

**Connecticut Homemaker & Companion Association**  
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February 8, 2007

**PROPOSED BILL No. SB 388** Referred to Committee on Human Services

**AN ACT CONCERNING STATE PAYMENT RATES TO HOMEMAKER-  
COMPANION AGENCIES**

From: Connecticut Homemaker & Companion Association  
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**POSITION STATEMENT**

**For the last decade the Access Agencies for the CT Home Care Program for Elders (CHCPE) have placed an ever-increasing demand on the Homemaker/Companion (H/C) Service Provider Agencies to transport the elderly to medical appointments and social activities with no additional compensation.** These demands have increased because of the shortfalls that transportation companies have in meeting the needs in transporting the elderly. In addition, there has been no transportation cost adjustments in Homemaker service rates related to errands and shopping while gasoline prices surge higher, workers' compensation insurance companies reclassify employees to Drivers at twice the cost, and liability insurers impose employers to carry Non-Owned Auto insurance.

**H/C Service Provider Agencies are not compensated for transportation services as defined under the CHCPE. They do not receive gas or mileage reimbursement or stipends. These transportation services are billed as Homemaker or Companion.**

**Homemaker/Companion services have seen State rate adjustments, consistently below the CPI and more importantly below the actual cost to provide Homemaker/Companion services. Additionally, in 1995 there was a \$1.00 rate reduction, and for the past 10 years there have been 5 years with NO rate adjustment; yet the cost of doing business has climbed.**

**CONNECTICUT HOME CARE PROGRAM FOR ELDERS**

CHCPE provides eligible individuals over the age of 65 with home care services which, according to the program brochure, help eligible Connecticut residents' age 65 and older continue living at home instead of prematurely going to a nursing facility. Included in those home care services are Homemaker and Companion services as defined below:

**Homemaker Services** include, but are not limited to changing linens; communication of health or other problems (neglect and abuse) to supervisor; correspondence, including written communications of a business or social nature; dishwashing; light housecleaning; laundry; meal planning and preparation; mending limited to repair of an individual's clothing; and shopping.”

**Companion Services** may include, but are not limited to escorting a client to recreational activities, or to necessary medical, dental, business appointments; reading to or for a client; supervising or monitoring an individual during the self-performance of activities of daily living such as meal preparation and consumption, dressing, personal hygiene, laundry, and simple household chores; reminding a client to take self-administered medications; providing monitoring to ensure the safety of an individual; assisting with telephone calls and written communications; and reporting changes in an individual's needs or condition to the supervisor or care manager.

## **BACKGROUND**

On a national survey completed in 2003 by the Community Transportation Association of America and the Beverly Foundation seniors listed some of the main impediments to their using community transportation services. Among those listed were the fact that seniors are unable to sit for long periods of time, that some seniors need someone to stay with them during appointments, and that seniors with memory loss are not safe on public transportation.

## **THE PROBLEMS**

- By definition, Homemaker services or Companion services are in-home services. Although, the definition for Companion includes the “escort to recreational activities or to necessary medical, dental, or business appointments”, and Homemaker service includes “shopping”, **there is no mention of transporting an elderly client in either definition for Homemaker or Companion type services.**
- **The State does not reimburse the H/C Service Provider Agency for parking fees incurred while providing a service to the client; and the provider cannot collect the fee from the client.** Example: a client is transported to St Mary's Hospital for treatment where there is no free parking. The fee for parking is \$3.00 for the 1st hour, \$4.00 2nd hour, and \$5.00 for 3 hours and beyond.
- **To offset the high rise in gasoline prices, employees in rural areas who travel great distances are demanding mileage reimbursement while employees in the cities who spend a lot of time in their vehicles, due to traffic conditions, want higher wages.** Failure to meet these demands resulted in employees refusing to transport clients to medical appointments, social activities, perform errands, or to do shopping. There are H/C Service Provider Agencies who have ceased to transport the elderly.
- **General business liability insurers require employers to carry Non-Owned Auto insurance** coverage because H/C Service Provider Agencies provide shopping, errands, transporting clients to medical appointments and social activities, and because employees' travel from one client to their next client.
- **Workers Compensation Insurers have reclassified some H/C Service Provider Agencies' employees as Drivers thus doubling the insurance premium to 10.85% of payroll.**

