



Mass Home Care

In particular, the committee is interested in receiving testimony on the following issues: (1) The nature and extent of the shortage of direct care workers in the elder services industry; (2) The obstacles to resolving the shortage of direct care workers in the elder services industry. The hearing does not concern pending legislation.

Written testimony to the Joint Committee on Elder Affairs for their Informational Hearing on the Crisis Facing the Direct Care Workforce in Elder Services

Submitted by:
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February 4, 2020

Introduction

Mass Home Care (MHC) is the trade association representing the Commonwealth's network of Aging Services Access Points (ASAPs) and Area Agencies Aging (AAAs). This single, statewide network of coordinated care delivers home and community based services to over 60,000 individuals per month, providing over \$600 million per year in services. Our community-based organizations work in direct partnership with the Executive Office of Elder Affairs (EOEA) and MassHealth Office of Long Term Care Services and Supports (OLTSS) to provide information and services enabling older adults and individuals with disabilities to live at their highest level of functioning, in the least restrictive setting, for as long as possible.

The Massachusetts ASAP/AAA network is responsible for planning, policy development, administration, coordination, priority setting, monitoring and evaluation of activities related to the Older Americans' Act at the local level. The ASAPs are 25 regional non-profit agencies that oversee the delivery and coordination of services, including nutritional services, to support individuals as they age. The services provided by our network are offered in every city and town throughout Massachusetts.

Throughout our history, MHC has been proud to work collaboratively with the Legislature, Executive Office of Elder Affairs (EOEA), and the Executive Office of Health and Human Services (EOHHS) to implement initiatives to meet our shared goal of providing quality and cost-effective services and supports to individuals in their choice of settings throughout our communities.

On behalf of MHC, I offer my sincerest appreciation to the Joint Committee on Elder Affairs for holding this Informational Hearing today, and for inviting MHC to provide verbal testimony on this critical issue. Direct care workers serve as the backbone to the state's home care system. Homemakers, Home Health Aides, and ASAP Case Managers are also the eyes and ears of the health care system in the home. They manage and provide the essential services and supports older adults and persons with disabilities need to remain safely in their own homes throughout our communities.

Mass Home Care

MHC would like to begin by thanking the Legislature and Administration for two recent investments which serve as important first steps in addressing the significant workforce challenges currently plaguing the home care sector throughout our Commonwealth. We thank the Legislature for leading the charge to include appropriate \$10.08 million in your FY19 Close-out supplemental budget to establish the new Enough Pay to Stay Workforce Initiative. MHC is working close collaboration the Executive Office of Elder Affairs, MassHealth Office of Long Term Care Services and Supports (OLTSS), and our elder network partners to work in collaboration and distribute these enhanced funding to homemakers, personal care homemakers, home health aides, and ASAP case managers throughout this fiscal year.

Massachusetts is a proud Community First state. The commitment to supporting individual choice is both good social policy, and sound fiscal policy. We have been successful at rebalancing the long-term care system, and appropriately diverting consumers from nursing facilities to community care. In February 2019, the Executive Office of Elder Affairs (EOEA) released their annual report to the Legislature on the impacts of the Massachusetts elder home care programs. This report documents that the Home Care Program is a high-value public policy instrument that yields >\$300m per in cost-avoidance to the Commonwealth as a result of diverted nursing facility care.

Home and community based services (HCBS) are widely acknowledged as a high-quality and cost-effective solution in caring for elders and disabled individuals. In the next decade, the number of people age 60 and older in Massachusetts will increase by more than a quarter of a million, to nearly 1.6 million people. It is estimated that at least two-thirds of these individuals will require assistance in meeting their long-term care support needs at some point in their lives.

As our health care system continues to shift to a model focused on coordinated, patient-centered care in the community, the HCBS system's ability to coordinate care and retain a qualified and trained home care aide workforce will become even more important. This shift is critically important to consumers as well as it meets their desire to remain independent in the communities where they live. The growth in the state's population age 65 and over is projected to increase 46% by 2035. People with disabilities and chronic conditions are living longer, adding to the demand and putting further strain on the Long-Term Care Services and Supports (LTSS) delivery and financing system. The workforce needed to serve this burgeoning population at home will not be available unless fundamental changes take place now.

