## Testimony of Ai-jen Poo, President, National Domestic Workers Alliance Executive Director, Caring Across Generations

## **U.S. Senate Special Committee on Aging**

## Hearing: Empowering People with Disabilities to Live, Work, Learn, and Thrive: Successes in the 118th Congress and Future Opportunities December 12, 2024

Chairman Casey, Ranking Member Braun, and Members of the Committee, thank you for the opportunity to testify today. I want to thank Senator Casey for the invitation to speak at this hearing, as well as the full committee for holding this hearing on empowering people with disabilities. I'm grateful for the opportunity to reflect on the successes of the 118th Congress and examine the future opportunities and challenges which lie ahead. My name is Ai-jen Poo. I am the President of the National Domestic Workers Alliance (NDWA) and Executive Director of Caring Across Generations.

Founded in 2007, NDWA works to raise wages and strengthen industry standards toward economic security, respect, and workplace dignity for 2.2 million domestic workers in the U.S. NDWA represents more than 395,000 nannies, house cleaners and home care workers in all 50 states, with a network of over 70 local chapters and affiliate organizations.

Founded in 2011, Caring Across Generations works on behalf of family caregivers, care workers, disabled people, and seniors to change the way we support and value caregiving in the culture and policies of the United States – from aging and disability care, to childcare, to paid family and medical leave, and good jobs for care workers.

Together, NDWA and Caring Across Generations have worked for over a decade to bring attention to the growing need for investments in the care economy and the urgency of transforming care jobs into good jobs with family-sustaining wages and benefits. We lead Care Can't Wait, a national coalition committed to building a comprehensive care infrastructure that guarantees affordable care for all who need it, lowers costs for family caregivers, and creates good jobs for all care workers.

I represent both family caregivers and paid care workers, constituencies that have historically been neglected by the federal government, even as their labor provides critical support for disabled people and older adults within a broken system. Unpaid care work, two-thirds of which is done by women, disproportionately by Black and Asian women and Latinas, is worth more than 1 trillion dollars. Most people would prefer to live and age in their own homes and

<sup>&</sup>lt;sup>1</sup> Jessica Mason, Katherine Gallagher Robbins, "Americans' Unpaid Caregiving is Worth More than \$1 Trillion Annually – and Women are Doing Two-Thirds of The Work" National Partnership for Women & Families, June 27, 2024

<sup>.</sup>https://nationalpartnership.org/americans-unpaid-caregiving-worth-1-trillion-annually-women-two-thirds-work/

communities, but today more than 710,000 older adults and disabled people remain on waiting lists for Medicaid home and community-based services, deprived of essential, life-saving care.<sup>2,3</sup>

Federal dollars, primarily Medicaid, not Medicare, pay for the vast majority of long-term care, including wages for workers who provide these services.<sup>4</sup> Despite the immense need for people to care for our aging and disabled loved ones, these workers are also among the most underpaid. Direct care workers earn an average of just \$25,000 per year.<sup>5</sup> These workers are less likely to receive paid family and medical leave and nearly half rely on public assistance such as Medicaid, food stamps, and other forms of cash assistance to make ends meet. 6 The low pay and lack of benefits means that many workers are forced to leave the field, increasing training and turnover costs for employers, and diminishing the quality and consistency of care for families, older adults, and disabled people in need. 7,8 Ensuring family sustaining wages and good job quality is essential to sustain the care workforce we need in our economy and in our communities.