- **In 1994 the difference between Homemaker and Home Health Aide rates was \$.72. Today, Home Health Aide rate is \$7.84 per hour higher than the Homemaker Rate.**
- **Homemakers received no rate adjustments in 1995, 1996, 1997, 1999, 2004, and 2006, while Home Health Aides received 10.08%, 9.92%, 14.58%, 2.02%, 6.94%, and 4.04% respectfully.**
- **Since 1994, in 12 years, Homemaker rates increased a total of \$.88 per hour, while Home Health Aide rates increased \$9.44 per hour.**
- **The minimum wage in 1994 of \$4.27 per hour increased to \$7.65 per hour in 2007; an increase of \$3.38 per hour. Yet our Homemaker/Companion rates increased a total of \$.88 for the same time period. A business expense of \$2.50 per hour more.**

## **SOLUTIONS**

We, the H/C Service Provider Agencies within the State, are asking for Legislative action:

- **As a permanent measure, we want it clearly defined in the regulations (which is reflected on pages 1 and 2 of this position statement) for the CHCPE, that when a client is transported to a medical appointment or social activity by a H/C Service Provider Agency that this service be classified as a Homemaker service.** To further clarify this: Companion service would be classified as a H/C Service Provider Agency who provides an individual to escort the client who is transported by a commercial transportation provider who is a regulated carrier and meets all applicable state and federal permit and licensure requirements.
- **Change the requirements so that the client, or the State, must pay for parking fees incurred by the client for medical appointments and/or social activities.** If it has been predetermined that the client's financial status is such that they are unable to pay, then rewrite the regulations so that the H/C Service Provider Agency can be reimbursed by the State for paying the tolls and parking fees incurred by the client for medical appointments and/or social events under the CHCPE.
- **We seek legislative action in establishing a Homemaker/Companion rate adjustment of 38%, beginning with the July 1, 2007 fiscal year. These rates are the rates that would be in effect if the CPI were met each year starting in 1994.** Keep in mind that H/C Service Provider Agencies have experienced exceptional cost increases due to the escalating high price of gasoline, travel time that is paid to the employee by the employer by law, employer cost for hired automobile/non-owned automobile insurance coverage, worker's compensation insurance and the effect of minimum wage law increases.

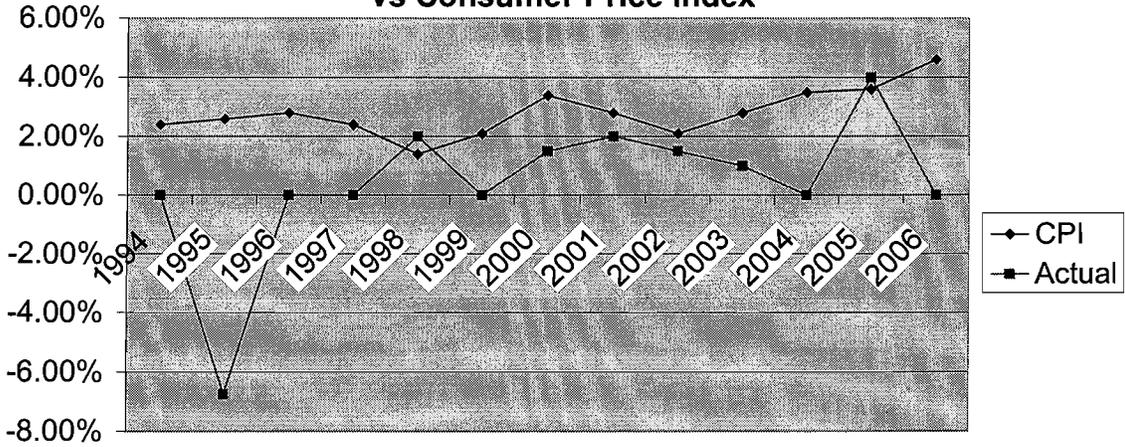
## **SUMMATION**

If Homemaker/Companion rates are not adjusted high enough, quick enough, to compensate the costs incurred by H/C Service Provider Agencies, the time will come when the remaining H/C Service Provider Agencies will no longer be in a financial position to transport the elderly under the CHCPE and the elderly may not be able to meet their social/medical needs.

