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Testimony on
Home Care Services in Pennsylvania
House Human Services Committee

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Introduction

Good morning. My name is CJ Rambler and I am VP of Development and Strategy at Honor Health Network, a home care organization serving 67 counties in Pennsylvania in addition to 8 other states. I am also the President of the Board of Directors for the Pennsylvania Homecare Association (called “PHA” for short).

I would like to begin by thanking you for organizing this hearing and allowing PHA to be a part of these critical discussions. PHA is a membership organization with nearly 700 members providing home health, homecare, and hospice services across the Commonwealth. Our members include agencies of all sizes, for profits and non-profits, family businesses, public companies, and private equity-funded organizations.

PHA members are committed to ensuring access to quality care for all Pennsylvanians in need and improving professional standards. More than ten years ago, PHA and our members led the charge for homecare licensing, training requirements, and regulatory standard – establishing home care licensure in the state of Pennsylvania for personal care services.

Today, we advocate for policy changes that drive efficiency in the system and most especially, we advocate for reimbursement for home care services that allows providers to compensate direct care workers in a meaningful way that represents the important work that they perform.

Today we bring you information regarding:

1. Workforce Challenges
2. Efficiency in Home Care
3. Quality and Compliance Initiatives
4. Community HealthChoices

Workforce Challenges

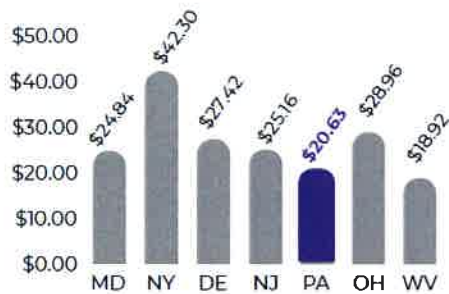
In 2019, the U.S. Department of Labor projected that Pennsylvania would need more than 37,000 more Direct Care Workers (DCWs) to provide personal assistance services by 2026.¹ That number did not include vacancies due to turnover. That projected need has now grown to 65,000+ new openings. When you add openings due to turnover (which averages 60+%), PHI has estimated that Pennsylvania will need more than 292,000 home health aides and personal care aides by 2028. Similarly, in an October 2021 healthcare workforce report, Mercer projected that Pennsylvania will experience a shortage of more than 277,000 lower wage health care occupations over the next five years.² The only states in the country with higher deficits are California and New York. We are at a crisis point.

Although there are a number of factors leading to the current crisis (COVID-19, burnout, work/life balance issues, etc.), the overwhelming reason given by home care and home health caregivers for leaving their positions is wages.

Medicaid-enrolled PAS providers are, of course, limited by the Medicaid reimbursement rates in terms of wages paid to caregivers. Unlike private business, these providers cannot pass along cost increases to consumers, and there have been many. Increased costs for PPE, testing,

transportation, overtime, insurance, and much more, have really taken their toll on homecare. The hourly wage of a DCW in Pennsylvania is \$13.94/hour per 2023 data from the Bureau of Labor and Statistics.³ This includes those who support private pay and Medicaid. Many agencies, especially those in densely populated areas report wages of \$15 - \$16/hour. With private employers offering \$18/hour and more, for less demanding work, PAS agencies simply cannot compete for or retain qualified caregivers. Even within Pennsylvania's borders, programmatic rates vary significantly, largely tied to the frequency in which each program reviews and studies rates, prioritizing care through proper compensation of direct care workers. (see below chart comparing OLTL, ODP and VA rates in PA) Neighboring states like Delaware, New York, New Jersey, Maryland, and Ohio also offer significantly higher reimbursement rates than Pennsylvania.

HCBS Home Care Rate by State



PA Rates By Program



In a recent member survey, 98% of PHA member homecare agencies reported turning away cases/referrals, with some declining up to 40% of referrals. Others talk about having to 'ration' care, due to caregiver shortages. There simply are not enough DCWs to cover currently authorized hours or the increased demand for in-home care. OLTL PAS providers need additional Medicaid funding, and they need it as soon as possible. At a bare minimum, we believe that PAS reimbursement rates must increase by an additional 10%.

Office of Long-Term Living Personal Assistance Services

	Current Rate	Proposed Rate
Region 1 (Pittsburgh)	\$19.32	\$21.25
Region 2	\$21.48	\$23.63
Region 3	\$20.20	\$22.22
Region 4 (Philadelphia)	\$21.52	\$23.67

Additionally, PHA seeks support to require the Office of Long-Term Living to perform regular rate reviews/studies at a minimum of every three years, consistent with other PA programs, such as those within the Office of Developmental Programs.

