

04/15/2019

RE:SB19-238-Colorado General Assembly-Improve Wages & Accountability Home Care Workers

To Whom It May Concern,

I am a co-owner of Best Way Home Services, Inc. since 1999. We provide Non-Skilled HCBS-EBD for our clients. We just heard about this proposal a few days ago by an email from Colorado Home Care Association. This session is supposed to be on 04/18/2019, Thursday at 1:30 PM. Why are we only hearing about this now if there is a vote on 04/18/2019? This bill was introduced on 04/11/2019 and now a vote on 04/18/2019 without allowing much time to gather the information necessary on our part as an agency who ultimately this effects. It also is supposed to start 07/01/2019. What drove this proposal and why so fast? The consequences of this proposal will ultimately punish senior citizens and disabled individuals who are on Medicaid, the people who are most financially, physically, emotionally vulnerable and most in need of home-care to keep them living independently in their own homes and not be pushed into some nursing facility that they might not want. This process will sky rocket the Medicaid costs for the State. Home-Care expense is much cheaper to Medicaid than a Nursing Facility.

Proposal SB19-238 which requires %77 of Medicaid Reimbursement to the agencies will need to go to our employees. This will mean %23 left from reimbursement to pay for all necessary expenses for the agencies for administrating the whole business process required by the rules and regulations of Medicaid and Colorado Department of Public Health and Environment.

Required by State Labor Laws (EXPENSES)

1. Social Security & Medicare-(%7.65 per employee)
2. Workers Comp Insurance-(% 3.0)
3. State Unemployment Insurance-(% .62 per employee)
4. Federal Unemployment Insurance-(% .06 per employee)
5. Local Taxes

**Total: % 11.33 = \$ 58,463.00**

**Medicaid Reimbursement to our agency 2018 \$516,000.00**

**TOTAL LEFT FOR ALL OTHER EXPENSES: % 23.00- %11.33 = % 11.67= \$ 60,217.00**

Required by Rules & Regulations (EXPENSES)

1. Background Check of Employees

2. CAPS Check of Employee(Adult Protection Services)
3. Liability Insurance
4. License from State of Colorado (Department of Public Health & Environment)
5. Continuing Education for Administrators & Employees

Necessary Business Expenses to Operate:

1. Phone Service
2. Internet
3. Computers, Copiers Maintenance
4. Office Lease
5. Payroll/Accounting Services
6. Postage Services
7. Office Supplies
8. Advertising
9. Auto Expense for travel to clients for Supervisory visits which are required by Rules & Regulations within all of the Denver Metro Area. Travel also to Apartment complexes across the whole Denver Metro Area, Churches, etc. for potential clients and employees.

Total Expenses from \$60,217.00 without Administration Payroll, unexpected expenses=  
Approximately \$4000.00/Monthly=\$48,000/Yearly

Total Left for Administration Payroll of 2 individuals working 45 hours + weekly + unexpected expenses leaves us: \$ 60,217.00-\$ 48,000= \$ 12,217.00 for the year.

\$ 12, 217.00 left for year for 2 individuals running this whole business to provide services for clients plus there good be unexpected expenses.

How can we keep running this business for \$ 12, 217.00?

We have been in business for 20 years and our math is correct and will be close to the same as every other non-skilled agency in Colorado providing HCBS-EBD Services.

Most if not all will shut their doors and close business

Employees will lose all their jobs and go apply for unemployment

Clients will lose their services and providers

COLORADO MEDICAID REIMBURSEMENT FOR NON-SKILLED HOME CARE SERVICES/HOURLY:

2014- \$15.04

2015- \$15.36= %2 Increase

2016- \$15.36= NO CHANGE

2017- \$17.00= %11 Increase for 2 years

2018- \$17.52= %3 percent Increase

2019- \$18.44= %5 percent Increase

Average increase reimbursement each year has gone mostly to employee payroll to keep employees, even though the expenses to conduct business each year has gone up much higher than the percentage increases of reimbursement.

CNA's (Skilled Employees) Average Pay Rate in Colorado is \$ 14.04 but skilled care reimbursement is much higher than non-skilled reimbursement.

As for the Secondary Proposal, SB19-238-Which would require Medicaid Caregivers information including names, wages, addresses, cell phone numbers, and emails to be published publically or made publically available. There are 3 things we would like to say about this proposal. First it is a total violation of privacy which as a company and working with the State of Colorado and it's agents we follow this rule of privacy. Second, no employee would be willing to have their information published or made available publically. Third and last statement in regards to this 2<sup>nd</sup> part of proposal, nobody will have to worry about this proposal if the 1<sup>st</sup> part of proposal will go through because most companies will already be out of business along with no employees to work.

In Conclusion, if this bill passes most agencies will go out of business providing these services and clients will lose necessary services to be able to stay in their own homes. All HCBS-EBD clients would like to stay in their own home with the help that our type of agencies provides. By losing their services which will happen they will be pushed into Nursing Facilities without their choice which will cost Medicaid 5 times more at least Monthly and put these people in very bad situations without any choice to continue staying in their own home and enjoy the rest of their life. By our experience clients can live in their own homes for a long time with assistance but when moved to nursing facility their health dramatically declines. All our clients have expressed in all our years in business that they would rather live in their own home as long as possible. Everyone who reads this and understands the common sense behind it should vote NO on this proposal.