Comments on the Nature and Extend of the Shortage of Direct Care Workers in the Elder Services Industry

LTSS providers face unprecedented challenges to recruit and retain the highly trained workforce needed to provide quality care to clients in the community.

- Personal Care Aides (Homemakers and Personal Care Homemakers) will be the largest single source of new job creation in the nation between 2014 and 2024. Home health aides will be the third. Together, homemakers and home health aides will account for 1 of every 12 new jobs created in the United States during this time period.
- Homemaker rates have not been adjusted since FY15 and Home Health Aide rates have not seen an increase since FY07.

While demand for community-based services grows, the home care industry struggles to recruit and retain essential frontline caregivers. Between 2016 and 2017, the Home Care Aide Foundation conducted an assessment of the Massachusetts home care aide workforce with funding from the Tufts Health Plan Foundation. This project included both a survey of home care agencies that contract with the ASAPs and a survey of home care aides employed by these agencies.

Some of the key findings from this study which provide a brief snapshot of the home care aide workforce crisis in our Commonwealth include:

Turnover Information:

- Nearly 40% of the aides that responded to this survey indicated that they are likely to leave their home care aide job within the next year
- Home care agencies who completed this study reported a quarterly home care aide turnover rate of 16%
- Agencies on average hired 18 workers over a three month period and lost 15 workers over that same period – for an average net gain of just 3 workers every three months

Workforce Supply Issues:

- In the Fall of 2016, over 45% of agencies who responded to this survey were already reporting that they were having difficulty filling cases on both weekdays and weekends
- Nearly 90% of the agencies indicated that recruiting qualified home care aides was their top workforce challenge

Workforce Demographics:

- Over 47% of the aides who responded to this survey have at least one other job
- Nearly 50% of the aide respondents were born outside of the US
 - The most commonly reported immigrant population was Haitian at 27%
- 40% live in households with an annual income of less than \$20,000
- 48.4% were MassHealth recipients

Similarly, our ASAP network is experiencing unprecedented challenges in recruiting and retaining case management workforce. Commitment to high quality case management and care planning is the hallmark of the Massachusetts Home Care Program. The Home Care Program provides essential services and supports to over 60,000 low-income elders each year. The Basic Home Care Program rate establishes foundational capacity to ASAP case management and client operations.

A statewide workforce of approximately 700 case managers and 270 nurses is the heart of this program, providing enrollment assistance, care management, service coordination, and transition assistance. ASAPs are now experiencing unprecedented stress on the ability to maintain reasonable staff ratios while remaining financially viable within the current rate constraints. Unless we make the necessary investments into these essential frontline services, the rebalancing progress made to both align with consumer preference and save state dollars is at risk.

In order to document this growing workforce crisis, MHC commissioned Citrin Cooperman & Company, LLP to perform an independent salary and turnover analysis of ASAP care managers and registered nurses in the summer of 2019. This study documented significant recruitment and retention concerns throughout the ASAP network. It also quantified a significant gap between salaries for case managers and nurses employed by ASAPs compared with third-party salary information for similar jobs within Massachusetts state agencies and the private sector. A copy of the report from this study is attached to this testimony for your review.

Highlights from this analysis include:

ASAP Case Management Data:

- The average starting of an ASAP CM as reported through this recent survey was \$38,882. This is \$7,605 (16.4%) below the low-end of the average starting salaries for case managers noted in third-party surveys.
- The reported turnover rate for ASAP CMs was 21.9%
- The top reasons reported by ASAP CMs for leaving their jobs included:
 - Salary (50%)
 - Advancement/Promotion (40.91%)

ASAP Registered Nurse (RN) Data:

- The average starting of an ASAP RN was \$57,831. This is \$17,145 (22.9%) below the low-end of the average starting salary for an RN found through third-party surveys
- The reported turnover rate for ASAP RNs was 16.61%
- The top reasons reported by ASAP RNs for leaving their jobs included:
 - Retirement (42.86%)
 - Salary (42.86%)

