

Community Care: Home Care Wage Enhancement Program

Position Statement approved by One Voice: July 11, 2006

Issue/Concern: For the past four years, home health care agencies, if they were not previously participating, have been unable to participate in the wage enhancement program passed by the Texas Legislature in 1999. Texas ranks 51st in the median hourly wage paid to personal and home care aides. In order for Texas seniors and the disabled to remain in their own homes, which is significantly less expensive than institutionalization and, more importantly, what most people prefer, they need support. Additionally, the attendant care profession must attract and retain employees to ensure that there is adequate workforce to provide community care services thereby reducing the need for institutionalization. Increased wages are needed to help make this happen.

Specific Policy Recommendation(s):

- ★ Lift the freeze on provider organizations, enabling them to participate in the wage enhancement program that would increase attendant care salaries and administrative reimbursement by \$1/hour. *(Ninety percent of this dollar must go to worker wage; up to ten percent can be used for administrative costs.)*

How does this issue/recommendation relate to prevention and early intervention or maximizing federal funds for health and human services? Texas state and federal Medicaid dollars fund community care services. By allowing more providers to participate in this program, additional attendants can be recruited and retained. Utilizing Medicaid funds for less expensive community care supports maximizing federal funds efficiently.

Supporting Facts/Research/Resources:

- ★ Nursing Home services cost the Texas state government an average of \$30,882¹ a year per nursing home resident compared to the cost of providing community care at an average cost of \$15,529² per person
- ★ Median hourly wage in the United States for personal and home care aides is \$8.52³
- ★ Texas median hourly wage is \$6.43, ranking 51st ⁴ *(The annual salary for this wage is \$13,374.40 for a full time worker. The federal poverty rate for a family of three is \$16,090⁵.)*

Legislative Outcome: HB 15, which passed, has the following provision:

Section 22. Department of Aging and Disability Services: Restoration of community care provider rates to FY03 levels. Provides that \$10,814,194 be appropriated out of the general revenue fund, and \$16,422,160 in federal funds is appropriated, to DADS, in addition to amounts previously appropriated, for the purpose of restoring provider rates to FY03 levels in certain programs and in intermediate care facilities for the mentally retarded. Requires adjustment to provider rates for such services be effective January 1, 2007. In addition, the freeze was lifted in August 2006 – after recommendation had been submitted. The Federal Minimum Wage law was passed in May and will affect many workers. Sec. 53 of HB 1 does state that DADS will get money to reimburse agencies for extra cost if the minimum wage is changed.

Laurie Glaze, Chair
Adoptation
Avondale House
Bering Omega Community Services
Care for Elders
Career and Recovery Resources, Inc.
Catholic Charities of the Archdiocese of Galveston-Houston
ChildBuilders
CHILDREN AT RISK
Christ the Good Shepherd Catholic Church
Coalition for Behavioral Health Services
Collaborative for Children
Communities In Schools
DePelchin Children's Center
Family Services of Greater Houston
Fort Bend Regional Council on Substance Abuse, Inc.
Gateway to Care
Good Neighbor Healthcare Center
Gulf Coast CHIP Coalition
Harris County Healthcare Alliance
Healthcare for the Homeless-Houston
Houston Area Association for the Education of Young Children
Houston Food Bank
IntraCare Hospitals
Jewish Family Service
Justice for Children
Legacy Community Health Services, Inc.
Memorial Hermann Healthcare System
Mental Health Association of Greater Houston
NAMI Metropolitan Houston
Neighborhood Centers, Inc.
Northwest Assistance Ministries
San Jose Clinic
SEARCH
South County Community Clinic, DBA The Community Clinic
Spaulding for Children
Target Hunger
Texas Children's Hospital
The Arc of Greater Houston
The Center for Success and Independence
The Arrow Project
The Network of Behavioral Health Providers
United Way of Greater Houston
Wesley Community Center
YMCA of Greater Houston

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Position Statement approved by One Voice: July 11, 2006 (cont.)

¹Nursing Home costs:

¹http://www.dads.state.tx.us/services/dads_help/care_locations/nursing_homes.html

²<http://www.dads.state.tx.us>

³<http://www.bls.gov/oes/current/oes399021.htm>

⁴<http://www.bls.gov/oes/current/oes399021.htm>

⁵<http://www.cppp.org/files/8/poverty101.pdf>

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