



Testimony

House Democratic Policy Hearing

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Good Morning,

Chairman Sturla, Representative Hohenstein and committee members. Thank you for this opportunity to discuss home-based care in Pennsylvania. My name is Bryant Greene, and I am the owner of Always Best Care Senior Services in Philadelphia. My agency serves Philadelphians and supports keeping members of our city active in the community. I am also a member of the Board of the Pennsylvania Homecare Association, a state trade association representing more than 700 organizations that bring medical care, personal care, and end-of-life care into thousands of people's homes every day across the Commonwealth.

I will lead off today's discussion providing you with a brief overview of home-based care – what it is, who we serve, and who pays, and then I will address the Americans with Disabilities Act and the impact it has on the constituents that home-based care agencies serve. Finally, I will discuss the challenges faced by the industry in providing care to Pennsylvanians with disabilities. I am more than happy to answer any questions about my testimony following my remarks.

OVERVIEW

At the Pennsylvania Homecare Association, we like to say, "There's No Place Like Home in Pennsylvania." It is the desire of most individuals to age in place and receive care and supports in their own homes. Pennsylvania has one of the fastest growing aging populations in the nation, and many of these individuals need assistance remaining ambulatory and active within the community. Individuals who are frail and/or disabled should not be relegated into institutions if they are otherwise able to remain in the community as contributing members of our society. Under Community HealthChoices, which is the Medical Assistance (MA) managed care program here in Pennsylvania, individuals receive non-medical, personal assistance services that help them do exactly that.

Agencies like mine provide care to over 100,000 individuals in the Southeast part of the state alone who need help with everyday activities. For example, a wheelchair-bound individual may only need help getting out of bed and ready for work in the morning. This individual, who is gainfully employed, does not need to be institutionalized. Institutionalization in this case could actually jeopardize this individual's quality of life, and cost the Medicaid program significantly more in funding.

THE ADA & HOMECARE

The Americans with Disabilities Act was passed by Congress and signed into law in 1990. It is one of America's most comprehensive pieces of civil rights legislation, prohibiting discrimination on the basis of a disability and guaranteeing that all Americans are able to participate in mainstream American life by being active members of their communities, seeking and maintaining employment, and participating in public and private programs and services.

Additionally, the *Olmstead* case was a pivotal Supreme Court case in our country's history. Decided in 1999, the Court in *Olmstead* held that individuals with disabilities have a qualified right to receive state funded supports and services in the community rather than institutions when the following three-part test is met:

1. The person's treatment professionals determine that community supports are appropriate;
2. The person does not object to living in the community; and
3. The provision of services in the community would be a reasonable accommodation when balanced with other similarly situated individuals with disabilities.

In the years since *Olmstead* was decided, the homecare industry has seen major growth in individuals choosing to receive supports in their own homes. This is especially important for individuals who don't otherwise need the full and expansive list of services provided in skilled nursing facilities or other long-term care facilities.

ISSUES FOR PROVIDERS

As lawmakers, you will be asked to address several issues throughout this session dealing with older Pennsylvanians and individuals with disabilities. A significant issue you will hear about is the state's movement to managed care when it comes to long term services and supports. Community HealthChoices (CHC) is now fully implemented throughout the state. This has been a tremendous shift for providers as well as consumers. Prior to managed care, agencies billed Medicaid directly and consumers chose their care providers within the MA network. Now the responsibility for payment to providers falls to one of the three CHC managed care organizations (MCOs) that an MA consumer chooses.

For the MA consumer this means that there is one insurer managing the comprehensive scheme of care for that individual, the idea being that the whole person is treated as opposed to separate systems. This holistic approach provides the opportunity for better health outcomes for our constituents. Better outcomes result in cost-savings to the Commonwealth's Medical Assistance program. I should also mention that care in the community is a fraction of the cost of institutional care.

For providers in the Southeast, this change has brought a need to learn new billing systems for three different insurance companies, at the same time that agencies are implementing an electronic visit verification (EVV) system. EVV, mandated by federal statute, documents the time spent with a consumer and the types of services that were provided. Homecare providers under the MA program are paid in 15-minute increments and depending on where the person who is receiving the service lives, reimbursement ranges from a low of \$17.87 in Pittsburgh to \$19.91 in Philadelphia. This recent increase of 2% took effect on January 1, 2020. We thank you for your support in last year's budget negotiations and ask for your continued support in the upcoming budget, because, while improved, the rate is not where it needs to be. Additional reimbursement rate increases are critical for quality homecare to continue to be provided and grow.

The hourly rate must include a wide range of costs that agencies incur:

- Wages and benefits
- Unemployment compensation
- Workers' compensation Criminal background checks on all employees, which was \$8 in 2017 and today has increased to \$22
- Child abuse check if a child resides in the home, which has increased from \$10 to \$15
- FBI Clearance on every employee, if OAPSA legislation passes, which costs another \$24
- Training
- TB checks

As a result of these additional expenses, the actual hourly rate paid to workers is an average of \$11.50.

With the increasing enrollment of seniors and individuals with disabilities, we must stabilize this provider community and address the issue of better wages for the people who are truly lifelines to thousands of Pennsylvanians with disabilities.

Governor Wolf's administration has adopted policies to enable more people to remain in their own homes for as long as possible, which PHA applauds and fully support. We also appreciate this committee's interest in holding a hearing on the issue of access to the services under the ADA. It is well documented that low reimbursement rates contribute substantially to our workforce shortages, creating significant access to care concerns.

WORKFORCE SHORTAGE

We are proud of the work we do to ensure thousands of Pennsylvanians who wish to stay safe and independent within their communities are able to do so. But, like many others within the long-term services and supports industry, we are facing a major workforce crisis. According to a Home Care Benchmarking Study by national data

leader Home Care Pulse that was released earlier this year, the average turnover rate for direct care workers is at an all-time high – 88% in 2018, up from 50% in 2016.

This crisis stems from the lack of funds available for agencies to recruit and retain a qualified workforce. Homecare providers struggle to compete with other care settings and industries that can pay more in wages because the MA reimbursement rates for personal assistance services are so low. A potential caregiver can work at Chick-Fil-A and make \$15-\$16 per hour while direct care workers are receiving \$11.50 per hour on average to provide important services to members of our community who are frail or have disabilities. We simply cannot compete to meet the demand. MA providers in the homecare industry are unable to increase wages and benefits when the reimbursement rate is statutorily set by the General Assembly.

Today, I urge you to consider these pressures as you make decisions that affect vulnerable Pennsylvanians that rely on homecare to stay safe and independent in our community.

The advantages of keeping Pennsylvanians in their homes and in their communities are well known by this committee and your colleagues in the General Assembly. I commend you for recognizing how important the ADA has been over the past three decades in supporting people and enabling them to live quality lives in their communities despite a disability. However, in order to build on progress, the services that keep people independent must also be supported. On behalf of the industry, I thank you for hearing our thoughts today. I am happy to answer any questions you may have at this time.