

Chinese-American Planning Council, Inc.
Testimony at the New York State Joint Legislative Budget Hearing on Health
January 23rd, 2024

Thank you so much to Senator Krueger, Assemblymember Weinstein, Senator Rivera and Assemblymember Paulin for the opportunity to testify. The mission of the Chinese-American Planning Council, Inc. (CPC) is to promote social and economic empowerment of Chinese American, immigrant, and low-income communities. CPC was founded in 1965 as a grassroots, community-based organization in response to the end of the Chinese Exclusion years and the passing of the Immigration Reform Act of 1965. Our services have expanded since our founding to include 3 key program areas: education, family support, and community and economic empowerment.

CPC is the largest Asian American social services organization in the U.S., providing vital resources to more than 80,000 people per year through more than 50 programs at over 30 sites across Manhattan, Brooklyn, and Queens. CPC employs over 700 staff whose comprehensive services are linguistically accessible, culturally sensitive, and highly effective in reaching low-income and immigrant individuals and families. To that end, we are grateful to testify about issues that greatly impact our communities.

Access to comprehensive and affordable health care for all New Yorkers:

The COVID-19 pandemic merely reinforced the importance of quality, affordable, and accessible health care especially for our vulnerable communities. We are in need of transformative policies that seek to provide the support for all New Yorkers at every stage of life. In New York City, AAPIs are the fastest growing racial group, and one in five AAPIs do not have access to health insurance. 1.7 million New Yorkers are currently uninsured, over a million of whom live in New York City. The inequities of access get even more stark when disaggregating data among AAPI subgroups- for example Japanese American have a 5.3% uninsurance rate whereas Tongan Americans have a 27% uninsurance rate. At CPC, fully one in four community members that walks through our doors does not have health insurance. These are community members that rely on the emergency room for primary care, if they ever seek care at all. And for many of our undocumented community members, access to health care is stigmatized and not accessible to begin with. Therefore, we support the passage of [Coverage for All \(S2237B/A3020\)](#) to provide immediate relief and urge the passage of the [New York Health Act \(S7590/A07897\)](#) to truly guarantee universal and affordable healthcare for all New Yorkers regardless of age, employment or financial status or immigration status.

The New York Health Act would also help social services organizations like CPC and our staff, who are chronically underfunded and underpaid to deliver critical services. Social services staff



are chronically underpaid, and half are eligible for the same benefits that they enroll their community members in. This is a workforce that represents nearly 20% of New York State jobs, and is primarily made up of women (80%) and people of color (60%). Despite being offered employer sponsored insurance, most still cannot afford healthcare. Many of our staff report not being able to afford the \$60/month insurance cost, and say that they certainly could not afford the co-pays on top of it, so avoid seeking medical care. Under the New York Health Act, a full 50% of our staff would not pay for health insurance coverage. Those earning \$50,000 or less, which is the vast majority of CPC staff, would pay approximately \$900 a year for all of their health insurance costs, including co-pays, deductibles, prescriptions drug costs, mental health, and everything else included. Right now by contrast, an employee in that salary band would pay \$720 a year for the health insurance alone, with a \$2,000 deductible, \$30 doctors visits for primary care, \$50 urgent care or specialist care, \$300 emergency room visits, and prescription copays starting at \$15 for generic.

For employers, the cost has risen 92% over the past decade. High costs of health insurance translate to lower wages, reduced benefits, more restrictive health coverage eligibility and less affordability for employees to take up insurance. In social services agencies, constrained by underfunded government contracts, and providing nonprofit services, this is even more stark. What it ultimately means is that we cannot afford to provide the health insurance that our staff cannot afford to have. If the New York Health Act were passed, CPC would save \$2.1 million each year, as a conservative estimate. This estimate is only for our social services agency, not including our subsidiaries with nearly 4,000 employees total. That \$2.1 million could pay for 7,000 children to go to after school, 2,100 new immigrants to learn English, or 140,000 meals for homebound seniors.

Investing in the home care sector to uplift and support our growing aging population:

As mentioned previously, Asian Americans are the fastest growing population in New York State, and seniors are the fastest growing subset. Over 1 in 3 Asian American seniors live under the poverty line, and over 2 in 3 are Limited English Proficient (LEP). This makes the issue of aging in place of particular concern to CPC.

Broadly speaking, New York State has the fourth oldest population in the nation, with 3.7 million people aged 60 and over. By 2030, [5.2 million people](#) in the state will be 60 and older, with 1.81 million New Yorkers will be 75 or older. An estimated [seven out of 10](#) people over the age of 65 will need some kind of long term care. In addition, there are over a million New Yorkers with disabilities, chronic illnesses, or other functional complications that require direct care, creating



a significant population in New York State that requires direct care support to live and age in dignity. Direct care in homes and communities is either provided by unpaid family caregivers, paid family caregivers, or home health workers through an agency. Care that takes place in homes and in communities is often higher quality, preferred by consumers, and less costly overall than institutionalized care. Many immigrant seniors and families prefer home health care because they can receive language accessible and culturally competent care that they would not find in institutionalized settings.

Because of the growing needs of people with disabilities and an increasingly aging population, the home care sector is the largest employer in the nation, yet continues to face shortages. In NYC alone, [there are 187,000 home health](#) workers, and in New York State, there are over 330,600 home health workers. Yet because of growing need, by 2025, New York State will see a 33 percent growth in need for home health aides and face a shortage of [23,000 workers](#). While automation and investments in technology serve to improve the function and efficacy of hospitalization and institutionalized care, this portion of the healthcare industry is highly reliant on human work, adding urgency to investments in this workforce.

