



My name is Tracy Lawless and I represent PHI's Health Care for Health Care Workers campaign of PA. PHI believes that Quality Jobs bring Quality Care. We are the voice of Direct Care Workers - the home health aides, home care aides and personal care attendants that care for our elders, those with disabilities, and our loved ones who need long term care.

Today you are hearing about where Pennsylvania stands on protecting consumers' in the insurance market. Unfortunately, our Commonwealth received failing grades in all areas including:

Availability of Coverage

- PA failed in Requiring insurers to sell coverage to all applicants
- PA failed in Requiring affordable alternative premiums

Unrestricted Premiums

- We failed in prohibiting higher premiums based on pre-existing conditions
- We failed in requiring insurers to spend at least 75% of premiums on health care?

To the more than 2 in 5 uninsured direct care workers in PA, our policymakers have also failed them. There is legislation right now that could address many of these consumer protection reforms. We have House Bill 2005 that would fix these failures and Senate Bill 1137 that would cover the uninsured but some of our state Senators have them tied up in committee.

Ø Unfortunately, direct care workers like Karen in Washington, PA is all too familiar with living without health care coverage because of a painful bladder syndrome known as Interstitial cystitis (IC) - a condition that results in recurring discomfort or pain in the bladder and the surrounding pelvic region. Karen quit seeing her urologist altogether and just deals with the discomfort each day. Her urologist ordered a series of diagnostic tests that help in ruling out other diseases. These tests were too expensive. Karen counts her blessings for the good days and suffers through the bad days.

Karen also needed to seek care for a breathing problem she had where a number of other tests were run and this required more visits to other specialists. In the end I was told my breathing difficulty was a result of anxiety attacks but they can't be sure. And she cannot afford further testing to rule this out.

Ø As a personal care attendant she does a lot of heavy lifting. Direct Care workers have one of the highest injury rates surpassing construction workers, truck drivers, firefighters and police officers. Karen now has a hernia above her abdomen and also experiences a lot of joint pain in her hips. There is a simple hernia-repair surgery, but she cannot afford this surgery without health insurance. It is possible to simply live with a hernia and monitor it. But she takes a risk that an organ may have its blood supply cut off, and infection and tissue death may occur as a result. A strangulated intestinal hernia may result in intestinal obstruction, causing her abdomen to swell. The strangulation can also lead to infection, gangrene, intestinal perforation, shock, or even death. And if that is not enough, Karen has accumulated over \$4000 in medical debt.

Ø If Karen is too sick to come to work her client cannot get out of bed, cannot be bathed, and cannot get a meal. This problem affects us all.

Then there is Paula from McKeesport who works in a home care agency. Paula has been offered health care by her employer but could not afford it and went on a mini-medical plan which hardly covers the basic care she needs and EXCLUDES ALL PRE-EXISTING CONDITIONS. Her employer at least offers something but knows that it is not adequate to cover the full spectrum of medical needs. Paula's employer can never get enough employees to enroll in the plan because it is so unaffordable so their chances for improving the insurance options remain low, even as the business grows.

Ø In Paula's case, her husband – who had always carried the insurance – changed jobs and for a time the family had no insurance. During that time, Paula tried to get insurance, which was the home care agency's HMO plan at that point. The cost to cover herself and her family was nearly \$600 a month – far more than she could afford since the average wage for direct care workers is \$10/ hour. In addition, she had a pre-existing heart condition, which precluded anything related to that being covered – and that condition was the primary reason she needed solid health insurance. It was very frustrating for her, and difficult for her employer to know this extremely expensive plan was not meeting the needs of their employee.

Ø Many staff cannot get coverage due to pre-existing conditions, claims get approved – then never paid, staff must pay all charges up front then file for reimbursement – which takes an inordinate amount of time, and many things are just not covered. In addition, there is a \$10,000 annual cap – which is easily met if even one medical event occurs and testing or treatment is needed. Paula's employer had excellent employees get diagnosed with cancer and before they can even have one treatment, their coverage runs out.

Finally, I want to tell you about Linda in Indiana County, Linda owns a home agency that provides a variety of home health and home care services. In just ten years Linda's company went from offering 18,000 hours of service to 150,000 hours of service. The business was thriving. In the early years of providing this care, Linda endured an extremely high staff turnover rate and struggled to meet the long term care needs of the Indiana County community. Initially, the agency's direct care workers were part-time, minimum wage, with no health care benefits. Linda decided they had to address the turnover issue and improve recruitment and retention.

Through a series of grants, service growth, and donations Linda was able to increase wages, add full-time positions, and a paid benefits package of leave time, pension and, most notably, healthcare, eye and dental coverage. All of these changes were done incrementally to accommodate economic constraints. Now over 95% of the agency's eligible direct care workers are receiving health insurance.

Ø Through this initiative, there has been a dramatic decline in turnover from 56% in 2003 to 0% currently. Unfortunately, even with the grant money, Linda's agency will no longer be able to maintain these changes, as 95% of her budget goes to salary and benefits, causing this organization to be currently in the red.

Why it matters -

Ø It has been shown before that affordable health care is key to keeping direct-care workers in their jobs. This retention is critical to consistency of care. Long-term consumers lose the stable relationships with their caregivers when there is high turnover. Family members and friends may have to stand in if a worker misses a shift due to injuries or illnesses. Workers may forego care until a treatable health condition becomes an emergency because they cannot afford to pay the medical bills without insurance.

Ø As we see from Karen, Paula and Linda, offering affordable health insurance can help ensure continuity to individuals depending on long-term care.

These are the people who bathe our mothers, who feed our fathers, who care for our grandmothers, who take our brother, sister, or parents to their doctor appointments, who help others get out of bed, go to work, and contribute to society. These are the people who give independence to our Greatest Generation.

These are their stories of hardship for workers without health care, and the stories of consumers who depend on that care if the direct care worker is too sick to come to work, and the stories of the employers who cannot afford to offer health insurance to their workers but face expensive and exhaustive recruitment and retention problems.

As Karen once told me, I am not here for the money. I enjoy the work I do, caring for my client, but we must start taking care of those who care for others!