Our country has taken strides to address these issues. In the last three years, we were able to make advancements for family caregivers, aging adults, disabled people and care workers. The American Rescue Plan Act, with the leadership of Senator Casey, resulted in over \$36 billion to expand access to Medicaid Home and Community-Based Services (HCBS) and raise wages for direct care workers. ALL fifty states took this funding because of the extensive need for care across the country. 10 Funds from the American Rescue Plan were critical lifelines – with states

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<sup>&</sup>lt;sup>2</sup> Hart Research Associates, "Standing Up for Medicaid," April 13, 2023.

https://caringacross.org/wp-content/uploads/2023/04/Caring-Across-Generations-Medicaid-Polling.pdf

<sup>&</sup>lt;sup>3</sup>KFF, "Medicaid HCBS Waiver Waiting List Enrollment, by Target Population and Whether States Screen for Eligibility." 2024.

https://www.kff.org/medicaid/state-indicator/medicaid-hcbs-waiver-waiting-list-enrollment-by-target-population-and -whether-states-screen-for-eligibility/?currentTimeframe=0&selectedDistributions=total-waiting-list-enrollment&sel ectedRows=%7B%22wrapups%22:%7B%22united-states%22:%7B%7D%7D,%22states%22:%7B%22all%22:%7B %7D%7D%7D&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D

<sup>&</sup>lt;sup>4</sup>Congressional Research Service, "Long-Term Services and Supports: History of Federal Policy and Programs", Dec. 20, 2023, https://crsreports.congress.gov/product/pdf/R/R43328

<sup>&</sup>lt;sup>5</sup>Sarah Angell, Kezia Scales, & Lina Stepick, "Direct Care Workforce State Index: Mapping Workforce Policies and Outcomes," PHI, July 30, 2024.

https://www.phinational.org/resource/direct-care-workforce-state-index-mapping-workforce-policies-and-outcomes/ <sup>6</sup> PHI, "Direct Care Workers in the United States: Key Facts 2024," Sept. 2024.

https://www.phinational.org/wp-content/uploads/2024/09/PHI Key Facts Report 2024.pdf

<sup>&</sup>lt;sup>7</sup>Kyle D. Fee, "Using Worker Flows to Assess the Stability of the Stability of the Early Childcare and Education Workforce, 2010-2022," Federal Reserve Bank of Cleveland, Jan. 19, 2024.

https://www.clevelandfed.org/publications/cd-reports/2024/20240119-childcare-and-education-workforce

<sup>&</sup>lt;sup>8</sup>PHI, "Direct Care Workers in the United States: Key Facts 2024," Sept. 2024.

https://www.phinational.org/wp-content/uploads/2024/09/PHI Key Facts Report 2024.pdf

<sup>&</sup>lt;sup>9</sup> Center for Medicare & Medicaid Medicaid Services, Center for Medicaid & CHIP Services, "Overview of State Spending under American Rescue Plan Act of 2021 (ARP) Section 9817, as of the Quarter Ending December 31, 2023." July 2024.

https://www.medicaid.gov/medicaid/home-community-based-services/downloads/arp-sec9817-overview-infographic <u>.pdf</u>
<sup>10</sup> Ibid.

expanding services to care recipients and investing in the direct care workforce.<sup>11</sup> But these investments are short-term, and that funding is set to expire in March of 2025.

This leaves the home and community-based care system vulnerable at a time when we need greater access to services, not less. Every day in America, 10,000 of us turn 65 years-old, <sup>12</sup> and the number of older adults over 85 years-old is expected to more than double by 2040. <sup>13</sup> As more of us, including disabled people, live longer, our nation will need more care than ever before. The direct care workforce is overwhelmingly made up of women of color and immigrants. <sup>14</sup> These are jobs that cannot be outsourced, and won't be automated. They consistently rank among the largest <sup>15</sup> and fastest growing <sup>16</sup> occupations in the entire workforce because of the overwhelming demand from older adults and disabled people, particularly for direct care in the home and community. Investment in this workforce will create economic mobility for their families and communities <sup>17</sup>, in addition to stabilizing the services that caregiving families, older adults and disabled people need. We have proven solutions to this workforce crisis – including raising wages and supporting workers' rights to organize, to join a union, and to negotiate for family-sustaining wages and benefits. But this is all out of reach without increasing federal funding for Medicaid.

The proposals to increase that funding exist. Legislation to deliver care for the 710,000 people on the waiting lists for HCBS, and to raise wages for workers have been introduced, and they all have a common lead sponsor: Senator Casey. The HCBS Access Act, <sup>18</sup> Better Care Better Jobs Act, <sup>19</sup> Long-term Care Workforce Support Act, <sup>20</sup> and the HCBS Relief Act<sup>21</sup> all increase the independence and dignity of disabled people and older adults, bolster economic security for family caregivers, and support and strengthen the direct care workforce.

