



**Rhode Island Partnership  
for Home Care**

*Advancing quality healthcare at home*

February 24, 2021

**VIA EMAIL:** [HouseLabor@rilegislature.gov](mailto:HouseLabor@rilegislature.gov)

Hon. Anastasia Williams  
Chair, House Committee on Labor  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

**Re: House Bill 5130 on Minimum Wage Increases**

Dear Chair Williams,

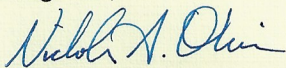
Thank you for your leadership throughout this ongoing COVID-19 public health emergency. The home care industry appreciates your support for Rhode Island's frontline healthcare workforce. I wish you and your colleagues a safe and healthy legislative session.

On behalf of my association, I wish to express my opposition to House Bill 5130. This bill seeks to increase the state's minimum wage. While we are supportive of efforts to increase wages for all those that work in our industry, providers delivering homemaking and personal care, home health, home infusion, palliative care and hospice services simply cannot afford to implement another unfunded mandate. Given the financial constraints of the last eleven months, we know that there are several providers at the brink of closure. If any one of these providers close, it could be catastrophic to find placement for vulnerable homebound patients and to find employment for displaced nurse assistants without proper hospital or skilled nursing facility experience, especially during the pandemic. If the minimum wage were to increase within the next year without a proportionate increase to Medicaid reimbursement, no provider could afford to implement a minimum wage increase. Even though we do not pay minimum wages to our nurse assistants, whenever the minimum wage increases and their wages do not increase, we lose nurse assistants to retail, fast casual dining, delivery services and other industries that can absorb state mandates better than our rate regulated industry controlled by the General Assembly.

The maximum reimbursement for Medicaid-contracted home care services is \$6.59 per 15-minute unit of service or \$26.36 per hour. From that reimbursement rate, approximately 42% or \$11.07 is expended on federal and state requirements, such as payroll taxes, professional liability insurance, workers' compensation insurance and continuing education for licensure renewal and regulatory compliance. This does not include the litany of unfunded requirements for travel time and mileage reimbursement between visits, brick-and mortar operations and training site utilities and rent, medical equipment and supplies, electronic health records and electronic visit verification. Once we reimburse staff for their first mile of travel between home visits, we lose money on Medicaid cases as \$0.58 per mile is more than the remaining \$0.29 per hour. While we are committed to starting wages for licensed nurse assistants at \$15.00 per hour and strive to do such, the rate of proposed unfunded minimum wage increases are untenable at the current reimbursement rate.

I would be happy to further discuss this issue with you, the members of the committee and the sponsor of this bill. We want to continue to ensure that your constituents that use home care remain safe and independent at home and in your district with our support. Without a proportional increase in Medicaid reimbursement rates to any future minimum wage increase, the General Assembly will jeopardize the safety of these vulnerable homebound patients.

Regards,



Nicholas A. Oliver, MPA, CAE  
Executive Director



Rhode Island Partnership  
for Home Care  
Advancing quality healthcare at home

February 24, 2021

cc: Members, House Committee on Labor  
Hon. David Bennett, RN, HB-5130 Sponsor  
Sharon Reynolds Ferland, House Fiscal Advisor  
Lynne Urbani, House Policy Director  
Robert Goldberg, Esq., Lobbyist, Rhode Island Partnership for Home Care

VIA EMAIL: rhode.house.labor@rhodepartnership.gov

Hon. Anastasia Williams  
Chair, House Committee on Labor  
Rhode Island State House  
82 Smith Street  
Providence, RI 02903

Re: House Bill 5130 on Minimum Wage Increase

Dear Chair Williams,

Thank you for your leadership throughout this ongoing COVID-19 public health emergency. The home care industry appreciates your support for Rhode Island's frontline healthcare workers. I wish you and your colleagues a safe and healthy legislative session.

On behalf of my association, I wish to express my opposition to House Bill 5130. This bill seeks to increase the state's minimum wage. While we are supportive of efforts to increase wages for all those that work in our industry, providers delivering non-emergency and personal care, home health, home care, palliative care and hospice services simply cannot afford to implement another unneeded mandate. Given the financial constraints of the last eleven months, we know that there are several providers at the brink of closure. If any one of those providers close, it could be catastrophic to find placement for vulnerable homebound patients and to find employment for displaced nurse assistants without proper funding or skilled nursing facility experience, especially during the pandemic. If the minimum wage were to increase within the next year without a proportional increase in Medicaid reimbursement, no provider could afford to implement a minimum wage increase. Even though we do not pay minimum wages to our nurse assistants, whenever the minimum wage increases and their wages do not increase, we lose nurse assistants to retail, fast casual dining, delivery services and other industries that can already state mandates better than our regulated industry controlled by the General Assembly.

The minimum reimbursement for Medicaid-contracted home care services is \$8.88 per 15 minute unit of service or \$88.36 per hour. From that reimbursement rate, approximately 43% or \$11.07 is expended on federal and state requirements, such as payroll taxes, professional liability insurance, workers' compensation insurance and continuing education for personnel renewal and regulatory compliance. This does not include the many of unmet requirements for travel time and mileage reimbursement between visits, check-and-order operations and training site utilities and rent, medical equipment and supplies, electronic health records and electronic visit verification. Once we reimburse staff for that rate that rate of travel between home visits, we lose money on Medicaid cases. \$0.88 per mile is more than the remaining \$0.59 per hour. While we are committed to starting wages for licensed nurse assistants at \$15.00 per hour and strive to do such, the rate of proposed unneeded minimum wage increases are untenable at the current reimbursement rate.

I would be happy to further discuss this issue with you, the members of the committee and the sponsors of this bill. We want to ensure that your constituents that use home care remain safe and independent at home and in your district with our support. Without a proportional increase in Medicaid reimbursement rates to pay for our minimum wage increase, the General Assembly will jeopardize the safety of these vulnerable populations.