**HOMEMAKER & COMPANION RATES & PERCENTAGE INCREASE ANALYSIS**

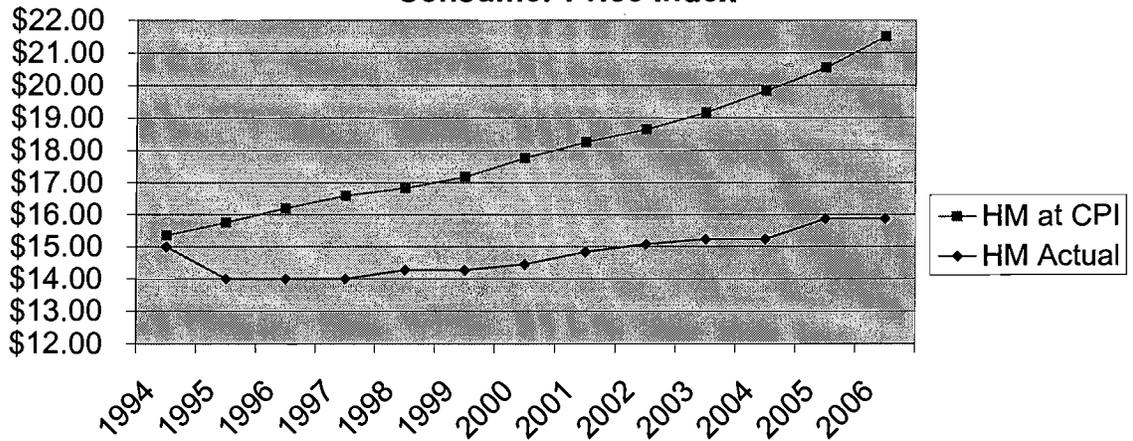
Year	CPI	Hmkr Increase	Hmkr Rate Actual	Hmkr Rate at CPI	Comp Increase	Comp Rate Actual	Comp Rate at CPI	HHA Increase	HHA Rate Actual
1994	2.40%	0.00%	\$15.00	\$15.36	0.00%	\$15.00	\$15.36		14.28
1995	2.60%	-6.75%	\$14.00	\$15.76	-16.80%	\$12.40	\$15.76	10.08%	15.72
1996	2.80%	0.00%	\$14.00	\$16.20	0.00%	\$12.40	\$16.20	9.92%	17.28
1997	2.40%	0.00%	\$14.00	\$16.59	0.00%	\$12.40	\$16.59	14.58%	19.80
1998	1.40%	2.00%	\$14.28	\$16.82	2.00%	\$12.68	\$16.82	0.00%	19.80
1999	2.10%	0.00%	\$14.28	\$17.17	0.00%	\$12.68	\$17.17	2.02%	20.20
2000	3.40%	1.50%	\$14.46	\$17.76	2.00%	\$12.92	\$17.76	0.00%	20.20
2001	2.80%	2.00%	\$14.84	\$18.26	2.00%	\$13.20	\$18.26	1.98%	20.60
2002	2.10%	1.50%	\$15.08	\$18.64	1.50%	\$13.40	\$18.64	1.94%	21.00
2003	2.80%	1.00%	\$15.24	\$19.16	1.00%	\$13.52	\$19.16	1.52%	21.32
2004	3.50%	0.00%	\$15.24	\$19.83	0.00%	\$13.52	\$19.83	6.94%	22.80
2005	3.60%	4.00%	\$15.88	\$20.55	4.00%	\$14.08	\$20.55	0.00%	22.80
2006	4.60%	0.00%	\$15.88	\$21.49	0.00%	\$14.08	\$21.49	4.04%	23.72
%	36.50%		5.87%	39.92%		-6.13%	39.92%		66.11%

### Homemaker Actual Percentage Increase vs Consumer Price Index



No Rate Increase Given for Five of the Years Including 2006

### Homemaker Rate vs Homemaker Rate Adjusted at Consumer Price Index



Companion Chart Looks Like This Homemaker Chart

