

New York State Legislature Joint Public Hearing: Nursing Home, Assisted Living, and Homecare Workforce – Challenges and Solutions
Witten Testimony Submitted by Cooperative Home Care Associates

I would like to thank the Standing Committees on Aging, Health, and Labor for the opportunity to submit comments on the long-term care workforce in New York State. My name is Adria Powell, and I am the President and CEO of Cooperative Home Care Associates (CHCA).

CHCA is a licensed home care services agency (LHCSA) headquartered in the Bronx that is cooperatively owned by our home care workers. In operation since 1985, CHCA firmly believes that offering quality jobs for home care workers empowers them to provide quality care to older adults and people with disabilities in our community. Prior to the COVID-19 pandemic, we employed over 2,200 home care workers who provided critical supports and services to 1,500 New Yorkers. Today, we serve 1,100 clients and employ just over 1,500 home care workers.

The demand for home care services is tremendous. Approximately one out of every six residents in New York State is over the age of 65.¹ By the year 2040, this ratio will increase to nearly one out of every four residents.² Of those aged 65 and older, research indicates that over half (56 percent) will require long term care services and supports (LTSS) at some point in their lives³—and the overwhelming preference for consumers is to age and receive services in place. In addition, the COVID-19 pandemic has accelerated the rebalancing of services from nursing homes and other congregate settings to the community, a trend that is supported by recent and proposed federal funding for home and community-based services (HCBS).⁴

¹ González-Rivera, C., Bowles, J., & Dvorkin, E. (2019, February). *New York's Older Adult Population is Booming Statewide*. Center for an Urban Future (CUF). <https://nycfuture.org/research/new-yorks-older-adult-population-is-booming-statewide#targetText=Today%2C%20New%20Yorkers%20ages%2065,and%20above%20is%20also%20booming>

² PAD - Cornell Program on Applied Demographics. (2018). Cornell University. <https://pad.human.cornell.edu/counties/projections.cfm>

³ Favreault, M., & Dey, J. (2021). *Long-term services and supports for older Americans: Risks and financing, 2020 research brief*. Office Of The Assistant Secretary for Planning and Evaluation. <https://aspe.hhs.gov/reports/long-term-services-supports-older-americans-risks-financing-2020-research-brief-0>

⁴ Espinoza, R. (2021, June). *Will Congress Finally Transform Direct Care Jobs?* ASA Generations. <https://generations.asaging.org/will-congress-finally-transform-direct-care-jobs?fbclid=IwAR0jVYk9BNNbvX7YI1udsrVW0XS2KY5PKPZDusulu1iPVNdhuHCsFMubVz8>



To meet this increased demand, New York’s home care workforce is growing rapidly. Overall, the direct care workforce—including nursing assistants and residential care aides as well as home care workers—is projected to add nearly 280,000 new jobs in our state from 2018 to 2028, which is more new jobs than the next four largest job sectors combined.⁵ Nearly all of these new jobs (88 percent) will be in home care.⁶

CHCA takes every opportunity we can to recruit and retain a strong workforce to meet our community’s HCBS needs. We provide a free four-week training program that leads to both home health aide and personal care aide certification, as well as guaranteed employment for successful trainees. Our home care workers receive a median hourly wage of \$15 per hour, in line with the minimum wage in New York City, but can increase their earning potential by moving into advanced roles within our agency. Thanks to these efforts, our annual turnover rate is just 24 percent, compared to the national average of 65 percent.⁷

But Medicaid global spending caps, across-the-board reductions in Medicaid provider payments, and inadequate rate distributions from managed long-term care plans (MLTCPs) make it nearly impossible for CHCA to make these workforce investments. For the home care sector overall, these restrictive policies fuel staff shortages, prolong HCBS waitlists, undermine the capacity of the workforce to meet clients’ increasingly complex care needs, and ultimately compromise care quality.

To resolve the workforce crisis in home care, home health aides and personal care aides must be paid a livable and competitive base wage. The average earnings for home care workers in New York State are only \$19,200 per year.⁸ As a result of low hourly wages, part time hours, and lack of advancement opportunities, nearly 50 percent of home care workers live in or near poverty and rely on public assistance—and many leave the home care sector for higher-paying opportunities. **To ensure workers receive a livable and competitive base wage, we call on the New York State legislature to enact and fully fund the Fair Pay for Home Care bill.** This legislation will help home care providers attract and retain enough workers to meet demand. In turn, once workers receive a livable wage, poverty rates in this workforce

⁵ Cook, A. (2020, October 22). *New York State’s Direct Care Workforce*. PHI. <https://phinational.org/resource/new-york-states-direct-care-workforce/>

⁶ Ibid.

⁷ Holly, R. (2021, May 19). ‘A huge victory’: Home care turnover remains stable at 65.2%. Home Health Care News. <https://homehealthcarenews.com/2021/05/a-huge-victory-home-care-turnover-remains-stable-at-65-2/>

⁸ PHI. “Workforce Data Center.” Last modified September 14, 2020. <https://phinational.org/policy-research/workforce-data-center/>



will decline, state spending on public benefit expenditures will decrease, and worker spending within their local economies will increase.

However, any wage increase must be matched by increased funding. Labor costs for providers like CHCA have increased substantially in recent years for several reasons, including the wage parity law, minimum wage requirements, and the Fair Labor Standards Act Final Rule—but reimbursement rates have not increased sufficiently to cover these costs. Our budgets became even more strained during the pandemic due to additional labor-related costs, such as personal protective equipment (PPE) costs, increased overtime and sick pay, and new technological expenses—without commensurate financial support from the state or MLTCPs. **To ensure that we can remain operational, meet the growing need for home care services, and provide our workers with financial stability, we urge New York State to set a minimum rate of reimbursement (covering all labor-related costs) that must be met by MLTCPs and other state payers.**

Finally, although clients' HCBS needs are increasing overall and becoming more complex, current training standards do not sufficiently prepare home care workers for their challenging roles. In the past several years, CHCA partnered with PHI, a designated Workforce Investment Organization (WIO), and the Ladders to Value WIO, to close this training gap. **CHCA strongly encourages the legislature to renew the Workforce Investment Program- with key amendments based on lessons learned- so that WIOs can continue to enhance worker preparedness.**⁹ By providing home care workers with the right knowledge and skills to meet today's heightened home care needs, we can reduce avoidable outcomes like falls and hospital readmissions, improve clients' wellbeing and satisfaction, achieve value-based payment goals, and ultimately achieve cost-savings in the system.

In conclusion: to enhance the competitiveness of home care jobs, strengthen the home care workforce, and meet the growing demand for home care services, the New York State legislature must invest in HBCS and the home care workforce. We encourage the legislature to pay workers a livable and competitive base wage to improve retention and recruitment rates, establish a minimum base rate that MLTC plans must pay providers that fully covers all labor costs (including increased costs associated with legislative changes and emergency declarations), and invest in training to enhance home care workers' contribution to achieving value based-payments goals.

⁹ PHI. 2021. *PHI Urges New York State to Renew the Medicaid Managed Long Term Care Workforce Investment Program*. Bronx, NY: <https://phinational.org/wp-content/uploads/2021/06/Discussion-Paper-April-2021.pdf>

