Testimony of Sandy LaCroix, SEIU Healthcare Pennsylvania

Good Morning. My name is Sandy LaCroix. I am a caregiver at Golden Living Center in Scranton, and a member of SEIU Healthcare Pennsylvania, the state's largest healthcare union. In my work to improve our health care system for the people of our state I am joined by my union's 20,000 direct care workers in Pennsylvania's nursing facilities, home and community-based settings, hospitals, and in State facilities. We, in turn, are part of the largest health care union in North America, uniting nearly 1 million caregivers in the U.S., Canada, and Puerto Rico.

I thank Representative Mundy and the Aging Committee for this opportunity to talk about the challenges that Pennsylvania's direct care workers face. These challenges, I believe, must be addressed if we are ever to build a long term care system that gives seniors the quality care they deserve. In long term care, quality is not about high-tech equipment, fancy procedures or heroic interventions. It is about the quality of hands-on assistance given by a direct care worker. Frontline caregivers bathe, dress, feed, transport and befriend their clients. We notice and report changes in a client's physical and emotional condition. We arrange and act as crucial social contact for their clients. They compromise their own safety and health to be with clients every day when family and friends cannot do the job. This is why the problems that workers face are the problems that seniors face, and why it is in everyone's interest to address direct care workforce issues.

I. The Work Force Crisis: Too Few Good Workers When and Where We Need Them Most

It is no secret that as baby boomers retire and age, the demand for long-term care services will surge. By 2020, 18.8 percent of Pennsylvanians will be over 65, representing an increase of nearly half a million seniors since the 2000 census. The over-

85 population – the group most likely to need long-term care -- will have increased by 52 percent.[1] Over the next thirty years, the number of older adults with disabilities will more than double, increasing from about 10 million to about 21 million.[2]

If the sheer number of aging Pennsylvanians isn't daunting enough, experts tell us that each boomer will need, on average, more hours of paid care than seniors of the past. Increasing divorce rates, declining family size and more women in the workforce mean that aging boomers cannot rely on "eldest daughter caregiving" as frequently as could their predecessors. Demographers predict that by 2040 there will be only about 9 adults between the ages 25 to 64 to support each disabled older adult, down from about 15 younger adults currently, and fewer of these will be available to give family care. Thus paid hours of help per frail adult is projected to increase from today's 163 hours per month to 221 hours in 2040. Multiply this by the number of boomers coming into the system and the total number of needed paid care hours will triple over the coming generation[3]

Today, Pennsylvania does not have enough caregivers to deliver what seniors need. In 2005, Pennsylvania's estimated shortage of direct care workers was about 10,000.[4] With the aging of the boomers, this so-called "caregiver gap" threatens to become a chasm. Pennsylvania Department of Labor and Industry projects an increase of 41,950 job openings for direct care workers in the next decade, the decade in which our senior population will grow by about 40%. The state's traditional care-giving population, women between the ages of 25 and 54, is expected to shrink by 12 percent over the same time frame.

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[1] Pennsylvania Data Center, Population Pyramids of Pennsylvania, 2000 – 2020. and U.S. Census Bureau, 2004 Current Population Estimates and Interim Projections by Selected Age Groups, April 2005. With Americans living longer, more seniors will need long term care as they age. Individuals currently turning age 65 face an average of three years of need for long term care some time before they die, with one in five expected to need five years of care or more. See Kemper P., Komisar H.L., and Alecxih L., "Long Term Care Over an Uncertain Future: What Can Current Retirees Expect?" *Inquiry*, Winter 2005/2006.

[2] Richard W. Johnson, Desmond Toohey, Joshua M. Wiener, "Meeting the Long-Term Care Needs of the Baby Boomers: How Changing Families Will Affect Paid Helpers and Institutions," The Urban Institute, May 2007.

[3] *Ibid.*

[4] *2004 Long Term Care Workforce Surveys: A Report to the Intra-Governmental Council on Long Term Care*, May 2005.

