

6668

Testimony of Deborah Chernoff, District 1199/SEIU Healthcare  
Before the Human Services Committee on March 17, 2009  
Supporting Bill 666

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My name is Deborah Chernoff. I am an Elected Organizer of the New England Health Care Employees Union, District 1199 and lead the research and communications departments for our union. 1199 represents 7,000 nursing home workers at 65 nursing homes in Connecticut. Our members include nurses, aides, housekeepers, dietary, laundry and maintenance workers. I also serve as a member of Connecticut's Long Term Care Advisory Committee.

I am testifying today on Bill 6668, An Act Providing Quality Care, Financial Oversight and Nursing Home Funding Reform which addresses issues across the long-term care spectrum, specifically in both nursing home and home care.

First, I would like to testify in support of consumer directed personal care assistants and consumers in support of the **PCA Quality Home Care Workforce Council** established by Bill 6668.

Personal care assistants provide assistance to seniors and people with disabilities so they can live in their homes and not in an institution. We know, via the Long Term Care Assessment which was done by the University of Connecticut Health Center under Public Act 06-188, that this is the strong preference of Connecticut citizens who need or will in the future need long-term care supports and services.

Personal care assistants perform activities such as lifting consumers in and out of beds and/or wheel chairs, preparation and assistance with meals, bathing and other services.

You will hear testimony from a number of Personal Care Assistants about their love for the work they do providing care for people in the community. You will also hear about the major obstacles they face is doing this work fulltime, particularly the low wages and the lack of health benefits. These deficiencies are barriers to achieving the goal of supporting and expanding choice for consumers

To ensure that personal care assistants can continue to assist and give quality care to seniors and people with disabilities, the Human Services committee should pass Bill 6668, which establishes a PCA Quality Home Care Workforce Council.

This Council will:

- **Improve the ability to connect the consumers and home caregivers** through a comprehensive statewide registry.
- **Provide backup services** when a home caregiver is unavailable.
- **Prepare the program for future growth** by reducing turnover of caregivers by providing training and other benefits.
- **Grant consumers majority representation** on the Council, so the people who use the services can have a voice.
- **Maintain consumer control and direction**, particularly the ability to hire, train, and fire caregivers.
- **Give caregivers the opportunity to speak with one voice** through a union, if they choose.

In order to accomplish these critical goals, I have attached to my testimony a proposed amendment to the current language of Bill 6668 regarding the establishment of the Council.

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Based on the experience of a number of other states where such councils have been successful in meeting the needs of both consumers and attendants, we know that the giving PCAs the opportunity to organize and bargain collectively has been a key component of that success.

It was through creating an appropriate mechanism to enable collective bargaining that that these Councils were able to raise wages and address benefit issues and other obstacles to choice, thereby increasing the available workforce and reducing turnover, while maintaining consistency of care and consumer choice and control. That is the case in California, Massachusetts, Michigan, Oregon and Wisconsin and that will be the case in Connecticut if this bill is strengthened through this amendment.

It is now time that we stand together to ensure that seniors and people with disabilities can continue to remain in their homes and receive quality home care from personal care assistants.

At the same time, we cannot neglect the nursing home sector of the long-term care spectrum. The precarious financial condition of too many Connecticut nursing homes continues to threaten the health and livelihoods of thousands of citizens who rely on those facilities and the caregivers who provide that care. There are currently ten nursing homes in state receivership, another five in bankruptcy and many teetering on the brink. Layoffs and hours cuts are widespread, causing staffing levels to decline. More than 50,000 Connecticut jobs in long term care, and healthcare services for the 30,000 frail elderly and people with disabilities who reside in nursing homes are on the line if we do not stabilize and support this critical sector of our healthcare system.

I would like to thank the Committee, therefore, for raising this important bill which will refashion nursing home funding and oversight, enabling responsible operators to continue to provide good care through reimbursement reform. Bill 6668 begins, at long last, the process of implementing the recommendations contained in the 2002 report of the Ad Hoc Task Force on Nursing Home Costs in Connecticut. Those recommendations are informally known as the Vladeck report after its chairman, Dr. Bruce Vladeck, a nationally-known expert on health care policy who served as Secretary of the Health Care Financing Authority (now known as CMS) under President Clinton.

The Task Force was convened in 2001 and issued its report in 2002, determining determined that nursing home Medicaid reimbursement rates **do not** reflect the actual costs of providing care. This is a key factor in the financial instability of many nursing homes. Some of the key recommendations of the Task Force that would be implemented under this bill address the cost of care issues that are undermining our entire long-term care system:

- The Task Force recommended that nursing homes should be reimbursed at **95% of actual, allowable costs for Direct Care and Indirect Care**. The 5% "discount" encourages cost containment penalizing higher-staffed or higher-need facilities for their higher labor costs.
- Physical plant maintenance and improvement costs would be considered as "Indirect Care" costs instead of "Administrative and General" costs for the purposes of determining reimbursement to ensure that facilities attend to critical infrastructure such as sewage, fire safety devices, or wheelchair access at older facilities

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- Any nursing home where 90% or more of the resident population receives care through Medicaid will get additional “disproportionate share” reimbursements, modeled after the way the State currently reimburses hospitals. Many facilities in the bigger cities and distressed municipalities have very high Medicaid populations with no other payer source to offset the shortfall between reimbursement rates and the actual cost of care. This would also help maintain access to long-term care for the poor and their families, since they have few other options.

I commend the Committee for recognizing that reforming the Medicaid reimbursement system in Connecticut is essential to continuing to provide quality care now and in the future. This is especially important at a time when changing demographics mean that, even with a greater emphasis on home care and successful “rebalancing” of long-term care, Connecticut’s need for nursing home beds will **increase** by at least 25% over the next two decades, as noted in the Long Term Care Needs Assessment of 2007, based on demographic shifts in our aging population.

Thank you for the opportunity to testify today.