<sup>&</sup>lt;sup>11</sup> Julie Kashen, Anna Wadia, Choua Vue, and Allison Cook, "Investing in the Care Economy Works: Learning from the American Rescue Plan," The Century Foundation, Feb. 28, 2023.

https://tcf.org/content/commentary/investing-in-the-care-economy-works-learning-from-the-american-rescue-plan/

12 America Counts Staff, "2020 Census Will Help Policymakers Prepare for the Incoming Wave of Aging Boomers,"

United States Census Bureau, Dec. 10, 2019. https://www.census.gov/library/stories/2019/12/by-2030-all-baby-boomers-will-be-age-65-or-older.html

<sup>&</sup>lt;sup>13</sup>Administration for Community Living, U.S. Department of Health and Human Services, "2023 Profile of Older Americans," May 2024.

 $<sup>\</sup>underline{https://acl.gov/sites/default/files/Profile\%20of\%20OA/ACL\_ProfileOlderAmericans2023\_508.pdf}$ 

<sup>&</sup>lt;sup>14</sup>PHI, "Direct Care Workers in the United States: Key Facts," 2023.

https://www.phinational.org/wp-content/uploads/2023/09/PHI-Key-Facts-Report-2023.pdf

<sup>&</sup>lt;sup>15</sup> U.S. Bureau of Labor Statistics, "Occupational Employment and Wage Statistics: Charts of the largest occupations in each area, May 2023." <a href="https://www.bls.gov/oes/current/area">https://www.bls.gov/oes/current/area</a> emp chart/area emp chart.htm

<sup>&</sup>lt;sup>16</sup> U.S. Bureau of Labor Statistics, "Employment Projections: Fastest growing occupations," Aug. 29, 2024. https://www.bls.gov/emp/tables/fastest-growing-occupations.htm

<sup>&</sup>lt;sup>17</sup> Christian Weller, Beth Almeida, Marc Cohen, & Robyn Stone, "Making Care Work Pay: How Paying at Least a Living Wage to Direct Care Workers Could Benefit Care Recipients, Workers, and Communities," LeadingAge, Sept. 11, 2020. <a href="https://leadingage.org/wp-content/uploads/2022/10/Making-Care-Work-Pay-Report.pdf">https://leadingage.org/wp-content/uploads/2022/10/Making-Care-Work-Pay-Report.pdf</a>

<sup>&</sup>lt;sup>18</sup> Congress.gov. "S.762 - 118th Congress (2023-2024): HCBS Access Act." March 9, 2023. https://www.congress.gov/bill/118th-congress/senate-bill/762.

<sup>&</sup>lt;sup>19</sup> Congress.gov. "S.100 - 118th Congress (2023-2024): Better Care Better Jobs Act." January 26, 2023. https://www.congress.gov/bill/118th-congress/senate-bill/100.

<sup>&</sup>lt;sup>20</sup> Congress.gov. "S.4120 - 118th Congress (2023-2024): Long-Term Care Workforce Support Act." April 15, 2024. https://www.congress.gov/bill/118th-congress/senate-bill/4120.

<sup>&</sup>lt;sup>21</sup> Congress.gov. "S.3118 - 118th Congress (2023-2024): HCBS Relief Act of 2023." October 24, 2023. https://www.congress.gov/bill/118th-congress/senate-bill/3118.

Investments in the wages and conditions for the direct care workforce are often referred to as double dignity investments because such investments not only support dignity for the workers and their families, but also the dignity of older adults and disabled people. I would add that they *also* enable dignity for working family caregivers who rely upon the support of the care workers to work. Absent these investments, we will continue to see high rates of turnover among direct care workers, impacting the quality of care and access to care for older adults, people with disabilities and their families. And, care workers will continue to live in unsustainable conditions of poverty, despite their essential work. Federal investments in the direct care workforce will result in a better-trained, better-supported direct care workforce, one that will better support all who need care and our families, and decrease stress for all involved.

