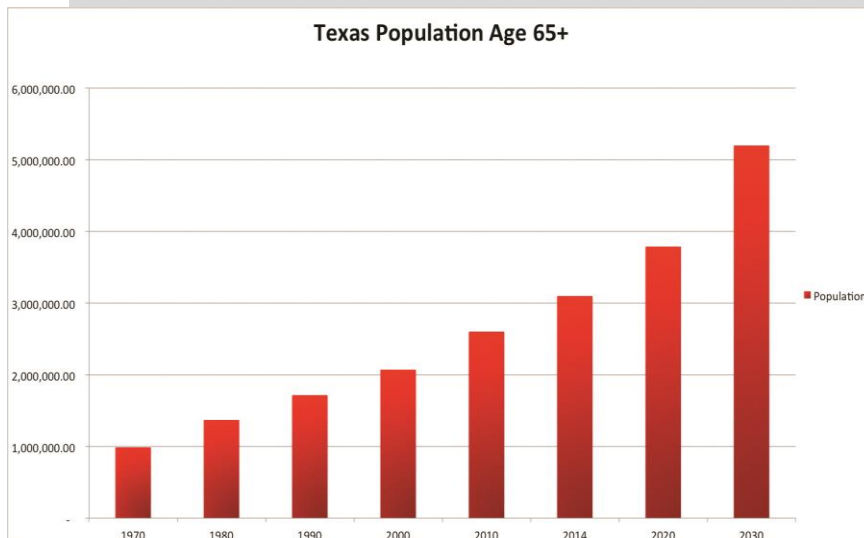


Submitted by Dennis Borel, Executive Director, Coalition of Texans with Disabilities, 1716 San Antonio St., Austin, TX 78701 9/25/2020

Current Status: Base wage for community attendants—the Perfect Storm is not coming, it's already here.

- Base wage = **\$8.11**. Some Medicaid waivers have higher wages, but the large majority of community care programs are at \$8.11, with no benefits or paid leave.
- **Cumulative wage increases in last four sessions = 25 cents per hour**
- **Demographic push:** The primary consumers, older adults and younger people with disabilities, are increasing dramatically. See bar graph below.
- TWC ranks community attendants as Texas' **highest growth occupation, more than the next eight high growth occupations combined**. See chart below.
- When adjusted for inflation, base **wages have eroded by 30%** in the history of the program. See line graph below.
- At one time, alternative employment such as fast food or entry-level retail paid comparable wages, but no longer. **Alternative employment responds to free market forces and most of these jobs pay at least 50% more hour.**
- **Lack of reliable attendant care has a negative impact on consumer health**, leading to higher acute care costs, emergency room visits, hospitalization, and unnecessary institutionalization.



Texas has the third largest older adult population among the states, totaling 3.1 million in 2014. With the aging of its Baby Boomer generation, the number of older adults is projected to increase 90% by 2030 - to 5.9 million.

Source: "Aging in Texas: Introduction," Texas Demographic Center, June 2016.
http://demographics.texas.gov/Resources/publications/2016/2016_06_07_Aging.pdf

The Texas Workforce Commission has identified personal care aides and home health aides as two of the fastest growing occupations in Texas. The increase in these jobs is projected to reach 102,030 by 2024.

Source: Actual wages: U.S. Department of Labor,
Source: Texas Workforce Commission,
Texas Labor Market Information, LMCI Tracer
<http://www.tracer2.com/?PAGEID=67&SUBID=114>