Besides having too few workers, Pennsylvania has too few workers with experience on the job. Despite the importance of long-term relationships in long term care, Pennsylvania's providers have tremendous difficulty recruiting and retaining workers. A recent survey of long term care employers in Pennsylvania found most employers providers reporting significant problems with either recruitment or retention; 19 percent reported that their problems were very serious.[5] The job vacancy rate for all frontline care workers in Pennsylvania was 9.2 percent; rates were higher among home care agencies, which often reported vacancy rates of between 10 percent and 20 percent, with another 12 percent reporting vacancy rates greater than 20 percent. In fact, in Pennsylvania, roughly 40 percent of all home care workers have been with their employer for less than one year.[6]

In nursing homes, turnover rates range from 50 to 75 percent, exceeding vacancy rates, and showing that retention is a bigger problem than recruitment. Turnover rates for home health and home care workers are even higher than for nursing homes. High turnover rates reduce the continuity and stability of care, lead to miscommunications, result in patient safety problems, as well as worker injuries and poor morale. Turnover also means that we spend far too much on recruitment and training. The cost of nursing aide turnover in the U.S. is estimated at over $4 billion per year in the US.[7] I'm sure we can all think of better ways to spend our scarce healthcare dollars.

Our inability to create and sustain a quality long term care workforce endangers consumers and wastes scare taxpayer dollars. Why do have such a big problem, and what can we do about it?

II. What's Wrong with Direct Caregiving?

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[5] *2004 Long Term Care Workforce Surveys.*

[6] For unlicensed home care/home health agencies, the figure is 40.7 percent. At licensed agencies, 38.5 percent of all employees have been with their agency for less than one year.

[7] National Commission on Nursing Workforce for Long-Term Care (2005). ACT NOW For Your Tomorrow. Washington, DC: National Commission.

My own experience confirms what research shows: Pennsylvania's inability to create a top-notch long term care workforce comes down to a few basic, even obvious causes. At the root of the problem are poor wages and benefits, inadequate and inconsistent training, high injury rates, the difficulty of making a career in long term care, and finally, the discouragement that we feel when employers and legislators make it plain that our work and voices are not respected. I'll say a few words about each of these.

1. Direct Care Doesn't Pay

According to recent Bureau of Labor Statistics data, the average wage for a personal care worker in Pennsylvania was $8.25 per hour, making Pennsylvania 27th among all states.[8] And unless she was very unusual, this average personal care worker received no employer-paid health insurance, no pension, and no paid sick time. Poor pay and benefits in long term care are so ubiquitous that Pennsylvania's Department of Aging created a handbook for direct care workers to help them find and apply for public assistance.[9]

Wages in nursing homes are a bit better, but they are by no means adequate. In 2005, the average entry level nurses aide earned about $18,000 a year, which converts to $8.65 and hour. The median income for this same worker was $22,156, or $10.65 an hour, and the annual income for an experienced nursing aide was $24,672, or $11.65 an hour.

To put these wages in context, we should note that the median income across all jobs in Pennsylvania in 2005 was $28,810, meaning that the median worker earned about $13.85 an hour. That's 19% more than the experienced nurse aide, 28% more than the average nurse aide, 60% more than the entry level nurse aide and a full 65% more than the average home care worker.[10] We should also note that in 2005, the so-called self-sufficiency income – that is, the income necessary for a family with two children to

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[8] *Across the States.*
[9] *Direct Connections: A Research Guide for Direct Care Workers.*
[10] PA Dept. of Labor & Industry, Center for Workforce Information & Analysis and http://www.bls.gov/oes/current/oes_pa.htm#b00-0000

scrape by without public assistance – was over $43,000 a year.[11]

It is hard not to view our poor pay as a comment by providers and legislators on the value of direct care and the people who need it. It will not be possible to create the large and reliable direct care workforce that seniors need without raising the wages of direct caregivers.

