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Testimony by the New York Association on Independent Living to the Joint:

**Assembly Committee on Health
Assembly Committee on Aging
Assembly Committee on Labor
Assembly Task Force on People with Disabilities**

on

Home Care Workforce

Thank you for the opportunity to testify today on this very important topic. My name is Lindsay Miller and I am the Executive Director of the New York Association on Independent Living (NYAIL). NYAIL is a statewide, not-for-profit membership association created by and composed of Independent Living Centers across New York State.

Independent Living Centers are unique disability-led, cross-disability, locally administered not-for-profit organizations, providing advocacy and supports to assist people with disabilities of all ages to live independently and fully integrated in their communities. Core programs include information and referral services, peer counseling, individual and systems advocacy, independent living skills training and transition services. Other services vary from center to center but generally include: assistance with housing, education, employment, transportation, personal attendant services, etc. ILCs help people with disabilities to navigate the complex service systems and connect individuals to services that will assist them in living independently in the community, with home care being one of the most critical.

ILCs have been transitioning and diverting people from institutions for more than 30 years. Data from the New York State Education Department, ACCES-VR, show that the work of ILCs to transition and divert people with disabilities from costly institutional placements saved the State more than \$2 billion since 2001 as a result of avoided institutional care. In recent years NYAIL has taken on a leadership role in this transition work through administration of the State's Money Follows the Person-funded Transition Center project and Peer Services program, and more recently the Olmstead Housing Subsidy pilot program, both of which are focused on helping transition individuals from institutional settings to the community. In addition, the ILC network played a critical role in implementing the consumer directed personal assistance program, with several ILCs serving as Fiscal Intermediaries for the program. Through the work of NYAIL and our member ILCs, we see firsthand the impact the home care workforce shortage has had on New Yorkers with disabilities.

The lack of homecare aides is one of the biggest barriers for people with disabilities wishing to return to the community from unwanted institutionalization or avoid unnecessary institutionalization. We hear from members that depending on the area of the State, the issue can vary between not getting the hours needed approved, or not getting authorized hours filled. Both are a result of the lack of aides, which, is in large part, if not entirely, due to the low Medicaid rates which results in low wages for workers. Low wages also results in high turnover within the position, creating extreme instability for consumers and increased training costs for agencies.

NYAIL's member centers can all provide individual and systemic stories and examples as to how the \$225M proposed is not sufficient and the impact it will have on an already crumbling system. Here are just a few examples/points shared by NYAIL members from different parts of the State:

- Independent Living Inc. in Newburgh, NY serves as a Fiscal Intermediary for the CDPA program, staffing 675 personal assistants, with 322 consumers utilizing the program. Their PA turnover rate is currently 83%. Of the PAs that terminated, 87% of them were voluntary; left voluntarily to accept a higher paying job.
- Southern Tier Independence Center, an ILC and FI in Binghamton NY employs over 400 workers. STIC has always tried to pay workers above the minimum, usually a dollar over to start, but this year, they are only paying 25 cents more, because the Medicaid rate of reimbursement just isn't keeping up. In addition, STIC reports they are getting more and more referrals for CDPA, simply because the traditional agencies can't find workers. Often these referrals are inappropriate because the individual is not self-directing, and doesn't have a viable Designated Representative to take on the role. For these individuals, the only answer is to go into a nursing home, not an answer consumers want, and certainly not one that STIC likes, and they provide all the help they can to prevent this outcome. Such an outcome costs much more for the state, since institutional care for a particular individual costs roughly three to five times more than community-based services for that same individual. In addition, it is less humane, offering little if any quality of life.
- AIM Independent Living Center in Corning, NY operates as a Fiscal Intermediary employing 400 aides and serving more than 300 consumers. Approximately 90% of the aides make only \$10 per hour. Low pay is a significant barrier to finding aides, especially in the more rural areas. People are often hesitant to travel 20, 30, 40 miles or more one way to perform high-intensity work for less than they could make at Wendy's. AIM estimates that 25-30 percent of consumers need assistance finding an aide. In these cases, services can be delayed, and low pay plays a significant role.
- Access to Independence of Cortland County, while not an FI, sees first-hand the impact lack of aides has on their consumers. As co-chair of their county's Long Term Care coalition they helped to spearhead a task force of the coalition to address all underlying issues relating to the matter. Through this effort, they collected data regarding the issue. Liberty Resources in Cortland has 270 hours a week that they cannot fill. They had to turn down 10 individuals seeking assistance in 2016. Other providers in the area face similar situations where they are unable to keep up with the need due to lack of aides. In their area, the average four year turnover is 49% - turnover for licensed agency by year: 2016 – 94%, 2015 – 67%, turnover for brain trauma: 2016 – 94%, 2015 – 64%.

New York State must ensure a competitive, living wage for home care workers. Home care workers help many of our most vulnerable citizens by giving them the care they need to live at home. These are vital, not to mention physically and emotionally taxing jobs. In order to ensure home care workers are available in all regions of New York, the State must provide funding to cover a living wage to home care workers at levels high enough to be able to recruit and retain qualified workers. This means paying wages above what people can make working at fast food restaurants.

While this year's Executive Budget included \$225 million to support the direct cost of the FY 2018 minimum wage increases for health care workers that provide services reimbursed by Medicaid, this funding only brings home care workers up to minimum wage. Simply providing enough funding to meet minimum wage is insufficient to address the home care crisis we are facing in

New York. In many parts of upstate, people are unable to get care at home because not enough people want these jobs due to the low pay. The State has also failed to provide sufficient funding to cover the additional costs associated with new labor laws, putting home care, particularly the Consumer Directed Personal Assistance Services (CDPAS) program at risk. This has Olmstead implications as well, since the insufficient pay is preventing people from recruiting, hiring, and maintaining aides, putting them in jeopardy of institutional placement.

Further, New York should develop a high needs community rate cell. NYAIL has been calling for the State to create a high needs community rate cell to ensure that managed care organizations receive adequate reimbursement to serve people with the most significant disabilities. The current capitation rates do not provide for this, and as a result, those with the most significant disabilities may not be able to get the supports and services they need to live in the community. Without a high needs community rate cell, MCOs may not authorize the number of hours people require to live safely in the community. As a result, individuals may wind up in nursing homes because they could not get appropriate care at home.

Home care is in crisis. The Medicaid rate must rise substantially to allow providers to pay wages that will both attract and retain workers. It is also important to understand that, due to the way New York's Medicaid rate-setting system works, even though the Governor has proposed additional funds to enable health service providers to keep up with the rising minimum wage in fiscal year 2017-18, the rates that Fiscal Intermediaries are actually paid will not be increased as a result of any budget changes for two years; that is, FIs will not see an increased rate to cover those increased costs until the 2019-20 fiscal year. This doesn't take into account the fact that health insurance rates continue to rise each year, making it a struggle to even keep up with the minimum.

NYAIL urges the legislature to address this crisis now - for consumers, PCAs/homecare workers and providers. We are calling on the State to provide a living wage to home care workers. The situation is desperate, as are the people affected.

For additional information, please contact Lindsay Miller at 518-465-4650 or LMiller@ilny.org.