



In SUPPORT of HB 5426: AN ACT CONCERNING LIENS FOR UNPAID WAGES AND A REQUIREMENT THAT FISCAL INTERMEDIARIES MEET EMPLOYER TIMELY PAY OBLIGATIONS

Good Morning Senator Kasser, Representative Lopes and members of the Committee, my name is Diedre Murch and I am an Elected Organizer with District 1199. I also lead the Home Care division of our union which represents approximately 10,000 PCA's who are employed through home and community based Medicaid waivers. **I am here today to testify in support of HB 5426.**

In Connecticut, Home and Community Based Medicaid waivers allow consumers to stay in the home and employ a caregiver of their choice. The need for these services is growing so much that the State of Connecticut projects that home care provided through Medicaid will increase from 67.6% of long-term care enrollees in 2017 to 82.3% by 2040. This program is administered by the Department of Social Services and two fiscal intermediaries manage this payment system for the Connecticut Department of Social Services. The largest and most problematic of these is Allied Community Resources.

The job of the fiscal intermediary, Allied, is to process and make payments in a timely fashion. However, data provided by the State of Connecticut shows that last fiscal year, Allied processed more than 6,000 PCA timesheets after the scheduled payday. That equals thousands of partial, late, or missed paychecks. If Allied finds errors on a timesheet, Allied will not contact the worker directly to provide a remedy. Instead, Allied is supposed to communicate payroll problems to the consumer. But some consumers report that notices are received too late, meaning that fixing the problem before payday is not an option. Other consumers report that they don't receive the information at all. And many times, Allied reports they never received timesheets despite workers having record of accurate and timely submission by fax or email.

DSS and the PCA Workforce Council will tell you that there are ways for PCAs to resolve their issues with Allied, including a hotline that will respond to messages left. Instead of trying to solve these problems after repercussions have happened, like eviction, overdraft fees, and missed bill payments, we should have a system that ensures every PCA gets paid on time, every time.

Close to 90% of homecare providers are women, and we believe the majority are also people of color who are caring for low-income consumers. As the payroll agent for all

DSS programs, we know that Allied's payroll is disproportionately made up black and brown caregivers compared with Sunset Shores, who serves a comparatively whiter and higher wage workforce. What this means is that any problem impacting homecare workers paid by Allied also raises issues of disparate treatment toward caregivers of color. Ensuring that Allied is held accountable and pays PCAs on time and accurately is therefore a pressing issue of both racial and economic justice.

Considering that Allied's revenue in fiscal year 2018 was more than \$6.3 million, and that its contract with the state from January 1, 2012 to November 30, 2017 was over \$15.4 million, Allied should be able to fulfill its responsibility to provide accurate pay to all PCAs – black, brown and white – on time, every time.

We regularly receive tearful, frantic calls from members whose nonpayment means they are facing eviction or don't know how they'll keep their utilities on or buy groceries to feed their families. We urge you to listen, hold these stories in your heart, and take action to pass HB 5426 because no human being, much less a working person who helps their consumer live independently, should have to face these types of impossible choices.