



TESTIMONY

Submitted by Lewis Bower, MPH, President and CEO
KeepMeHome Care and Companions LLC

Appropriation Committee – Human Services Budget
Public Hearing

February 19, 2019

Regarding the Governor's Budget for Human Services

Good afternoon/evening Senator Osten, Representative Walker and distinguished members of the Appropriations Committee.

My name Lewis Bower, and I am the owner/operator of KeepMeHome Care and Companions LLC. I have been privileged to be a health care provider since 1985 in Connecticut, serving our residents in the setting they prefer most – their own homes. Since that time, we have embraced programs that facilitate an age in place model of care.

Most of our clients are funded by the CT Home Care for Elders (CHCPE) Program. Our services include providing hourly companions, homemakers, personal care assistants, and live-in caregivers.

Companion and homemaker agencies serve the State's Medicaid clients as well as other private pay payment sources. We service the entire state of CT, with services that range from an hour to twenty-four hours a day.

Our industry and services are now in dire straits. We are severely compromised by the nearly stagnant Medicaid rates for our services over the past decade.

We enthusiastically support the minimum wage increase this past October of 90 cents per hour, and the further upcoming one dollar an hour increase scheduled to begin this coming October - our workers deserve that and more. However, we cannot survive as providers without rate increases to cover the cost of the wage increase and related payroll costs – Fica, Futa, Suta, workman's compensation insurance, liability coverage, bonding for our workers, and health insurance.



We received a one percent increase in our rates this past October, which averaged eighteen cents per hour for our hourly workers – we needed eight percent to break even.

The live-in caregiver program, which has allowed many former nursing home residents to transition to independent living is even more adversely affected. Those workers received time and one half for more than half of their workweek, in accord with CT labor guidelines. This has resulted in a deficit as a result of the mandated ninety cent minimum wage increase of \$15.08 per day, or \$105.53 per week, for agencies like KeepMeHome who provide PCA24/Live-in caregiver services. The PCA 24- live-in program has provided not only great value, but also allowed our clients to live home where they want to be.

We have been waiting for rate relief since October, but none has come. We cannot continue losing this reimbursement to continue to provide these services.

I have calculated that a rate increase of approximately 8 percent is necessary to offset the additional costs STRICTLY RELATED TO EMPLOYEE MINIMUM WAGE INCREASE AND PAYROLL RELATED COSTS. – for our PCA, companion and homemaker services and PCA24 live in caregiver rates. **We are not asking for any increase related to our operating costs at all- just enough money to break even on the payroll costs.**

I respectfully request the Appropriations Committee to consider legislation to provide us with a retroactive increase to last October, and then continue to fund an increase of 8 percent per year for each year the minimum wage increases by one dollar an hour, starting with this October 2020. .

We need to pay our workers what they deserve, and we need to be able to continue to provide these services. The ability to recruit and retain workers in this difficult labor market is hard enough, and the costs of running our businesses twenty-four hours a day is high, and we need your help.

Attached you will find a summary of the computation and effects of the minimum wage increases for each of the care levels. I hope this is helpful in illustrating our plight.

Thank you for your time today, and for allowing our residents to be able to live at home with the services they need. Please feel free to contact me with any questions you might have at (860)829-4525 or lbower@keepmehome.com.