2. Direct Care is "Unskilled"

A member of our union once asked a representative of the Office of Long Term Living how many sites there are in Pennsylvania for training direct care workers. The representative didn't really know, but thought that if you include in the count every back office of every home care agency and nursing home across the state, then the number would easily top one thousand. Asked if the state had a good handle on whether training is delivered in a consistent and effective way, the representative said that such oversight simply isn't possible under the present system.

Direct care workers know perfectly well that the training we are given is inadequate, inconsistent and sometimes skipped altogether. We know it when we are thrust into situations for which we have had no preparation and told by management to "wing it," or when we compare notes with a worker trained somewhere else and discover that we've learned standards that are different or even contradictory.

Inadequate training has a dramatic impact on our ability to retain direct care workers. Many new employees find their work so challenging and bewildering that they don't make it past their probationary period. Seasoned staff rarely have the time to shadow or coach new workers; by treating peer mentoring as "extra" duty, home care

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[11] *The Self-Sufficiency Standard for Pennsylvania,* 5th edition, prepared for Pathways PA May 2006. Many researchers have noted, however, that these estimates are probably too low for most workers. They are certainly too low for homecare workers, who receive no employer-paid health benefits. The Dauphin County family described above, for instance, is budgeted only $335.00 per month for health care, and monthly transportation costs of only $443.00. This fictional family spends a mere $135.00 per week on food.

agencies and nursing homes contribute to the disorientation that drives caregivers from the field. And as providers in our industry redo their business plans in order to take advantage of new kinds of consumers and funding streams, even seasoned workers find themselves unequipped to handle the work.

We believe that it is the responsibility of the Commonwealth to ensure that workers are adequately prepared to do the job. It is not enough to list a series of necessary skills and then leave it to each provider to work out curriculum, training methods, and implementation. This way of operating is inefficient and it also encourages low standards -- with predictable results.

We can do better. My union has partnered with Golden Living to create Pennsylvanians United for Quality Care (PUQC), an education center for all of Golden Living's direct care workers. By consolidating our training, we were able to free up resources and invest in giving front line workers what they need, including peer-to-peer mentoring and support. Such concentration has really paid off. In 2005, the first year of the partnership, turnover at the company was 72%. By 2006, participating facilities had reduced overall turnover to 52% and last year turnover among these facilities was only 40%. But more impressive is the drop in turnover among students of PUQC courses. In 2006, turnover among direct caregivers who attended the trainings was cut to 13% -- compared to 71% company wide. By 2007, only 10% of caregivers who did the training left Gloden Living – compared to 52% company wide.

We believe that the state should learn from our experience and move in similar directions. The Commonwealth should establish a credentialing body to determine standards and create appropriate credentials for direct-care workers. More direct care worker training should be conducted peer-to-peer. Pennsylvania should also consolidate training sites and staff them with dedicated teachers and mentors whose job it is to prepare workers well.

3. Direct Care Is Not a Career

According to the dictionary, a "job" is "a paid position of employment and something one has to do, a responsibility." Interestingly, the root word for "job" is an Old English word that means "a lump." A job is simply a "lump" of work. The word "career," on the other hand, comes from Middle French and stems from the word for "street." A career is a path. The dictionary defines it as "an occupation, a way of making a living, especially with opportunities for advancement or promotion, and progress through life."

The direct care field lacks many critical elements that mark the difference between a job and a career. One lacking element is a so-called career ladder which, in better-structured occupations, allows workers to advance not just in wages but into positions that reflect increased experience, judgment and skill and bear ever-increasing responsibility. Today, there is no direct care role to which experienced home care workers can be promoted. In nursing homes, there is no clear path for moving from the position of entry-level nursing aide to LPN or RN. While it is true that an enterprising direct care worker will always find a way to advance, that is not really the problem. The problem is that paths to advancement are not readily evident or accessible, so an enterprising worker finds it just as easy to leave caregiving and start something new as to build on experience in direct care.

