

Testimony in support of Senate Bill No. 2200 to establish a biennial rate review Commission to adjust LTC Medicaid payment rates. Bernard J. Beaudreau, Exec. Dir. (401) 440-4165 Hearing Date: April 28, 2022



Thank you, Senators DiPalma, Miller, Ruggerio, Goodwin, Mccaffrey, Lombardo, Kallman, Felag, Coyne and Valverde for introducing this landmark legislation. The Senior Agenda Coalition of Rhode Island supports this bill as it will help to ensure that the economics of our state's care industry will be sustainable and viable for the care of so many who are dependent on Medicaid support. **Because payment levels for services have not been updated in years, especially with our current inflation levels, the low pay level of direct care workers has created workforce shortages, impoverished workers and has put at risk our ability to provide proper care for our aging elder population.**

Under section 40-23-4 (a) (2) of the bill, the Advisory Committee is charged to ***"ensure payments are consistent with efficiency, economy, and quality of care in order to enlist enough medical and clinical service providers to ensure that care and services are available"***. Without this new rate review system in place, we will never achieve these standards.

Home care and direct care workers are among the lowest paid in the state's labor force. The US Bureau of Labor Statistics in the May Occupation Wage Survey Reports show that Home Health and Personal Care Aide jobs grew in RI by 1,330 (19.1%) from 2020 to 2021, to a total of 8,300 workers, rebounding from pandemic job losses. The high demand for home care workers, however, did not increase wages overall. While the lowest paid workers {10th percentile) saw wages increase 12.5% from \$12.20 per hour in 2020 to \$13.73 in 2021, the average wage for all home care workers increased by only 0.5% percent, from \$14.80 per hour in 2020 to \$14.87 in 2021. New hires were getting higher starting wages while established care workers saw little or no pay increases, resulting in wage compression.

Shamefully, an estimated 1 in 5 RI home care workers live in poverty and most have insufficient incomes to meet their basic needs. **We hope that the enactment of this bill will raise the wages of the lowest paid care workers as the top priority.**

Thank you for introducing this solution which will create a structure and process to correct the inadequacy of payments for the state's care system.