A primary driver of this workforce shortage is chronic low wages and poor working conditions pervasive throughout the sector. More than [one in seven](#) low-wage workers in New York City is a home care worker. According to the New York Department of Labor, the median annual salary for home care aides is [\\$24,810](#). One in four workers lives below the federal poverty line and more than half rely on some form of public assistance to make ends meet. The workforce is primarily comprised of women (90%), people of color (60%), and approximately one in three workers are Limited English Proficient (LEP). We know much of this thanks to the work of the [Caring Majority](#), a coalition of seniors, people with disabilities, family caregivers, domestic workers, and home care providers from all across the state that seeks to improve the future of long term care.

Medicaid, the largest payer of home care and long term care in New York State, has exacerbated the workforce shortage through depressing wages in their reimbursement rates. Particularly for non-profit providers, home care agencies are beholden to the rates and requirements laid out by Medicaid and the State, and cannot compensate their workers adequately or competitively when caught between unfunded regulatory mandates and labor agreements. This complexity has ramifications across non-profit providers operations, from higher fiscal and stability levels to daily operations and home care worker scheduling as cases move in and out of eligibility. As the minimum wage rises in New York, these gaps widen for providers and home care workers alike. Increasingly, the emotionally and physically demanding

labor of home care, in addition to inconsistent scheduling as providers balance underfunded plans and agreements, has become less desirable than other minimum wage jobs.

In addition to low wages, home care workers face high levels of uninsurance (twice that of the overall population), and inconsistent schedules. While the Fair Labor Standards Act was extended to home care workers in 2013, it has not been fully implemented in New York State, making scheduling and labor issues like overtime and spread of hours difficult for workers and providers to manage.

One of the most stark examples is that home care workers who work 24 hour shifts for round-the-clock care are being paid for 13 hours of work, with 8 hours allocated for sleep and 3 hours allocated for meals. Nonprofit home care organizations work hard to ensure that the home care workers have adequate space and uninterrupted time for sleep and meals. Despite these efforts, many home care workers report that realities of caring for someone that is homebound often mean that they [must attend to their clients during break hours](#). The consequence of this is that the effective hourly pay of the home care workers ends up being far below minimum wage. This leaves New York with a sector in crisis, that will shortly be unable to meet the growing demand of the home care sector, for patients, employers, and workers alike.

When there is a workforce shortage, it affects all stakeholders in the home care field. For patients, it undermines and reduces the availability and choice of care. For agencies, it forces the shuttering of providers, starting with smaller shops who provide much-needed and niche linguistically and culturally competent patient services, further limiting choices and availability for patients. For workers, it further reduces hours that are already difficult to come by and may drive some workers to move from care agencies toward direct client or privately arranged agreements that may be less regulated, less stable, and less structured than agency work and care plans.

The home care industry needs labor reform and investment to sustain its workforce and allow providers to meet growing demand. Investing in adequate wages, fringe benefits, career ladders, and innovative practices will allow us to attract the skilled workers needed to reduce the staffing shortage and meet industry demand and provide the quality care an increasingly aging population deserves.

Nonprofit community-based home care providers work hard to ensure that the home care workers we employ are responsive and reflective of the communities we serve. We believe the best care comes from providers who understand and represent the same values and cultural understandings of our communities and patients. We also believe that those providers are best able to deliver quality care when their work is recognized and fairly compensated.



To combat the workforce shortage, and improve wages so that we can recruit and retain the workforce, and meet growing demand by passing [Fair Pay for Home Care \(S5374/A6329\)](#). This legislation would raise home care worker pay to 150% of the highest area minimum wage across the State. This would not only provide good jobs and dignified care in our communities, but according to a [CUNY study](#), it would eliminate the home care workforce shortage in less than five years while generating billions of dollars in economic spillover effects from raising wages.

Another critical measure to realize Medicaid savings is passing the [Home Care Savings & Reinvestment Act \(S7800/A8470\)](#). Back in 2011, the State gave control of its Medicaid home care program to private insurance companies with the rationale that it would improve care through the use of care management. However, through this system, we have continued to witness the mismanagement of Medicaid funding that continues to line the pockets of insurance companies. This legislation seeks to eliminate Managed Long-term Care (MLTC) and would return home care management directly to the State. By doing this, it would generate \$3 billion in savings annually for the State, allowing the quality of services to improve and to address the workforce shortage through fair compensation.

Lastly, but certainly not least; we are deeply concerned about the proposed cuts to the Consumer Directed Personal Assistance Program (CDPAP). The proposed \$200 million wage parity cut would represent a 12% cut in wages to this critical and already-underpaid workforce, bringing total compensation for these home care workers to pre-2019 levels. This is not only devastating for workers who are already living in poverty, but for consumers who will continue to be unable to get the care they need because they can't find a worker at those wages.

For far too long, the State has prioritized profits over people. But, now is the time to rewrite that narrative and to create a dignified, healthy, and sustainable State. We urge the State to ensure that the adopted budget includes the following:

- Coverage for All undocumented New Yorkers to access health care;
- New York Health Act, which would establish a single-payer health care system allowing all New Yorkers regardless of immigration status to access affordable and quality health care;
- Fair Pay for Home Care, which would raise the minimum wage for home care workers;
- and the Home Care Savings and Reinvestment Act, which would eliminate MLTCs and create savings for the State that would be reinvested into the home care workforce.

Thank you so much for the opportunity to testify and we look forward to working with the State legislature and the Governor to ensure that an equitable budget is passed.

If you have any questions, please contact Ashley Chen, Policy Analyst, at achen9@cpc-nyc.org.