Direct care work also lacks the benefits that are associated with careers. Careers typically involve full-time employment, but because homecare workers receive no health insurance, many are afraid to work too many hours, lest they earn too much to qualify for medical assistance. Workers unwilling to swap full-time work for medical insurance have little choice but to view their stint in homecare as temporary, something they can only afford to do for a few years at most.

Caregivers who are financially responsible must also pay attention to the fact that very few direct care jobs offer a pension, let alone a pension that rewards longevity.

If Pennsylvania wants direct care to become a career worthy of committing to for a lifetime, then direct care jobs must have career ladders and come with health insurance and pensions.

4. Direct Care is Dangerous

Direct care workers hold the some of the most dangerous jobs in America. In fact, the rate of worker injuries within nursing and personal care homes is second among all industries, and ranks alongside construction, trucking, and meatpacking in nonfatal injury rates. Home care workers face similar risks in their work and very often deliver care without the benefit of workers' compensation insurance. And for many home caregivers, just getting to work puts them in danger. Home-bound clients depend on their aides to appear regardless of the weather and aides regularly speak of their dread of storms.

Risk of injury and illness are often amplified by the policies of employers and the Commonwealth. Studies suggest that most Pennsylvania nursing homes are too short-staffed to provide the best quality of care. [12] Unsurprisingly, these studies also show that short-staffing significantly increases the likelihood of injury.[13]

Homecare workers who might have the ability to call a client and reschedule shopping or housecleaning for a time after the roads are cleared are often told by their employers that it is too difficult for the dispatcher to reschedule everyone, but workers can be fired for contacting their clients directly. The absence of reasonable policies about

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[12] Numerous studies now show strong correclations between increased direct care staffing an improved resident outcomes, including improved resident survival rates, functional status, and incontinence care; fewer pressure sores and infections; less physical restraint, catheter and antibiotic use; less weight loss and dehydration; less electrolyte imbalance; improved nutritional status; lower hospitalization rates, improved activity participation rates, and a higher likelihood of discharge to home. [1,2,4] Psychological and physical abuse of residents by nursing assistants is higher where they are working in stressful conditions. Better staffing is associated with lower worker injury rates and less litigation actions. US Centers for Medicare and Medicaid Services, Prepared by Abt Associates Inc. *Appropriateness of Minimum Nurse Staffing Ratios in Nursing Homes. Report to Congress: Phase II Final.* Volumes I-III. Baltimore, MD: CMS, 2001; Schnelle, J.F., Simmons S.F., Harrington, C., Cadogan, M., Garcia, E., and Bates-Jensen, B. (2004). Relationship of Nursing Home Staffing to Quality of Care? *Health Services Research.* 39 (2):225-250 and Harrington, C., Carrillo, H., and Crawford, C. *Nursing Facilities, Staffing, Residents, and Facility Deficiencies, 1997-03.* San Francisco, CA: University of California, 2003. **www.nccnhr.org.**

[13] A study by Abt Associates for CMS reported that a minimum of 4.1 hours per resident day were needed to prevent harm to residents with long stays (90 days or more) in nursing homes. Of this total, .75 RN hours per resident day, .55 LVN hours per resident day, and 2.8 NA hours per resident day were reported to be needed to protect residents. The report was clear that residents in homes without adequate nurse staffing levels faced substantial harm and jeopardy. In order to meet the total 4.1 hours per resident day, 97% of homes would need to add some additional nursing staff.

sick time and the absence of back-up also contribute to caregivers appearing at work when we should be at home recuperating from injury or illness.

5. Direct Care Gets No Respect

Direct care workers believe that the work we do is special and that it takes special people to do the work. We believe that we are often the best advocate for our clients and residents and we take pride in going the extra distance to help them maintain their quality of life.