All of these bills are desperately needed now, but instead, older adults, disabled people, caregiving families, and workers are facing the threat of cuts to Medicaid. Any attempts to cut, cap, limit eligibility or access to, or reduce federal funding for any part of the Medicaid program will inherently harm HCBS users, family caregivers, and direct care workers. Medicaid provides health care coverage and long term services and supports for nearly 80 million children, parents, pregnant people, adults with low incomes, older adults, and people with disabilities—more than 1 in 5 people across the US<sup>22</sup>. For 7.8 million older adults and disabled people of all ages, Medicaid is the lifeline that provides home and community-based services, supporting their ability to live and age with dignity in their own homes and communities.<sup>23</sup> Federal funding cuts and caps will push higher costs onto states that do not have the budget to cover the difference and are already experiencing direct care workforce shortages.<sup>24</sup> Any reduction in federal funding will therefore force states to cut services and limit eligibility, which in turn will increase waitlists and damage Medicaid's critical role as a lifeline for millions of families in every community.<sup>25,26</sup>

I look forward to continuing to work with Congress and the Committee to support paid and unpaid caregivers and make it possible for seniors and people with disabilities to live and thrive

<sup>&</sup>lt;sup>22</sup> Center for Medicare and Medicaid Services, "August 2024 Medicaid & CHIP Enrollment Data Highlights,"

https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index html

<sup>&</sup>lt;sup>23</sup> Caitlin Murray, Cara Stepanczuk, Alexandra Carpenter, and Andrea Wysocki, "Trends in Users and Expenditures for Home and Community-Based Services as a Share of Total Medicaid LTSS Users and Expenditures, 2022," Mathematica & Center for Medicare & Medicaid Services, Aug. 29, 2024.

https://www.medicaid.gov/medicaid/long-term-services-supports/downloads/ltss-rebalancing-brief-2022.pdf

<sup>&</sup>lt;sup>24</sup> Alice Burns, Maiss Mohamed, & Molly O'Malley Watts, "Payment Rates for Medicaid Home and Community-Based Services: States' Responses to Workforce Challenges," Oct. 24, 2023.

 $<sup>\</sup>frac{https://www.kff.org/medicaid/issue-brief/payment-rates-for-medicaid-home-and-community-based-services-states-responses-to-workforce-challenges/?utm_campaign=KFF-2023-Health-Costs&utm_medium=email&_hsmi=279618851&_hsenc=p2ANqtz-9zOZN2318V2JAheHhsN-p7GHa9cvQUUgeJHn5b36GcbNS1EWij2q7EX4UZ10mz2Rewnta-ycXS5SfwL5GCtPW10zd-fA&utm_content=279618851&utm_source=hs_email}$ 

<sup>&</sup>lt;sup>25</sup> Dania Douglas, Michelle Yiu, & David Machledt, "Protect Medicaid Funding Issue #6: Older Adults and People with Disabilities," National Health Law Program, Sept. 2024. https://healthlaw.org/wp-content/uploads/2024/09/06-Older-Adults-and-PWD.pdf

<sup>&</sup>lt;sup>26</sup> Elizabeth Edwards, Dania Douglas, & Michelle Yiu, "Helping Those on HCBS Waiting Lists: Positive Impacts of the ACA," National Health Law Program, May 16, 2023. https://healthlaw.org/wp-content/uploads/2023/05/Helping-Those-on-HCBS-Waiting-Lists-FINAL-5-16-23.pdf

in their homes and communities, by protecting Medicaid and other critical programs which provide access to essential care.

In closing, I want to thank Senator Casey for your leadership. None of the successes I outlined would have been possible without your steadfast championship, advocacy and partnership. It is daunting to think about facing the challenges ahead, particularly the threats to Medicaid, without you at the helm, but we have been emboldened to reimagine what is possible because of your leadership. Thank you.