

**Testimony**

**Presented by**

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VNA Extended Home Care**

**House Aging and Older Adult Services Committee  
April 2, 2008**

Good Morning. My name is Linda Bettinazzi, CEO of the Visiting Nurse Association and VNA Extended Home Care of Indiana County. Our mission is to serve the people of Indiana and surrounding areas by providing compassionate, high quality, cost-effective home care and other related health services.

Currently we have 115 full-time positions and 66 part-time positions. Full time status guarantees the employee a minimum of 35 hours of work per week; as well as health insurance benefits, sick and vacation paid leave. We provide care and services to over 4,000 Pennsylvanians each year, consisting of 88,000 home visits and traveling ~~50,000~~<sup>1</sup> miles to bring care to individuals in their own homes.

In 2007, VNA Extended Home Care was rated among the top 50 Places to work by the *Pittsburgh Post-Gazette*. We believe our product is our people. High turnover rates among direct care workers are too often regarded as simply a cost of doing business in long-term care, but we have seen first hand how investing in direct care workers improves both the health and well being of those we care for, and the health and wellbeing of the workers themselves. As a result of pioneering many new recruitment and retention initiatives, VNA was also honored in 2006 by the Greater Pittsburgh Human Resource Council as "Rising Star."

I have come here today to urge the committee to consider **new policy options for investing in our direct care workforce** so that much needed and valued care will always be available to older and disabled Pennsylvanians so that they can live as independently as possible.

But I'm also hear to sound an alarm that unless there is sufficient state reimbursement for direct in-home care, homecare agencies such as the VNA, will not be able to continue to provide training and other valuable employee benefits.

For the past several years, we have participated in a variety of promising "**return on investment**" initiatives focused on the recruitment and retention of qualified, motivated direct care staff. Our agency and others like us have learned a great deal from these efforts and I hope the state will act now to replicate them throughout the long-term living system and create more opportunities for providers to invest in our direct care workforce.

Devising and implementing a direct care worker investment strategy has involved our agency drawing on a patchwork of different resources. We have received nearly \$50,000 in funding from the local Area Agency on Aging through its Direct Care Worker Initiative. These dollars have been used for various training initiatives.

In 2002, VNA Extended Care played a leadership role in creating the Indiana County Health Care Careers Consortium, a regional alliance of 22 stakeholders focused on leveraging our individual resources to promote healthcare careers in Indiana County.

The Consortium has been a driving force in championing direct care worker issues and finding real-life solutions to local issues. In recent years, this consortium has participated in forward-looking training grants administered through the Tri-County Workforce Investment Board (WIB) to help local providers initiate and sustain programs focused on communication and problem solving for direct care workers.

Participation in these collaborative initiatives has helped our agency create and maintain a culture of retention among direct care workers.

Our agency was also involved in the Better Jobs Better Care project, along with our state trade association, the Pennsylvania Homecare Association. This foundation-funded demonstration, administered by the Center for Advocacy for the Rights and Interests of the Elderly (CARIE), provided us with more than \$120,000 over three years to infuse creative methods for improving retention rates and establishing a culture of respect and dignity.

Today, as a result of these initiatives, which are costly but absolutely worth our investment, our turnover rates are lower; direct care workers' morale is higher and we have a more qualified staff. Breaking it down further, here is what we have done:

**Increased salaries:** Our direct care workers salaries have been increased 3 percent each year, as well a 1-2 percent annual bonus. Our full-time employees also receive health care benefits, with no employee contribution, plus sick and vacation leave. On top of that our agency pays at the IRS rate for travel, which is 50.5 cents a mile. Last year, our entire agency's staff drove 500,000 miles costing nearly \$400,000

**Health Care Benefits:** This year our health insurance premiums increased 8 percent, as well as workers compensation. Everything about our employee benefit package has increased however our third party reimbursement, such as Medicaid Aging waiver has remained stagnant or has decreased.

**Training:** For the last 6 years, our agency has committed to doing all we can to have a highly trained competent workforce. We implemented a peer mentoring program, held sessions on communication especially between frontline workers and supervisors. Some of our aides are now certified in hospice and palliative care. Research has shown direct care workers do not leave their jobs; they leave their supervisors. So, we are now participating in another grant-funded project to implement a Coaching Supervision approach with our nurse supervisors and field staff.

All these strategies have worked. The VNA's retention rate has declined from 54 percent to 11 percent in four years. However, for all our recent success, the future outlook is very troubling. The average age of our frontline worker is 46 and ten of our most seasoned employees are currently above 60 years of age. Retention has been excellent but recruitment of new hires is becoming increasingly challenging.

What's to be done? I am sure that I don't need to tell anyone in this room that there are no simple answers. However one thing is very clear to me. Our organization has followed the complete equation for what researchers and experts tell us to be successful in retaining workers. We have increased salaries, improved benefits, adopted a culture of mutual respect and committed to an aggressive training program. And guess what? It does work BUT without additional resources our organization will have to roll back the clock.

There is now a proposal to adopt a standardized training for direct care workers. Again, the homecare industry absolutely agrees; however without a recognition that this type of health care, in-home care, is deserving of a raise just like other healthcare providers have received for years; we will not be able to sustain these added costs.

The broad recommendations outlined in the report of the Direct Care Workforce Group are a good place to start. The report calls for the state to create a comprehensive system of training and credentialing for direct care workers, one that exists both within and outside the workforce development system and rewards employer-based training initiatives. However I would continue to urge that these recommendations address the economic realities faced by all healthcare providers. Investing in direct care workers is both a **health care priority** as well as a **workforce development priority**.

Home is where people want to be and it's more cost effective. If Pennsylvania believes that every person has the right to be cared for in the least restrictive environment, such as my home; then we must invest in the workforce that's going to enable a person to do just that. The VNA has done that, but wouldn't it be a tragedy to be forced to go back in time to the model where all employees were part-time minimum wage and no benefits. That model does not work. It doesn't work for employees; and it doesn't work for consumers.

I look forward to continuing to work with you and other stakeholders to develop a true training program that enhances our ability to provide high quality care, while recognizing the financial commitment that must support such efforts. When analyzing return on investments, a much broader view must be taken – one which incorporates the cost of investing in our workforce versus the **cost to all of us** if we do not.

Thank you for giving me this opportunity.