



House of Representatives

General Assembly

File No. 676

February Session, 2014

House Resolution No. 11

House of Representatives, April 24, 2014

The House Committee on Appropriations reported through REP. WALKER of the 93rd Dist., Chairperson of the Committee on the part of the House, that the resolution ought to be adopted.

RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE PERSONAL CARE ATTENDANT WORKFORCE COUNCIL AND THE NEW ENGLAND HEALTH CARE EMPLOYEES UNION (DISTRICT 1199, SEIU).

Resolved by this House:

- 1 That the collective bargaining agreement between the Personal Care
- 2 Attendant Workforce Council and the New England Health Care
- 3 Employees Union (District 1199, SEIU), submitted to this assembly for
- 4 approval April 4, 2014, as provided in subdivisions (7) and (8) of
- 5 subsection (e) of section 17b-705a of the general statutes, is approved.

APP *House Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 14	FY 15	FY 16
Social Services, Dept.; Developmental Services, Dept.	GF - Net Cost	1,018,250	2,559,000	3,133,500

Municipal Impact: None

Explanation

The resolution will result in a net General Fund (GF) cost of \$6.7 million across three years associated with wage increases, training, and paid time off for the state's personal care attendant (PCA) workforce. The cost is based on the approval of a collective bargaining agreement between the Personal Care Attendant Workforce Council and the New England Health Care Employees Union (District 1199, SEIU). This agreement covers the period July 1, 2013 through June 30, 2016.

Total General Fund estimated costs associated with this agreement are \$1,256,500 in FY 14; \$3,148,000 in FY 15; and \$3,827,000 in FY 16. The agreement will also result in increased revenue of \$238,250 in FY 14; \$589,000 in FY 15; and \$693,500 in FY 16 associated with federal Medicaid reimbursement. Upon adoption of the resolution, the FY 14 costs will be paid from the Medicaid account in the Department of Social Services and the Employment Opportunities and Day Programs and Community Residential Programs accounts in the Department of Developmental Services (DDS). It should be noted, the agreement requires that wage increases for FY 16 be negotiated beginning in August of 2015, which will likely affect FY 16 costs. A summary of the estimated General Fund costs of the contract is provided below:

Cost Estimate of Agreement

Agency/Item		FY 14 \$	FY 15 \$	FY 16 \$	Total Value of Contract \$
DSS	Wage Increases	540,000	1,515,000	1,920,000	3,975,000
DSS	PCA Training Fund	65,000	120,000	140,000	325,000
DSS	Paid Time Off Fund	45,000	95,000	110,000	250,000
DSS Net Cost		650,000	1,730,000	2,170,000	4,550,000
DDS	Wage Increases	476,500	1,178,000	1,387,000	3,041,500
DDS	PCA Training Fund	70,000	120,000	130,000	320,000
DDS	Paid Time Off Fund	60,000	120,000	140,000	320,000
DDS Gross Cost		606,500	1,418,000	1,657,000	3,681,500
Total		1,256,500	3,148,000	3,827,000	8,231,500
Less DDS Federal Revenue		238,250	589,000	693,500	1,520,750
Net State Cost		1,018,250	2,559,000	3,133,500	6,710,750

Department of Social Services Wage Increases - The agreement provides for wage increases for PCA's supported by Department of Social Services (DSS) programs, which total \$540,000 in FY 14, \$1,515,000 in FY 15 and \$1,920,000 in FY 16. This includes funding to meet the wage ranges specified by the agreement, lump sum payments, as well as funding to support the general wage increases outlined below:

Effective Date	Increase \$
January 1, 2014	0.50
January 1, 2015	0.50

Department of Developmental Services Wage Increases - The agreement provides for wage increases for PCA's supported by the Department of Developmental Services, totaling \$476,500 in FY 14, \$1,178,000 in FY 15 and \$1,387,000 in FY 16. This includes funding to

meet the wage ranges specified by the agreement, lump sum payments, as well as funding to support the general wage increases outlined below:

Effective Date	Increase \$
January 1, 2014	0.40
January 1, 2015	0.35

Training and Orientation Fund - The agreement requires the state to establish an interest bearing account known as the CT PCA Training and Orientation Fund. It requires contributions totaling \$950,000,¹ over the length of the agreement with allocations as follows: \$200,000 effective January 1, 2014, \$350,000 effective July 1, 2014 and \$400,000 effective July 1, 2015. A committee will manage the fund, which will finance skills training and up to 25 slots for eligible workers to participate in certain PCA Training Programs offered by state educational institutions. In addition, each eligible PCA who completes the fund sponsored orientation will receive a stipend of \$37.50 from the fund.

