



Testimony to the Committee on Labor and Public Employees

Submitted by Mag Morelli, President of LeadingAge Connecticut

March 7, 2019

Regarding

Senate Bill 2, An Act Increasing the Minimum Fair Wage
House Bill 5004, An Act Increasing the Minimum Fair Wage
House Bill 7191, An Act Increasing the Minimum Wage
And
Senate Bill 764, An Act Prohibiting On-Call Shift Scheduling

LeadingAge Connecticut, a membership association of 130 not-for-profit and mission-driven organizations representing representing not-for-profit provider organizations serving older adults across the continuum of aging services, including skilled nursing facilities, residential care homes, home health care and hospice agencies, adult day centers, assisted living communities, senior housing and life plan communities. We appreciate the opportunity to submit the following testimony.

Senate Bill 2, An Act Increasing the Minimum Fair Wage
House Bill 5004, An Act Increasing the Minimum Fair Wage
House Bill 7191, An Act Increasing the Minimum Wage

The proposals to increase the minimum wage to \$15 an hour would have a significant impact on the providers of aging services because when the minimum wage is increased, it raises the entire wage scale and increases the cost of corresponding benefits. As a result, we anticipate a significant increase in labor costs for all aging services and including nursing homes, home health care agencies, and community-based providers.

Aging services providers who care for Medicaid clients already face Medicaid reimbursement rates that do not cover the cost of providing the services. For many years, reimbursement rates remained stagnant while the costs associated with the delivery of quality care, both in the community and in the nursing home, continued to rise - causing the gap between rates and costs to widen. The gap would widen ever further if the General Assembly enacts this proposed increase in the minimum wage. *Therefore, if these proposals are to move forward, we would request they be accompanied by a mandate for Medicaid rate increases to specifically address the additional costs incurred as a result of the minimum wage increase.*

Senate Bill 764, An Act Prohibiting On-Call Shift Scheduling

Skilled nursing home providers are responsible for providing high quality direct care to older adults in need of both short term post-acute care rehabilitation and long-term care assistance with activities of daily living. Nursing home providers must staff to the needs of their residents, and those needs and the number of older adults that they are serving may change on a daily basis. It is therefore imperative that these health care providers be able to modify their staffing levels to meeting those daily needs.

Nursing home providers must maintain the scheduling flexibility necessary to fill shift positions which arise due to staff absences, new admissions, or increased acuity levels. Currently, many nursing home providers have established rosters of per diem staff to achieve this flexibility. Those who are hired per diem or who volunteer for the per diem roster are available to respond to scheduling needs and augment core staffing plans. The per diem staff is trained for the level of service provided and is familiar with the individuals who are being served.

Similarly, other providers have established periodic on-call shift requirements and if the on-call employee is needed to work, those on-call worked hours are paid in addition to their regularly scheduled work hours. Residents are cared for by nursing assistants who are qualified and who are familiar with the residents being cared for.

Having the ability to utilize a per diem or on-call system provides a high level of quality and purposely prevents the need to use outside agency staff or to have core staff work short of planned staffing levels.

We do not understand why nursing home providers are specifically addressed in this bill. *While other states have enacted on-call shift scheduling legislation, we are not aware of any state that has placed these mandated restrictions on nursing homes or other health care providers.*

We encourage the Committee to consider the need for nursing homes to utilize per diem and on-call staffing practices that can provide the flexibility needed in direct care staffing so as to respond to the continuously changing needs of older adults receiving post-acute care and long-term services and supports.

Thank you for your consideration of our testimony.

Respectfully submitted,

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