This Salary and Turnover Analysis report confirms that it is becoming increasingly more difficult for the ASAP network to compete as an ‘employer of choice’ within the current labor market. When the ASAPs cannot recruit qualified candidates to serve in our frontline case management and nursing roles, our success at linking older adults with the services and supports they need becomes strained and added pressures are placed upon our existing workforce. Our network’s capacity to provide quality, affordable supports to individuals and their families is effected by how well we recruit and retain a qualified and committed workforce. The disruption and inconsistency caused by workforce challenges can negatively impact consumer experience and outcomes.

Comments on Obstacles to Resolving the Shortage of Direct Care Workers in the Elder Services Industry

Siloed system and initiatives to address the workforce crisis which are focused on specific segments and are not aligned to address needs across the LTSS system

- **Initiatives to support wages and benefits earned by direct care workers**
- **Rate adjustments**

WAGE PARITY THROUGHOUT THE LTSS CONTINUUM

Overview of the Massachusetts LTSS Direct Care Worker Career Ladder:

Type of Worker	Tasks	Training Requirement
Homemaker	Assistance with IADLs (cleaning, shopping, meal preparation, and laundry)	40 hours
Personal Care Homemaker	Assistance with IADLs and ADLs (bathing, dressing, eating, denture care, and medication reminders)	60 hours
Home Health Aide (HHA)	Assistance with advanced ADLs and IADLs in a community-based environment	75 hours

Certified Nursing Assistants (CNA)	Assistance with advanced ADLs and IADLS in a community-based and/or facility based environment	75 hours
Personal Care Attendant (PCA)	Assistance with ADLs and IADLs—following the instructions of the consumer-employer (or surrogate)	3 hours

Home care aides (Homemaker, Personal Care Homemakers, and Home Health Aides) are employed by home care and home health agencies, supervised by clinical staff, and must receive both initial and ongoing training under the current state and federal requirements. While PCAs also provide consumers with both ADL and IADL assistance, PCAs work in a consumer-directed model in which the consumer (or his/her surrogate) hires, trains, supervises, and directs the care provided by PCAs.

According to the most recent US Bureau of Labor Statistics (BLS) data for Massachusetts from May 2019:

- The average wage earned by a personal care aide (homemaker and personal care homemaker) was \$13.98
- The average wage earned by a Home Health Aide was \$14.82
- The average wage earned by a CNA was \$16.12.

This summer, the PCA Workforce Council negotiated a new, three-year contract for PCAs with the state. As a result of these process, the MassHealth hourly rate paid to PCAs was set at \$15.40 an hour effective July 1, 2019. Effective July 1, 2020, the PCA wage rate will be \$15.75 per hour and will increase again to \$16.10 per hour on July 1, 2021.

Through the FY20 budget process, the Legislature and the Administration approved an additional \$38.3 million to fund a rate add-on for direct care staff on nursing homes through the Nursing Home User Fee, an established mechanism to provide a wage increase to certified nursing assistants (CNAs). The Grand Bargain legislation, signed into law in June 2018, will move Massachusetts to a \$15.00 per hour minimum wage by 2023. The impact of this new law began on January 1st of this year with the increase of the state minimum wage to \$12.00 per hour.

It is important to recognize that the ASAPs are under similar pressure as all human services providers primarily serving publicly sponsored clients within the same labor environment. According to the Citrin Cooperman & Company analysis, 14% of case managers and 11% of registered nurses who leave the ASAP system take jobs working for the state or other government agencies.

MHC wholeheartedly applauds all efforts to enhance the wages and benefits earned by the critical frontline workforce. However, if the Commonwealth does not adequately address the growing wage disparities that exist throughout the LTSS continuum, recruitment and retention challenges will persist during a time when demand for the services and supports we provide continues to grow. It is imperative for the Commonwealth to extend these positive initiatives throughout the home care continuum through further adjustments to all home care rates so all direct care workers can attain wage parity.

