

February 25, 2021

The Honorable Nancy Pelosi Speaker United States House of Representatives Washington, DC 20515

The Honorable Robert C. "Bobby" Scott Chairman, Education & Labor Committee United States House of Representatives Washington, DC 20515

The Honorable Frank Pallone Chairman, Energy & Commerce Committee United States House of Representatives Washington, DC 20515

The Honorable John Yarmuth Chairman, Budget Committee United States House of Representatives Washington, DC 20515 The Honorable Charles E. Schumer Majority Leader United States Senate Washington, DC 20510

The Honorable Patty Murray Chairwoman, HELP Committee United States Senate Washington, DC 20510

The Honorable Ron Wyden Chairman, Finance Committee United States Senate Washington, DC 20510

The Honorable Bernie Sanders Chairman, Budget Committee United States Senate Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Chairman Scott, Chairwoman Murray, Chairman Pallone, Chairman Wyden, Chairman Yarmuth, and Chairman Sanders:

The undersigned members of the CCD Long Term Services and Supports (LTSS) Task Force strongly urge you to ensure that any proposal to increase the minimum wage includes commensurate Medicaid funding for rate increases to cover those additional labor costs. In addition, we ask that you form a commission that includes people with disabilities and direct care workers to make certain that home and community-based services (HCBS) for people with disabilities and aging adults remain steadfast, and so that a workforce already in crisis does not face greater challenges. The Consortium for Citizens with Disabilities (CCD) is the largest coalition of national organizations working together to advocate for federal public policy that ensures the self-determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society.

CCD recognizes that wages for direct care workers must be sufficient to allow for a sustainable, stable workforce to support people with disabilities. Direct care workers have been chronically underpaid for decades, with low reimbursement rates for these services at times leading to poverty wages. We want to ensure that if the federal minimum wage should be increased, that states have the financial resources to increase reimbursement rates for these services, so that private providers will be able to pay wages that are at or above the increased minimum wage. We also want to ensure that people with disabilities who private pay for their services are able to continue receiving the services they require, while similarly paying wages that are at or above the increased minimum wage. To make certain this can happen and that people with disabilities and aging adults can continue to receive vital community supports, we urge you to form a commission including people with disabilities and direct care workers to carefully work through these complex issues together.

Direct care workers are paid a <u>median hourly wage of \$12</u>, and in many states earn significantly less. Because this workforce is disproportionately composed of female workers, immigrant workers and workers of color, low wages disproportionately impact the very groups who already experience the greatest inequities and need livable wages now more than ever.

Since the beginning of the pandemic, our priority has been ensuring emergency dedicated funding to support the provision of Medicaid funded home and community-based services (HCBS) to keep people with disabilities and aging adults out of institutions and healthy at home during the pandemic and ensure their well-being after the crisis has passed. Currently, the essential workforce that provides HCBS is severely underpaid due to inadequate Medicaid rates paid to providers. The result is a community service delivery system that a survey of over 3,000 providers in 26 states indicates is challenged by high direct care vacancy rates and an average turnover rate of 43%, with numerous states reporting turnover in excess of 50%.<sup>1</sup>

While increases in wages could reduce turnover and high vacancy rates, it is essential that Congress consider ways to make certain that states raise the reimbursement rates for Medicaid-funded HCBS services, and take into account the mechanics of how HCBS is delivered in many states. Many states give individuals who need HCBS a specific "budget" for services. That is, enrolled individuals receive a set amount of money that they can use to purchase services. Their budget is determined by a needs assessment, which estimates the amount of care someone needs. A federal minimum wage without a commensurate change to an individual's budget will mean that someone who receives \$300 a week to purchase 30 hours of direct care services at \$10 per hour would now only be able to purchase 20 hours at \$15 an hour unless that individual's budget is increased. States must have the funding to make sure they can increase individual budgets to maintain the same level of care. It is similarly critical that Congress take into account how people with disabilities who private pay for their services will be able to cover the significant increase in costs associated with a minimum wage increase.

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<sup>&</sup>lt;sup>1</sup> National Core Indicators Staff Stability Report accessed online at https://www.nationalcoreindicators.org/upload/core-indicators/2019StaffStabilitySurveyReport\_FINAL\_1\_6\_21.pdf

There are legislative models acknowledging the unique considerations for these providers in the *Domestic Workers Bill of Rights* (H.R. 3760/S. 2112, introduced during the 116<sup>th</sup> Congress). The *Domestic Workers Bill of Rights* would provide rights, protections and benefits to domestic workers – including direct care workers – and simultaneously increased the Federal Medical Assistance Percentage (FMAP) to fund these additional rights, protections and benefits for domestic workers that are primarily paid with Medicaid dollars.

Congress must immediately attend to the crisis facing the direct care workforce that provides HCBS. The CCD LTSS Taskforce looks forward to working with you to make certain that the HCBS system has the resources to ensure a high-quality, well-trained, stable workforce to meet the needs of individuals with disabilities and aging adults, including competitive and sustaining wages. If you have questions or would like to discuss the challenges outlined in this letter in further detail, please contact CCD LTSS co-chair Sarah Meek, at <a href="mailto:smeek@ancor.org">smeek@ancor.org</a>.

## Sincerely,

American Association of People with Disabilities (AAPD)
American Network of Community Options & Resources (ANCOR)
American Therapeutic Recreation Association
Association of University Centers on Disabilities (AUCD)
Autism Society of America
Autistic Self Advocacy Network
Center for Public Representation
CommunicationFIRST

Council of State Administrators of Vocational Rehabilitation Disability Rights Education and Defense Fund (DREDF)

Easterseals

Justice in Aging

Lutheran Services in America

National Association of Councils on Developmental Disabilities (NACDD)

National Council on Independent Living

**National Down Syndrome Congress** 

National Health Law Program

**National Multiple Sclerosis Society** 

National Organization on Disability

**National Respite Coalition** 

**TASH** 

The Arc of the United States United Spinal Association World Institute on Disability

cc: House Education & Labor Committee members, Majority Senate HELP Committee members, Majority

House Energy & Commerce Committee members, Majority
Senate Finance Committee members, Majority
Alison Barkoff, Acting Administrator, Administration for Community Living
Kim Knackstedt, Director of Disability Policy, White House Domestic Policy Council
Arielle Woronoff, Director for the Office of Legislation, Centers for Medicare & Medicaid Services