Low wages, lack of benefits, poor training and absent career ladders send a very different message about the value of our work and our clients. We are in the dignity business and, knowing as we do the difference between respectful treatment and shoddy treatment, we hear this message loud and clear. It says that the people who fund and regulate the long term care system don't – or don't yet -- share our assessment of the work we do or the people that we assist.

That means it is up to direct care workers to change society's views and priorities, and we are up to the challenge. In many of Pennsylvania's nursing homes and in some homecare agencies, direct care workers have succeeded in coming together to improve conditions for themselves and the people they care for.

But far too often employers choose to oppose our efforts, frequently in ways that are unlawful. It should trouble Pennsylvanians that in a system with too little money to provide enough good care, providers routinely spend hundreds of thousands of dollars to thwart workers' efforts to associate. It should trouble Pennsylvanians that employers routinely fire caregiver leaders – the women and men who are often also the most powerful patient advocates. It should trouble Pennsylvanians that workers who wish to use their collective strength to improve the system are pulled from consumers' sides into anti-union meetings, bombarded with anti-union literature, and blackballed by anti-union companies.

If we are serious about improving long term care, we must be serious about supporting the workers who deliver it. At a minimum, Pennsylvania's long term living system should insist on employer compliance with existing labor law. It surprises caregivers when they learn that long term living regulations contain many provisions to protect the consumer of care but none for those who give the care. Pennsylvania's long term living regulations and contracting standards should incorporate specific mechanisms for enforcing existing labor protections and for enforcing existing regulations regarding how public dollars may be spent.

Specifically, providers with a record of violating labor law should not be given the opportunity to do business with the Commonwealth or its agents. Providers should also commit to a method of financial reporting that permits authorities and taxpayers to verify that expenses incurred in assisting, promoting or deterring employee associations are not claimed as allowable costs under Medicaid.

Beyond insisting that all providers respect the law, the Commonwealth should affirmatively reward providers who work with caregivers to promote quality care. Quality contracting or "pay-for-performance" reimbursement schemes should include workforce improvement standards. Staffing levels, turnover rates, wages, and benefits are all concrete measures that are directly related to quality and all can be accurately and reliably measured. Providers bidding for public monies should show their plans to improve the direct care workforce, including plans to increase salaries, wages, or benefits of existing and newly-hired workers during the rate year. And since consumers and families know very well that how workers are treated is one good index of quality, information about provider performance around the workforce – such as wages and benefits, vacancy and turnover rates, and average tenure of workers, must be made available to in report cards.

"Performance contracting" along these lines is already used in a number of states[14]. In these states, successful bidders for publicly financed business must

[14] Illinois is one state where providers' bids are scored for quality. Over many years, this way of contracting has resulted in larger more stabile agencies with more ability to institute improvements in training,

demonstrate the ability to recruit and retain direct care workers and to provide them with excellent training. In one state, successful bidders must also commit to spending over 75% of their reimbursement to the direct care workforce.

I. Conclusion

It cannot be argued that direct care workers are paid poorly and treated poorly because their jobs are unskilled, or carry little responsibility or risk. The truth is that long term care workers have dangerous, poorly paid jobs because our system has the wrong priorities and because workers and consumers have too little voice in setting those priorities. As the need for care expands, the Commonwealth, providers, and direct care workers will all need to make additional investments in improving job quality, not just in compensation, but in training, career opportunities and respect for workers' rights.

Last year, Pennsylvania spent $1.7 trillion on long term care. About 65 percent of patient days in Pennsylvania nursing homes are paid for by Medicaid. Another 10 percent are paid by Medicare. The portion of public finance in homecare is similarly great. Taxpayers and voters finance this system, and through courageous government we have the ability to create the system that we need and deserve.

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oversight, and reporting. In addition, the legislature has been able to require providers to direct an increasing share of the reimbursement rate to direct care. Today, providers must devote at least 78 percent of public revenues to direct care.