



Statement of the Pennsylvania Homecare Association

In front of the

**House Republican Policy Committee
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Presented by

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Thank you Rep. Turzai and Rep. Gingrich and members of the committee for providing me the opportunity to present testimony this morning. I am the executive director of the Pennsylvania Homecare Association, a trade association representing more than 400 providers that deliver in-home medical, personal and end-of-life care.

On any given week throughout Pennsylvania, homecare agencies care for more than 190,000 Pennsylvanians in their own homes, employing more than 47,000 direct care workers. Consumers receiving in-home care range from newborns with special medical needs, toddlers with developmental disabilities, young and middle aged adults, and of course, the greatest consumers of our care: senior citizens.

I commend the committee for holding this hearing to discuss the proposed Consumer Workforce Council and to stimulate further discussion around the challenges we face in supporting and growing the direct care workforce.

Direct care workers stand at the intersection of three public policy worlds – health care, labor and welfare – each formed in isolation from the other. That is a quote from “Direct-care Health Workers,” a publication of the Paraprofessional Healthcare Institute...and I couldn’t agree more with the authors.

And to be honest, that quote frames the discussion that we want to have this morning regarding the proposed Council. Health care policies develop and implement the long-term care system; how it operates; reimbursement rates; and eligibility requirements of who may receive services. Unfortunately, too often policies are adopted without regard for the workforce to carry out the services. Conversely, in the case of the proposed Council; everything has come from the labor side with little communication or perspective from welfare, health and especially consumers.

But there is one thing that has been communicated throughout government and among providers and consumers: Direct care workers are valuable resources – and deserve better pay and benefits. Their work with our most vulnerable citizens, senior citizens in particular, must be recognized and rewarded by supportive work environments, better pay, opportunities for career advancement and an inclusive team approach to caring. The method we follow in order to achieve these goals is where differences arise.

In late 2007, the Department of Labor & Industry initiated the creation of the Quality Home Care Commission (QHCC). The Commission, under the proposal, would have been created through an intergovernmental agreement (IGA) among three counties - Allegheny, Luzerne and Washington, and the departments of Aging and Public Welfare – creating a quasi-state run homecare agency.

There was a great deal of opposition to the first proposal, primarily due to the “behind door tactics” during its development. In fact, the first public presentation on this initiative was at a House Democrat Policy Committee meeting in late May. Not until June, after several requests, was there a formal presentation by acting Labor & Industry Secretary Sandi Vito at a Medical Assistance Subcommittee meeting. During the presentation, there was no mention of an intergovernmental agreement or that these agreements were already on the desks of several county commissioners.

As months passed, more stakeholders became aware of the IGA and voiced concern to Secretary Vito. In response, a stakeholder group was created to review and revise the initial agreement. The group was given four weeks to modify the proposal and on September 5, a so-called new proposal was submitted to Secretary Vito, without group consensus. At least two stakeholders’ dissenting opinions were not included in the formal document.

Unfortunately, there was not much difference between the two proposals except for the name, now known as the Consumer Workforce Council, and the elimination of fiscal management services as a responsibility of the Council.

Under the proposed Council, attendants and homecare aides hired directly by consumers would be required to join. The Council would serve as the “employer for limited purposes” and its duties would include ensuring quality home care; facilitating and coordinating basic training; determining or negotiating and paying wages and benefits; ensuring the rights of direct care workers to organize and choose a collective bargaining representative; and the establishment of a statewide registry. This registry would include workers’ home addresses so that consumers could select an appropriate aide.

This proposal would significantly alter the way Pennsylvania provides home and community-based services. It would take away consumer rights by potentially requiring caregivers under the consumer-directed model to

become employees of the proposed Council. This would mean friends and family members – such as daughters and sons who frequently serve as caregivers would be “employees for limited purposes” of the Council.

The rationale for establishing the Council appears in the preamble of the intergovernmental agreement. It gives a litany of things the Council will do such as assist with rebalancing the long-term care system, and assuring quality and controlling costs. It goes on to state that:

“At present there is no statewide consumer entity in the Commonwealth which efficiently addresses the goals and performs the functions that are planned for the Intergovernmental Cooperation Entity.”

