, PHI has established itself as the nation's leading expert on the direct care workforce through our research, policy analysis, and hands-on work with providers. We are affiliated with Cooperative Home Care Associates, a worker-owned home care agency that employs 2000 home care aides in New York City, and Independence Care System (ICS), a non-profit Medicaid managed care plan in New York City. PHI is also a member of the NYS Home Care Crisis Campaign.

The Landscape

We are facing a home care workforce crisis. In many areas of the state, people are unable to find home care aides to provide the care they need – no matter whether they are paying out of pocket or through Medicaid. Further, our research shows that too many workers leave these jobs – in all areas of the state – because of low wages, poor benefits, and limited opportunities to advance in their roles.

The workforce shortage we're seeing in New York will only get worse as demand intensifies due to the aging of our population. The number of people in New York who are 65 and older is projected to reach 3.6 million by 2030. Meanwhile, the number of New York adults in the typical caregiving age — those between the ages 45 and 64 — will remain relatively flat. This means that over the next few decades, as the ratio of young-to-old shrinks, we will have smaller numbers of family caregivers struggling to supplement their care with a shrinking labor pool. This crisis will get much worse.

The growing shortage of home care workers is no surprise. I can speak from personal experience when I say home care jobs can be both physically and emotionally draining. During my time as an aide, I had many bad days — for example, when a woman with advanced dementia slapped my face for trying to help her from the toilet to her wheelchair. Despite the times I wanted to give up and cry, I stayed because I could see the difference I was making in the lives of my clients and their families.

Working as a home care aide gave me tremendous respect for those who choose this career and is the reason why I work to support these invaluable workers. It is also the reason that PHI published a report today on how recent managed care and labor policy changes have impacted job quality for home care aides, which I have attached to my written testimony. In it, we look at aspects of job quality, such as wages that leave one in four aides living in poverty, limited career advancement opportunities, and training that leaves much room for improvement. One of the main conclusions of this report is that government action has been the primary source for positive improvements in the job quality of home health aides, and consequently in the care they can provide their clients.

My testimony today will focus on actions that New York State can take to continue to improve job quality for these workers and ensure that New Yorkers have access to quality home care. Before I start, I want to emphasize that we must address the challenges facing home care aides immediately because these issues have reached crisis proportions.

Recommendations

As we all know, Medicaid is the largest payer for home care in New York State. Through the Medicaid program, home care aides provide the majority of hands-on care and support that enables older adults and people with disabilities to remain in their homes rather than entering a facility. Medicaid's funding for home care services, thus, determines the wages, benefits, training, and other supports these home care aides receive – all of which impact the quality of care and quality of life of home care consumers. Further, as the largest payer, Medicaid's policies usually spill over into other payers. Changes in Medicaid policy that would help address the workforce crisis include:

- ***Establish a rate floor for home care providers, including personal care and consumer-directed services, to ensure that employers receive at least the minimum necessary to pay wages that meet all state and federal labor requirements.*** Currently, the state calculates a reimbursement rate to pay the managed care plans, yet does not require that a minimum rate be passed along to providers. Until we move from a fee-for-service model to a value-based system that rewards quality care and improved health outcomes, the current policy approach creates the potential for a “race to the bottom,” where agencies that accept the lowest rates – and therefore can invest the least in their workers – get the most contracts.
- ***Restore recruitment, training, and retention money as a supplemental rate, rather than its inclusion in the base rate.*** The state provides Health Recruitment and Retention (HR&R) funding that is explicitly for “recruitment, training, and retention of non-supervisory home care services workers or other personnel with direct patient care responsibility.” These funds are included in rates provided to plans, and are in theory

included in the base rates that plans give to home care providers. In practice, these base rates to providers don't fully cover mandatory labor costs (i.e., wages and benefits). This means that the HR&R funds are no longer used for their designated purpose: as additional money dedicated to recruiting and maintaining a quality workforce. Instead, the money is used to cover wages and benefits mandated by law. Providing the HR&R money as a separate payment from base rates will help to ensure that the base rates go to required labor costs and the HR&R funds can go to their intended purpose of recruitment, training, and retention.

- ***Increase home care aide wages to a level higher than the minimum wage.*** While the executive budget includes money to fund the increase in the minimum wage, home care aides have historically earned more than the minimum wage. Without an increase to their wages, this means that, today, fast food workers are guaranteed a higher minimum wage than home care aides. Since low wages are the biggest reason workers leave these jobs, we can't afford this situation if we want to ensure that New Yorkers can access care in the community. We must invest in better wages for home care aides through Medicaid funding for home care providers to pay wages that exceed the state minimum wage and, at a minimum, meet the wage floor set for fast food workers.
- ***Make funds available to pilot programs seeking to test innovative solutions for the recruitment and retention of home care workers.*** No single solution will solve the workforce crisis, and different areas of the state may need different solutions. One way to begin addressing the crisis is to make funds available to pilot programs that test innovations such as: funding for car repairs and insurance in rural areas, providing an education fund for home care aides and their children, creating opportunities for advancement, and sign-on bonuses that encourage retention – among other ideas.
- ***Improve training standards and fund training interventions.*** Personal care aides are required only 40 hours of training to receive their certification and home health aides are required only 75 hours of training. PHI's work has also shown that quality training that goes beyond the minimum hours better prepares aides for the work and increases retention. We strongly recommend increasing the minimum number of hours for training, and increase the funding available to support that training.

While the Medicaid system can help address the workforce crisis, there are changes outside of Medicaid that can be made to support the home care workforce, such as:

- ***Create a statewide home care advocate.*** Our experience shows that both workers who want to understand their rights and providers who want to abide by the law find it difficult due to frequent policy changes at the federal, state, and local levels. A public home care advocate, an entity or person who would function as an ombudsman, would ensure that workers and providers can navigate these rapidly changing legal requirements. Please visit PHI's website at phinational.org to read our report on this topic, which includes a more detailed proposal.
- ***Designate funding for a landscape study on the direct care workforce.*** Anecdotal reports from the field illustrate a growing workforce shortage in our state, but we lack the

data—quantitative and qualitative—to measure its scope. The state should fund a statewide study to determine how different areas of the state are affected by this crisis and how to address it.

- ***The landscape study would be the first step toward creating a statewide direct care workforce data and reporting system*** that tracks staffing statistics, vacancies, turnover, retention, training, and other workforce measures. This system will enable New York to monitor workforce needs and determine when and where the state needs to intervene.

Conclusion

Thank you for the opportunity to testify. PHI looks forward to working with you, other members of the State Legislature, the Department of Health, and the Department of Labor as we create a quality home care workforce that can provide quality home care to older people and people with disabilities throughout New York.