Paid Time Off Fund - The agreement requires the state to allocate a total of \$800,000 over the length of the agreement to a Paid Time Off Fund for eligible PCA's. The criteria and distribution of the funds will be determined by the Labor Management Committee (LMC). The agreement specifies funding be allocated as follows: \$150,000 effective January 1, 2014, \$300,000 effective July 1, 2014 and \$350,000 effective July 1, 2015. Any funds remaining at the end of the agreement will lapse.

Fringe Benefits/Pension - Article 3, Section Three of the agreement clarifies that personal care attendants are not state employees and are exempt from any and all related rights, obligations, privileges or immunities.

¹ Funding identified in the Cost Estimate table reflects the DSS net costs due to the net funding of the Medicaid account. When federal revenue is taken into consideration, the total funding allocated for the Training and Orientation Fund, as well as the Paid time Off Fund reflects the amounts specified by the agreement.

Funding Availability - Funding was not provided in the original FY 14 and FY 15 budget for this purpose. However, as stated above, the FY 14 costs will be paid out of the DSS Medicaid account, which is anticipated to lapse funding at the end of the year. The FY 14 DDS costs will be paid by Employment Opportunity and Day Services and Community Residential Program accounts. DDS anticipates transferring funds available in Personal Services to the Community Residential Program account through FAC action.

sHB 5030, the revised FY 15 budget, as favorably reported by the Appropriations Committee, provides funding of \$1 million each for DSS and DDS. Below identifies the additional funding in each agency required to support the cost of the agreement:

Additional Funding Required Beyond sHB 5030

Agency	Amount \$
Department of Social Services	730,000
Department of Developmental Services	418,000
Total	1,148,000

DDS costs receive 50% reimbursement under the federal Medicaid waiver, which is recognized as General Fund Revenue. Conversely, costs under the DSS Medicaid account are net funded.

Member Overview - The cost of the agreement is based on over 10,700 payment records as PCAs may work for more than one consumer. Based on 2012 data, there were 3,449 payment records under DDS and 7,268 payment records under DSS.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OFA Bill Analysis**HR 11*****RESOLUTION PROPOSING APPROVAL OF A COLLECTIVE BARGAINING AGREEMENT BETWEEN THE PERSONAL CARE ATTENDANT WORKFORCE COUNCIL AND THE NEW ENGLAND HEALTH CARE EMPLOYEES UNION (DISTRICT 1199, SEIU).*****SUMMARY:**

The resolution is between the Personal Care Attendant Workforce Council and the New England Health Care Employees Union (District 1199, SEIU). This agreement covers the period July 1, 2013 through June 30, 2016.

EFFECTIVE DATE: July 1, 2013

BACKGROUND***Public Act 12-33***

Public Act 12-33 allows personal care attendants (PCAs) paid by the state and family child care providers paid by the state's Care4Kids program to collectively bargain with the state through an employee organization (i.e., a union) over reimbursement rates, benefits, payment procedures, contract grievance arbitration, training, professional development, and other requirements and opportunities. It explicitly states that child care providers and PCAs are not state employees, and except for the bargaining rights provided in the act, do not have the rights, obligations, privileges, and immunities statutorily provided to state employees. It also requires the General Assembly to affirmatively approve any contract or arbitration award that would require additional appropriations to maintain existing service levels.

Personal Care Attendant Services

PCA services assist with the acquisition, improvement and retention

of skills and provide necessary support to enhance an individual's ability to live in their community, as specified in the plan of care. Services may include non-medical care, supervision, socialization, assistance with meals and basic activities of daily living.

Fiscal Intermediaries

A Fiscal Intermediary (FI) is an organization that provides assistance to consumers to implement their Individual Support Agreements and to manage financial accountability and employer responsibilities. Fiscal Intermediaries are not service providers. A Fiscal Intermediary is an administrative and fiscal agent that assists consumers with using the money they receive from the agencies to pay for the services and supports they need. A FI is not able to make decisions about the amount or type of services needed. The FI helps consumers manage the supports that have already been identified in their plans and budgets.

FIs work with the service providers that a consumer chooses. If a consumer chooses to hire their own support workers, the FI will help them manage the paperwork responsibilities that come with being an employer. The FI will assist a consumer with completing employment forms, paying staff, ensuring tax compliance and preparing end-of-year reports. If a consumer chooses a provider agency for their supports, the FI pays the provider on their behalf, according to the budget approved with their Individual Support Agreement. The FI will also pay other vendors for special services that consumers have in their budget. The FI will give consumers monthly financial reports to let them know if they are spending what they have budgeted on the items they planned, or if they are spending too much and need to make adjustments to stay within their budget.

COMMITTEE ACTION

Appropriations Committee

House Favorable

Yea 33 Nay 1 (04/15/2014)