This wage disparity has become even more apparent in this current economic environment where many retail and big-box stores, offering full-time consistent hours, are increasing their minimum pay to attract workers. If these rate disparities persist, the workers who remain in the industry may be forced to choose one model over the other, potentially limiting choice for consumers and reducing the capacity of providers to support clients requiring higher, more skilled home care services.

HOME CARE AGENCIES IN CRISIS

The EOHHS rate for Home Health Aide Services established within these regulations is the rate the ASAPs use when authorizing the provision of home health aide services for all of the home care programs they administer. Below is an overview of the total number of home health aide services the ASAPs authorized through our Home Care and Choices programs during Calendar Year 2018:

- 9.6%, or approximately \$15 million, of funding from the Basic Home Care and Enhanced Community Options Program (ECOP) was used to purchase Home Health Aide Services for consumers.
- 27%, or approximately \$50 million, of funding from the Choices Program was used to purchase Home Health Aide Services.
 - Home Health Aide Services is the most frequently purchased service received by consumers enrolled in the Choices Programs.
 - Individuals in this program are Nursing Home eligible with higher levels of acuity than consumers enrolled in other programs.

In 2019, four home health agencies discontinued their contracts to provide home health aide services with our ASAP network due to inadequate rates. While these agencies will continue to care for consumers receiving Medicare home health and hospice services, they decided to stop serving older adults enrolled in programs provided through the state home care program, including the Frail Elder Waiver and Senior Care Options (SCO) programs.

When home care agencies cancel their contracts to serve the elder home care program, our ASAPs must frantically work to move consumers to other home care agencies. Sometimes the home health aides can move to the new agency and serve the same consumer, but often times the worker cannot follow the client. This transition is extremely disruptive to our ASAP workforce, committed home care aides, and most importantly, the individuals receiving these critical home health aide services.

The agencies that mostly recently discontinued their contracts with our network were non-profit visiting nurse associations, which served as pillars of community-based health care within their communities. All four agencies offered higher than industry average wages and comprehensive benefits packages to their home health aides. All four agencies also championed innovation workforce training and development opportunities for their home care workers.

As our health care system continues to shift to a model focused on coordinated, patient-centered care in the community, the HCBS system's ability to coordinate care and retain a qualified and trained home care aide workforce will become even more important. As these long standing home health agencies leave the ASAP and MassHealth home health aide market, there are less and less experienced home care agencies for the ASAPs to contract with to offer critical home health aide service to older adults. The expertise and quality provided by established home care entities is being lost as these organizations, with strong connections to their community and other health care partners, vacate the industry.

RECOMMENDATIONS

MHC strongly urges the Commonwealth to review all available data on the purchase of home health aide services throughout the elder home care program, including the Senior Care Options (SCO) Program and to increase the rate paid for **Home Health Aide in the Home Health Setting: Code G0156**. It is now more important than ever for the Administration to establish an adequate rate structure

that recognizes the essential role home health workers play in enabling elders and persons with disabilities to remain safely in their homes. An increase to the home health aide rate is necessary to ensure that our network can continue to purchase these essential services which enable the frailest individuals being served by our network need to remain safely in their own homes.

Conclusion

MHC respectfully requests that the Joint Committee on Elder Affairs report favorably on S358/H630. The rising elderly population is already losing hours of care because in-home workers cannot be found. This legislation addresses the growing worker shortages by requiring the Commonwealth to adjust the rates paid to provider agencies in order to provide enhanced support to the frontline home care workforce. We must do better to keep up with our fastest growing demographic – those over the age of 60. We must give these essential workers “**Enough Pay To Stay**”

CONCLUSION

MHC, and our ASAP members, are dedicated to serving as key partners with EOEA and EOHHS in the long term care services and supports delivery system for the Commonwealth. Honoring the dignity and choice of individuals to successfully age in place is the primary mission of our network. We look forward to continuing to work in partnership to enhance the ability of our ASAP network to serve consumers with the highest level of quality and commitment necessary to enable these individuals to remain safely in their own homes.