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Testimony before the Joint Legislative Hearing

Economic Development Budget

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Thank you for the opportunity to testify. My name is Ilana Berger. I am the Executive Director of Hand in Hand: The Domestic Employers Network. Hand in Hand is a network of employers of nannies, housecleaners and home attendants working for dignified and respectful working conditions that benefit the employer and worker alike. We have a network of seniors and people with disabilities who employ home care workers in New York State working to make care affordable for ALL who need it, and to improve wages and conditions for the direct care workforce.

I am also here representing the New York Caring Majority, a campaign of seniors, people with disabilities, family caregivers and direct care workers. We are working to win affordable access to long term care services and supports for all who need it, and to improve pay and conditions for workers in the direct care workforce.

Our city, state, and nation face an unprecedented Elder Boom. Every eight seconds, another baby boomer turns 65. With New York City's older adult population expected to reach 1.4 million by 2030, close to one million New Yorkers could need home care in the next few decades.

People are living and longer and choosing to age in place – in their own communities. The benefits of aging in place are many – it allows people to remain with beloved family and friends, and sustains rich intergenerational relationships. It is also cheaper - according to the 2016 Genworth report on the cost of long-term care, home health aide services in New York State can cost about \$4,400 a month while nursing home care can cost \$11,330 for a private room.

One of the things that make aging in place possible (and make it possible for many people with disabilities to live independently in their own communities) is home attendant support, or home care workers. Long-term care and long-term services and supports assist with tasks like bathing, toileting, getting dressed, fixing meals, and managing a home for older adults and people with disabilities. These services are often provided by unpaid caregivers, but are also provided by aides in home-based,



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community-based, and institutional settings. Experts say that 70% of those 65 and older will need long-term care within their lifetime - 20% for five years or longer.

Despite this growth in people needing care, the state is facing a devastating shortage of workers, often making it impossible for people to age in place and find the care they need. The major reason cited for this shortage is low pay and challenging work conditions for home care workers, making recruitment and retention, especially in rural areas, a challenge.

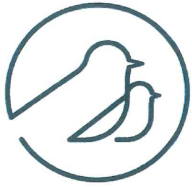
It is unfortunate, and frankly surprising that home care is not considered in the economic development context in NY State, and we are here today to testify to encourage you to think differently about how NY State's Economic Development could be served by supporting the home care workforce.

Home care and Consumer Directed Personal Assistance are driving local economies across New York. They are creating jobs in every corner of the state. But we can't retain workers because of poor pay and supporters. However, poor wages reflect a lack of investment in this workforce, and the failure to look at these workers through an economic development lens represents a failure of New York to invest in the jobs that lower income New Yorkers, especially women of color, rely on - jobs that immediately invest back in local economies through food, rent, and other necessities.

According to a Leading Age New York report¹, "Not-for-profit aging services providers are at the heart of New York State's communities, keeping seniors close to their families and providing vital care for people with disabilities and those at the end of their lives. Families, individuals and businesses look for these rich community resources when choosing where to live and do business. A vibrant network of not-for-profit service providers makes a community a great place to live, work and do business. Whether in Upstate New York, Long Island or New York City, not-for-profit aging services providers are impacting their local economies and communities in powerfully positive ways."

The report continues, "Long term care is a large and growing field, employing hundreds of thousands of New Yorkers. In 2007, there were an estimated 100,000 certified nursing aides, 131,000 home health aides and 60,000 personal care aides employed in New York State.¹ By 2016, the NYS Department of Labor projects increases in the number of home health aides by 37.8 percent and nurse aides by 11.6 percent, exceeding overall growth in the workforce. The economic impact is multiplied by

¹ IMPACT: Services for the Elderly and Disabled - An Economic Powerhouse. Leading Age New York. January 10, 2013. <https://www.leadingageny.org/research/publications-and-reports/impact-services-for-the-elderly-and-disabled-an-economic-powerhouse/>



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employee spending and tax contributions. All told, long term care providers are pumping nearly \$30 billion into the state's economy annually.

On a more anecdotal level – we know the state provided \$750 million economic development support to Tesla, in which they promised to create 5,000 jobs statewide over TEN years. We haven't seen anywhere close to those numbers of jobs come to fruition.

At the same time, just looking at an example, two fiscal intermediaries (fiscal intermediaries contracted provides the necessary supports for people in the consumer directed program to recruit, hire, train, and supervise personal assistant home care workers such as facilitate paperwork, payroll, benefits and administration) shows how home care creates jobs.

A fiscal intermediary in Erie County in 2014 had 418 PAs working for consumers, in 2015 571, and in 2016 740. So over three years, with no economic investment, this fiscal intermediary in one county, created 322 jobs.

In another fiscal intermediary in the North Country in 2014 they had 582 PAs working in 2015 it was 849 and in 2016 1174. They more than doubled the amount of jobs they offered.

This is just a snapshot of what is possible. We encourage you to work with us, and as a colleague said, create jobs for low-income people, primarily women and people of color who actually are current constituents of our communities, as opposed to something like the Tesla/Solar City projects which, if the jobs are created, can often go to people who don't even live in our districts or in New York.

We have testified already at the Workforce Development Committee, and believe there is some overlap and potential for collaboration. Two areas we would love to see the Economic Development Committee consider.

1. Coordinate with the Committee on Health to include a budget provision requiring input from workforce development experts when establishing the design of the proposed rural home and community based services study and when determining whether rate enhancements are necessary. The Health and Mental Hygiene Article VII Legislation proposes the creation of a study of home and community based services in rural parts of the state, which will determine whether rate increases are necessary. PHI believes this is an important study, and should be conducted throughout the state (not solely in rural areas), should include more than fee-for-service providers, and needs greater investment to allow for the necessary rates increases. Most importantly, the study should include input from workforce development experts, both in the design of the study and the determination of whether rate increases are necessary.



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2. Coordinate health and workforce development funding to establish the Home Care Jobs Innovation Fund, which would fund pilot projects that test job supports that impact worker recruitment and retention. This fund would identify strategies in addition to training that attract and keep workers in the field, such as innovative methods for finding the right applicants, new hire orientation strategies, or novel worker investments (e.g., transportation fund, scholarship program, or retention bonuses). The findings of these pilot projects would help the state craft a comprehensive strategy to address the home care workforce shortage.

We are excited to work with you to think creatively about ways we can partner to use our economic development resources to support this growing industry, to create quality jobs for our residents that provide care and the ability to age in place for our aging loved ones.