This is simply untrue. Eight hundred existing home health, hospice, and private duty homecare agencies along with 18 fiscal management service organizations currently perform those functions. Agencies employ workers, provide training, ensure quality and offer fair wages – commensurate with reimbursements and many offer benefits. Financial management service agencies enable consumers to hire their own caregivers. So, what is the impetus for another state bureaucracy? Today, there is already oversight on training and quality through the departments of Health, Aging and Public Welfare.

As elected state officials with oversight of state spending and programming, the financial implications of creating such an entity are significant. Despite the potential financial impact, this proposal has been developed with very little public or legislative input including the absence of any financial analysis to state and county budgets.

Given the current state of finances in Pennsylvania and the need to focus funding on providing in-home care to as many individuals as possible; the Coalition for REAL (*Respected. Empowered. Accessible. Loyal.*) Home and Community-Based Services in Pennsylvania, of which PHA is a member, strongly opposes this initiative. Quite simply, it is unnecessary. The Council would only add another state bureaucracy, at a time when finances are already strained.

It’s also important to note that more than 4,000 senior citizens are on waiting list for OPTIONS in-home care and funds allocated for the Aging Waiver program have been under spent for the last two years. Why then, are we looking to create another bureaucracy that supposedly will help direct care

workers; when state government isn't spending the funds already allocated for actual services?

For years, state reimbursement for in-home personal care and attendant care has been woefully inadequate; equating to low salaries for workers. However, creating another state bureaucracy, such as the Workforce Council is not the answer. A better solution would be for the state to recognize the value of this workforce by annually increasing the reimbursement for in-home care, as it has routinely done for other health care providers. Why not also give direct care workers priority status under the adult Basic health insurance program so they can obtain health insurance coverage?

If we truly are committed to rebalancing the long-term care system; providing consumers with choices of who cares for them and where they receive the care; then we must approach this problem not from one perspective but how it impacts the entire service delivery system today and more importantly in the future.

For example, three years ago the state adopted strict rules under the Aging Waiver program designed to control rising costs. Services hours were cut and a care plan review process was implemented. This action had a direct impact on direct care workers by reducing their income and the hours of care provided to consumers. Again, if we are serious about changing the way we provide long-term care in this state, we must invest funds for care but equally important is investing funds in the workforce that provides the care.

Supporters of the proposed Council have developed a campaign, *My Life, My Choice*, which is based on scare tactics implying that senior citizens and others cannot remain in their own homes as they age without the creation of the proposed Council. Nothing could be further from the truth.

Today, under the Aging Waiver program and other home and community-based programs, more than 68,000 seniors and individuals with disabilities are receiving in-home services from their neighbors, friends, family and homecare agencies and registries.

Pennsylvania faces significant challenges in the future to meet the growing demand for long-term care services. Before we build another state-run bureaucracy, we should work together to enhance the current system both for our consumers and for those who care for them.

Like the Robert Wood Johnson demonstration project that Pennsylvania participated recently, which was designed to elevate the profession of direct care workers, *Better Jobs*, really does correlate to *Better Care*.

There are other ways to improve services to consumers and wages and benefits for those who provide the care. It was the driving force behind our association's efforts to require licensure for non-medical homecare agencies and registries. For 12 years PHA lobbied to have this licensure passed because we believe in consumer protections, training and minimal operating standards. The statute requires training standards for non-medical direct care workers, while providing the flexibility for employers to structure their training to meet the unique needs of each consumer.

Looking at the proposed structure of the Council, it would be required to be licensed as a home care registry. This means that this state-funded, state operated entity would be competing with the private sector – doing the same functions as all the 800 providers of home and community-based services. Again, this new entity is unnecessary.

Thank you for this opportunity to share our association's thoughts on the direct care workforce challenges. PHA along with our partners in the REAL Coalition will continue to advocate on behalf of direct care workers. Our opposition to this proposal was what brought us all together but that has changed now. We are now working together to strengthen our efforts to realistic and fiscally responsible ways to elevate the profession of direct care workers. To do this, consumers remain our first priority but their partner – the direct care worker is important too. They provide hands-on care and support that enable consumers to remain independent and living at home – where we all want to be. Thank you.