Texas Fastest Growing Occupations*

Occupational Title	Annual Average Employment 2014	Annual Average Employment 2024	Number Change 2014-2024	Percent Growth 2014-2024	Annual Openings due to Growth	Annual Wage 2015
1 Personal Care Aides	197,590	274,460	76,870	38.9%	7,685	\$17,991
2 Cooks, Restaurant	88,320	124,570	36,250	41.0%	3,625	\$23,043
3 Home Health Aides	63,550	88,710	25,160	39.6%	2,515	\$19,950
4 Nurse Practitioners	8,090	11,970	3,880	48.0%	390	\$105,221
5 Operations Research Analysts	7,980	11,570	3,590	45.0%	360	\$84,228
6 Physical Therapist Assistants	6,110	8,760	2,650	43.4%	265	\$72,818
7 Physician Assistants	5,960	8,510	2,550	42.8%	255	\$99,573
8 Diagnostic Medical Sonographers	4,570	6,650	2,080	45.5%	210	\$74,638
9 Interpreters & Translators	4,860	6,930	2,070	42.6%	205	\$50,979
10 Cardiovascular Technologists & Technicians	4,570	6,530	1,960	42.9%	195	\$53,879

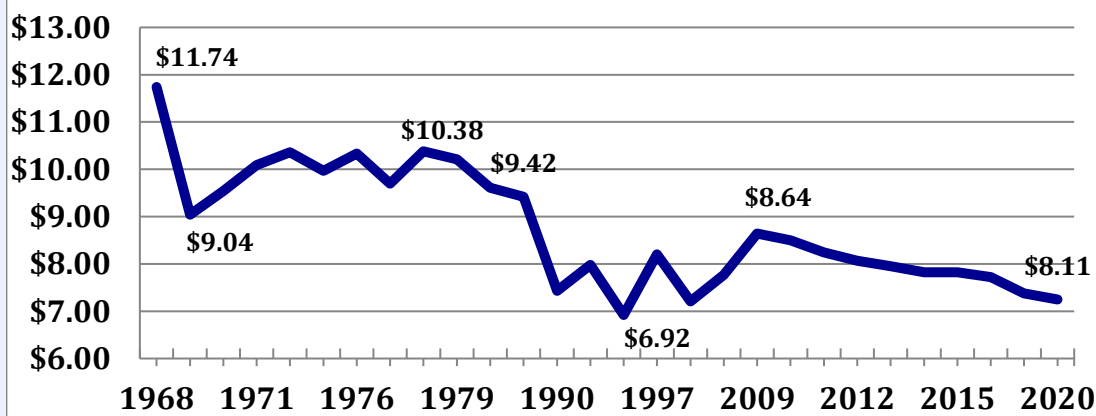
But **TWC won't refer jobseekers to its highest growth occupation**, because job referrals must lead to economic self-sufficiency and these jobs do not.

Source: Texas Workforce Commission, *Direct Service Workers: Demand and Wage Trends in Texas*, Oct. 22,

Yet the workers will be leaving: the **median community attendant turnover rate across the industry was 66.7%** in 2017, the highest rate since 2013.

Source: Home Care Pulse, *9th Annual Edition of the Home Care Benchmarking Study*

Community Attendant Wages in 2020 U.S. Dollars (Adjusted to the Consumer Price Index)



Calculator, Bureau of Labor Statistics, http://www.bls.gov/data/inflation_calculator.htm

Grocery stockers, pizza delivery drivers and taco stand workers all make significantly more.



COVID-19 Impact

The service population in community care falls 100% in the group labelled “with underlying medical conditions”, the most likely to have a bad outcome, or death, from COVID-19. These citizens should avoid dangerous congregate settings like nursing homes and remain healthy enough to stay out of hospitals, which are highly risky for a non-COVID patient. Reliable community attendants provide excellent value to those served, their families and communities and the state budget.

Recommendations

Ensuring a stable workforce really is about a competitive wage. For many years, wages have been removed from the free market and been set by the Legislature. There is no magic dust solution to replace a fair wage.

1. Increase the base wage to \$15 per hour.
2. To ensure a stable workforce, build in an adjuster mechanism that will increase wages in accordance with free markets.
3. Promote the consumer directed services (CDS) option. In this cost-neutral option, more of the Medicaid rate goes to the direct care worker. CDS is very undersubscribed in Texas.
4. Home Health Agencies and Financial Management Services Agencies have had no increase in rates for administrative services for 14 years. This weakens oversight and compliance. Increase the administrative rate by 50%.

A sustainable Texas Medicaid shifts health care costs to front-end investments, avoids expensive preventable costs, and keeps people healthy.