

MEMORANDUM

TO: ALL HOUSE MEMBERS
FROM: Reps. Austin Davis, Harry Readshaw, Adam Ravenstahl and Dan Deasy
RE: Wage Board Legislation

Pennsylvania has 219,000 direct care workers, the vast majority of whom work in Long Term Support Services funded via the state's Medicaid program – either directly or through their employment with a home care agency or nursing facility. Direct care work is one of the fastest-growing job sectors in our State. Still, the work is also among the lowest paid in our state with a median wage of \$12.38 per hour across all DCW professions and as low as a starting average wage of \$9.73 for personal care aides. Forty-six percent of home care workers and 30 percent of personal care aides in Pennsylvania are recipients of public assistance such as Medicaid and food stamps because wages are so low.

In addition, the work is physically and emotionally demanding. Home care workers are isolated, with no common workplace, and many face language barriers that exacerbate that isolation. The poor quality of direct care jobs leads to high turnover and chronic workforce shortages.

According to the bipartisan Pennsylvania Long Term Care Council's 2019 [Blueprint for Strengthening Pennsylvania's Direct Care Workforce](#), we will need an additional 36,000 direct care workers by 2026 to meet growing demand, not including existing vacancies, and those workers need a pathway to making these good, family sustaining jobs.

To solve this problem, in the near future, we will be introducing legislation that would direct the state's Secretary of Human Services to create a long term care standards board as part of the state's Medicaid rate setting process. This board would meet every three years to ensure that the wages being paid to direct care workers are sufficient to maintain a strong workforce that can deliver the highest quality of care.

The Board would:

- Advise the Secretary on rate setting in long term care support services.
- Have the power to set pay rates for direct care workers.
- Create a public process whereby recipients of care, direct care workers, private home care and long term care employers, and the Medicaid program could work together to determine the best pay rates.

To ensure that direct care workers have a robust voice in the Board process, they would have the option of choosing a Workers Organization to represent their interests at the Board. The Medicaid program would support a robust Workers Organization via the following:

- The state would require all MLTSS funded employers to allow direct care workers to receive information about the Wage Board process and decisions from a certified Workers Organization at new employee orientations and continued trainings.
- Require all employers of direct care workers funded through Medicaid resources to allow their DCW employees to elect to deduct a portion of their paycheck to support the work on the Workers Organization.

Please consider signing onto this legislation to support our Direct Care workers.