



Connecticut Chapter

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March 8, 2012

Committee on Labor

Testimony Regarding Raised Bill No. ~~330~~ 5439

**“An Act Concerning The Employers of Individuals Providing Homemaker Services,
Companion Services and Homemaker-Home Health Aide Services”**

DEAR SENATOR PRAGUE AND MEMBERS OF THE COMMITTEE:

My name is Ken Gurin. I am the President of the National Private Duty Association (NPDA), Connecticut Chapter, a non-profit trade association comprised of employer based providers of homemaker-companion services. Our membership consists of 14 agencies servicing thousands of seniors in their homes or places of residence throughout the State of Connecticut. Thank you for the opportunity to submit comments on Bill ~~330~~ 5439

We are writing in support of this bill, as it offers needed protection to both the senior clients and the home care workers providing their care. We were in full support of last year's Public Act No. 11-230 (Substitute Senate Bill No. 911), “An Act Concerning Homemaker Services and Homemaker-Companion Agencies”, which requires that Registries provide the consumer with written notice about the potential liabilities when using an Independent Contractor furnished by a Registry. However, we are concerned that enforcement of this Act will be sporadic at best, due to the limited resources of the Department of Consumer Protection to monitor compliance. Bill ~~330~~ will in itself, resolve this very issue.

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The entire Registry concept dates back over 80 years in the State of Connecticut, but it was developed for skilled Registered Nurses, not homemakers and companions. Unlike nurses who are self directed professionals and operate without client direction, homemakers, home health aides, companions and personal care workers are the opposite. These individuals receive supervision/follow direction, are moderate wage earners and are not generally working independently in their own profession or business. Therefore, by definition, they are not independent contractors and in fact, are employees of the person or organization who employs them.

By requiring that all homemakers and companions be classified as employees insures that both the senior and the caregiver operate within the legal requirements and receive the protections they deserve. The senior will not have to worry about the potential risks associated in using a Registry. Not only do they become an “accidental employer”, with the responsibility of withholding employment taxes and matching of benefits (Unemployment Insurance, Medicare, Social Security), they would need to provide worker's compensation insurance, to protect themselves in case the caregiver gets injured in their home. Homeowner's insurance generally

does not provide coverage for employees' injuries that occur within the home, thus making the senior personally liable.

For the caregiver working at a Registry, they are often not even aware of the Independent Contractor relationship they actually hold. At the time benefits such as Unemployment, Medicare and Social Security are expected to be collected, it can come as a complete surprise that they have no entitlements since they have not had the needed contributions made on their behalf. This can be a devastating life event for these individuals at the point in time these benefits are needed.

We commend the Members of the Committee for addressing a long needed clarification of the actual status of home-makers and companions as employees. It mitigates the risks for both our seniors and the dedicated caregivers who care for them while providing needed protection for both.

Thank you for the opportunity to testify today.