

Direct-Care Workers Need Health Reform *Now*

“As an independent contractor I cannot afford private insurance.”

John Booker, CNA
South Bend, Indiana

John Booker is a direct-care worker living in South Bend, Indiana. Like many direct-care workers serving elders and people with disabilities, he has lived without health coverage throughout his 30-year career as a caregiver. “My wages are low—about \$11.00 per hour—and as an independent contractor I cannot afford private insurance,” John said. “My total income is around \$18,000 per year, and even when I was working for an agency that offered health coverage, the premiums and co-pays were so high that I couldn’t afford to insure myself and my family.”

Both John and his wife are in their 50’s, and their only option has been the local community health center. The health center charges patients based on their income, but it can cost up to \$116 per visit. “Needless to say, even this has proved difficult,” John said, “and I delay going to the clinic until I feel it is absolutely necessary.”

John lives with extremely high blood pressure, and is at high risk for prostate cancer. “There are many times during the year when I can’t afford *any* of the medication that has been prescribed for me to control my blood pressure,” he said, “and I worry a lot. If something should happen to me, it would essentially ruin us. But also if I should become ill, it would also affect my clients, who depend on me to live *their* lives.”

Creating an Exchange Can’t Wait

Thousands of direct-care workers like John fall through the cracks of our health insurance system. They do not get employer-based insurance because they work directly for a consumer—a work model that is gaining in popularity. If they are married, they may not qualify for Medicaid based on their family status. And finally, many direct-care workers do not earn enough to buy private insurance on their own.



Public Option

Affordability

Good Benefits

Insurance
Market Reform

Exchange

An insurance exchange would:

- **Lower costs.** For low-wage workers like John, an exchange—a large purchasing pool—can negotiate on behalf of consumers for more affordable rates from insurance plans. A similar approach is used by the Federal Employees Health Benefits Program to minimize cost growth and review changes in benefit design.
- **Increase choice.** Exchanges would enable individuals and employers (starting with small employers) to purchase qualified insurance, choosing between a range of private health plans and the public health insurance option.
- **Improve access.** Individuals not enrolled in qualified employer coverage, Medicare, Medicaid, TRICARE, or VA coverage would be eligible for insurance through the exchange and could qualify for subsidies based on their income.

Meaningful Health Reform Must Include an Exchange

The PHI Health Care for Health Care Workers campaign urges Congress to create an exchange—for both individuals and employers—to eliminate the inequities that leave too many without access to affordable coverage. We also urge Congress to provide a clear pathway for all employers to access the exchange over time, with the Secretary of Health and Human Services and states having authority to manage a phase-in.

We ask Congress to support:

- The House provisions that create a national exchange and include a new public insurance option.
- Accelerating reform by incentivizing states, with start-up funds, to set up their own exchanges before 2013.
- The House language that provides information to consumers and small employers—through a telephone hotline and website—to assist them in choosing among plans in the exchange.

By 2016, direct-care workers will number 4 million, America's single largest occupation. Health care reform that is good for direct-care workers is good for America.

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www.PHInational.org/policy



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.



PHI (www.PHInational.org) works to improve the lives of people who need home and residential care—and the lives of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers, and policymakers improve long-term care by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers, so that both may live with dignity, respect, and independence.