



**Rhode Island Partnership
for Home Care**

Advancing quality healthcare at home

February 24, 2021

VIA EMAIL: HouseLabor@rilegislature.gov

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

Re: House Bill 5403 on Sundays and Holidays Wages

Dear Chair Williams,

On behalf of my association, I wish to express my opposition to House Bill 5403. This bill seeks to increase wages to 200% the state's minimum wage on Sundays and holidays. While we are supportive of efforts to increase wages for all those that work in our industry, especially to cover difficult to staff shifts, such as evenings, overnights, weekends and holidays, providers delivering homemaking and personal care, home health, home infusion, palliative care and hospice services simply cannot afford to implement another unfunded mandate. No provider could afford to implement this proposed mandate without a statutory requirement for a proportionate reimbursement rate increase by all government and commercial health insurers.

For example, 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 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, requiring \$23.00 per hour at the current state minimum wage of \$11.50 is untenable at the current Medicaid reimbursement rate, never mind other rates from government and commercial health insurers. The only alternative that providers have for relief from this bill, if passed, is to refuse new patients requiring healthcare services on Sundays and holidays and to discharge existing patients with similar requirements within their plan of care.

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. Passing this bill as it is currently proposed will not allow for our care to continue on Sundays and holidays.

Regards,

Nicholas A. Oliver, MPA, CAE
Executive Director



cc: Members, House Committee on Labor
 Hon. Gregg Amore, HB-5403 Sponsor
 Sharon Reynolds Ferland, House Fiscal Advisor
 Lynne Urbani, House Policy Director
 Robert Goldberg, Esq., Lobbyist, Rhode Island Partnership for Home Care

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

Re: House Bill 5403 on Sundays and Holidays Wages

Dear Chair Williams,

On behalf of my association, I wish to express my opposition to House Bill 5403. This bill seeks to increase wages to 200% the state's minimum wage on Sundays and holidays. While we are supportive of efforts to increase wages for all those that work in our industry, especially to cover effort to staff shifts such as evenings, evenings, weekends and holidays, providers delivering homecare and personal care, home health, home infusion, palliative care and hospice services simply cannot afford to implement another unwanted mandate. No provider could afford to implement this proposed measure without a statutory requirement for a proportional reimbursement rate increase by all government and commercial health insurers.

For example, the maximum reimbursement for Medicaid-covered home care services is \$6.00 per 15-minute unit of service or \$24.00 per hour. From that reimbursement rate, approximately 42% or \$11.00 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 many of unburied requirements for travel time and mileage reimbursement between shifts, check-and-monitor operations and setting and cleaning and rest, medical equipment and supplies, clean and rest, and health records and electronic visit verification. Once we reduce staff for that rate of travel between home visits, we lose money on Medicaid care as \$0.50 per mile is more than the remaining \$0.50 per hour. While we are committed to cutting wages for licensed nurses statewide at \$15.00 per hour and strive to do that, reducing \$38.00 per hour at the current state minimum wage of \$11.50 is untenable at the current Medicaid reimbursement rate, never mind cost rates from government and commercial health insurers. The only alternative that providers have for relief from this bill is to refuse new contracts requiring reduced services on Sundays and holidays and to discontinue existing patients with similar requirements within their plan of care.

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 engage that your constituents that use home care remain safe and independent and in your district with our support. Passing this bill as it is currently proposed will not allow for our care to continue on Sundays and holidays.

Michelle A. Oliver, MPA, CAE
 Executive Director