

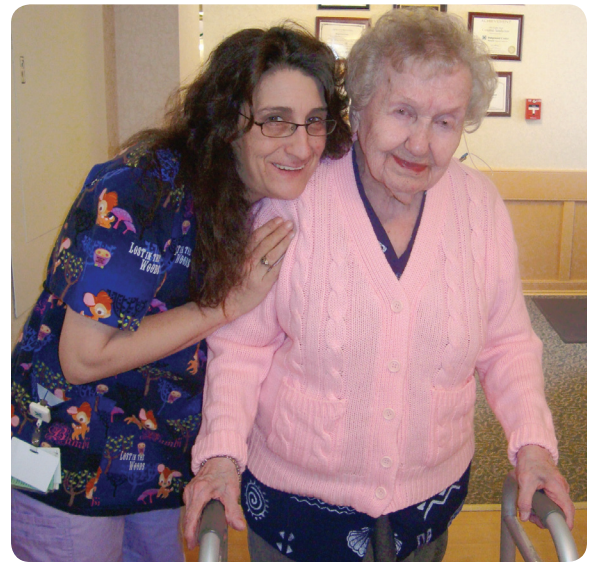
A Health Care System that's Good for Direct-Care Workers Is Good for America

Our nation is close to realizing the historic goal of affordable health care for all through a reformed system that improves quality and controls cost. For America's 3 million direct-care workers, the low-wage workers who provide care and support to elders and people with disabilities, reform is essential. Nearly one-third of all direct-care workers lack health coverage, and in the fastest growing part of the workforce—jobs in home and community-based services—only four out of ten are covered by their employers.

This workforce is projected to reach 4 million by 2016, more than the number of RNs. How health reform impacts direct-care workers will be a litmus test for how well it works for America's working families. Direct-care workers, and all Americans, need:

Coverage that is truly affordable

- **Direct care is low-wage work**, with median annual earnings of \$17,000. Studies show that many workers do not enroll in employer-sponsored plans because of high costs. America's low- and middle-income workers can afford only modest contributions to the cost of their coverage.
- **Insurance policies must have affordable out-of-pocket costs** with caps on *total* health expenses, not just premiums. For many American workers, insurance with high deductibles and copays provides coverage on paper but still leaves health care out of reach.



Coverage that includes comprehensive benefits

- **Direct-care workers are mainly women and many live with chronic health conditions.** Their work is physically demanding—back injuries and muscle tears are commonplace. Coverage must include a full range of services and benefits—without annual limits—including disease management, prescription drugs, and physical therapy.

Coverage that is continuous and easy to enroll in

- **Many direct-care workers do not have full-time, year-round work, and many work for more than one employer.** Coverage gaps are common as fluctuating hours force workers in and out of eligibility for employer-based and Medicaid coverage. Reform must provide stable, seamless coverage with enrollment procedures that are simple and easy to understand.

Coverage that is affordable for small and publicly funded businesses

- **Many long-term care providers depend on government programs for a significant portion of their budgets, which seriously restricts their resources.** In addition, due to their smaller size, finding reasonably priced coverage is difficult. These employers need access to the Exchange, where cost and coverage standards will be controlled and participants will benefit from pooling as well as the competition between participating plans.

Insurance market reforms prohibiting discriminatory rating

- **Insurance companies consider most long-term care employers “high risk”**—characterized by having a largely female, older workforce; high turnover rates; and exposure to hazardous work conditions. These employers thus face high premiums for insurance coverage. Strong rating rules can ensure affordability by prohibiting premiums based on “risk” characteristics.

Choice of private or public insurance

- **Direct-care workers need a choice of coverage** that includes a public health insurance option. A plan governed by and accountable to the government, with the authority to establish provider rates, ensure broad provider participation, lower costs and keep private insurance companies honest, would benefit workers and their employers.

Lower costs, more choices, and affordable coverage we can count on: If reform works for the nation’s 3 million direct-care workers, it will work for all Americans.



Health Care for Health Care Workers (www.coverageiscritical.org), an initiative of PHI, seeks to expand health coverage for workers who provide support and assistance to elders and people living with chronic conditions and/or disabilities. These consumers need a skilled, reliable, and stable direct-care workforce to provide quality long-term care services. We believe that one way to ensure a quality direct-care workforce is to provide quality direct-care jobs—jobs that offer health coverage and pay a living wage.

This, and related publications, are available online at the Health Care for Health Care Workers website (www.coverageiscritical.org) and the PHI policy website, (www.PHInational.org/policy), or by calling the national campaign office at 718.928.2066.