



## CONNECTICUT ASSOCIATION FOR **HEALTHCARE AT HOME**<sup>SM</sup>

### **CT Home Care Wage Inequity is Destabilizing the Medicaid Safety Net**

The State of CT is finally recognizing the value of healthcare provided by home care workers.

Our local VNAs and other Medicaid home health agency providers and their 19,000 employees have saved the State general fund \$103-Million each year for the past 11 years, totaling \$1.3-Billion in savings, according to DSS reports.

However, not all home-based care workers are the same. More importantly, the source of funding to pay home-based worker wages are not the same.

The legislator's recent passage of the Personal Care Attendant (PCA) wage contract will increase pay for a select group of workers to \$16.25 on 7/1/20. Next week, a strike is threatened by workers who serve the disabled in group homes and other community settings. They will likely receive a wage increase.

But the 19,000 workers employed by CT licensed home health agencies likely won't receive any increase. Not because they aren't deserving – as they truly are - but because their agency employers simply can't afford it. Licensed home health agencies have not received a Medicaid reimbursement increase in over 10 years, and have suffered Medicaid rate cuts totaling \$22,355,794 over the past 3 years. Paying \$15 per hour to their home health aides is just not possible under the current state Medicaid reimbursement structure.

The CT Association for Healthcare at Home has calculated that it would require DSS to increase home health agency provider rates by 5.3% each year for 2 years just to restore the recent \$22,355,794 in cuts. The 5.3% rate increase equals \$5.6 million each year for a total of \$11.2 million in state funds over the 2 year term. The federal match will bring the total investment to \$22.4 million.

On top of the recent rate cuts, licensed home health providers and home care agencies are still trying to get their heads above water from the \$5-million in out of pocket costs to comply with the State Electronic Visit Verification (EVV) mandate this past year.

The State of CT has a long term plan to care for more of its Medicaid beneficiaries in home and community settings because it's patient preferred, offers quality outcomes and a good quality of life. It saves the State significant dollars over institutionalized care and more importantly keeps families together.

The Legislature needs to invest in all home health workers through appropriate rate increases to avoid severe destabilization of the workforce and ensure an adequate Medicaid workforce to care for its 800,000 beneficiaries.