Efficiency in Home Care

PHA seeks support to enable more efficiency in the program. Specifically:

1. Allow virtual interviews for Direct Care Workers. Current regulations at 28 Pa. Code §611.51(a)(1) require providers to conduct “face-to-face” interviews prior to hiring direct care workers (DCWs). However, between 2020 and 2022, a COVID-19 waiver enabled homecare agencies to conduct remote video interviews with DCWs, resulting in efficient hiring practices with no adverse effects on consumers. **PHA now seeks support for House Bill 155 to allow homecare providers across Pennsylvania to conduct remote ‘face-to-face’ interviews** as they did during the PHE. Virtual interviews are easier to schedule and conduct, eliminating transportation costs and obstacles to hiring for the direct care workforce.
2. House Bill 876 seeks to reduce fraud by collecting claims data such as NPIs, Medicaid Provider Numbers, dates of service, and start and end times of care. While PHA endorses anti-fraud measures, we must also recognize that for the home health and home care industries these same data fields are already mandated to be shared with the state through the Electronic Visit Verification mandate under the 21st Century Cures Act. Requiring duplicative capture of data would be administratively burdensome for providers, resulting in no additional data for the state. This requirement can potentially cause obstacles to recruitment of Direct Care Workers, furthering the workforce crisis, due to the NPI recommendation which creates a unique ID for the worker. In EVV, this unique identifier is created using the name and the last 5 digits of their social security number.

PHA seeks to oppose HB 876 as it is currently written but would support amending this legislation to allow an exemption for industries already subject to the EVV mandate of the 21st Century Cures Act.

Quality and Compliance Initiatives:

PHA and its members are committed to enhancing the quality of care for recipients across the Commonwealth. The following testimony reviews some of those areas of focus for the association:

1. Electronic Visit Verification

PHA and its members support quality care, including value-based purchasing initiatives with our Managed Care partners and countless compliance efforts to meet the requirements of the Department of Health, the Department of Human Services, the Centers for Medicaid and Medicare Services, the Department of Labor, and more. A priority in 2024 is to help providers meet the 85% Electronic Visit Verification compliance threshold developed by the Department of Human Services and committed to CMS. Providers currently are around 70% compliance, with a significant deterrent to success being that community-based care frequently is not at a pre-determined location. As a result, the system captures GPS coordinates, but they do not correlate to an “approved” location for the recipient and thus is considered out of compliance. Another significant deterrent for PHA is lack of access to compliance data. PHA encourages DHS to release compliance data to providers, allowing transparency and accountability. Without this information, PHA is unable to drill down with individual providers to support solutions.

2. Direct Care Worker Training

Recognizing the need for standardized training for Direct Care Workers, PHA created a free online learning website called “My Learning Center”. This was developed to support all caregivers, whether paid or unpaid. Last year, 400,000 users registered to take this training. Additionally, this year we worked with the Department of Health and the Department of Human Services to update our curriculum to meet the changing needs of this population in a post-COVID environment. This new core curriculum for caregivers launches this year. Currently, caregivers are required to meet 16 competency requirements as outlined by the Department of Health, in addition to training on 6 DHS-specific areas.

3. Credentialing Program

To further our commitment to quality in home care delivery, PHA initiated a pilot program for agency credentialing. This credentialing program is intended to be in lieu of standard accreditation and offered at a significant discount comparably. The credentialing program will be optional to providers but will act as a mechanism for providers to identify as a high-quality entity, meeting certain thresholds for quality standards specific to the PA market. The pilot began in 2023 and will conclude in 2024 at which point the association will announce it officially to the industry. We currently have a task force of providers guiding the effort and additionally have input from three different Pennsylvania based home care consultants to guide these efforts. The pilot has been financially supported with grant funding from a Physical Health Choices Managed Care Organization.

Community HealthChoices

Finally, I would like to comment on the implementation of Community HealthChoices (CHC) in Pennsylvania. This has been a significant change in the administration of Home and Community Based Services for the home care industry. Our providers share the following feedback on the CHC program:

- It can be challenging to keep track of the differences in contractual and programmatic requirements for each MCO (example: documentation requirements for Manual Edits are different per provider, making it challenging to operationalize)
- Providers conceptually support the value-based purchasing arrangements proposed by the plans but have found varying degrees of success in working with the plans to achieve set thresholds and have reported lack of transparency in how an organization achieves goals for payment.
- PHA would support the development of future standards for Value Based Purchasing.
- Recipients continue to struggle for a seamless authorization of care when moving between counties in PA or moving between health plans. This largely impacts the timeliness of home care agency reimbursement.
- New providers to the state of Pennsylvania have expressed frustration due to the closed provider networks at all three MCOs.

In general, PHA has found the Managed Care Organizations to be supportive, open to innovation, and willing to engage. The association often acts as a provider advocate, engaging the plans for needed escalations, collaboration, and support.

Conclusion

Thank you for your time today and for convening this discussion on the importance of quality care and workforce support for home care in Pennsylvania. We look forward to working with you to support and improve the care that so many Pennsylvanians rely on to live and thrive.

¹ See Pennsylvania Long Term Care Council, [*Blueprint for Strengthening Pennsylvania's Direct Care Workforce*](#) (April 2019)

² Mercer, [*2021 External Healthcare Labor Market Analysis*](#), (October 2021) 4.

³ Bureau of Labor Statistics, [*Employment of home health and personal care aides, by state*](#) (May 2020).