

PPCH
PARKER
PERSONAL
CARE
HOMES

March 10, 2017

My name is Jodi Walters and I am the Executive Director at Parker Personal Care Homes, Inc. We are a Program Approved Service Agency that provides services and supports to the IDD population along the Front Range. We pride ourselves in supporting some of the most difficult to serve individuals in some of the most creative programs in Colorado. We serve 517 individuals in Jefferson, Adams, Douglas, Denver, Broomfield, Boulder, Arapahoe, Larimer and Weld counties. The vast majority of the individuals we serve are on an HCBS waiver and we currently serve individuals receiving CES, SLS, DD-Comp and CHRP services.

As of June 2016 the mean wage for a Direct Support Professional (staff that work directly with individuals w/ IDD) at PPCH was \$13.20/ hour. We have spent significant time calculating the true hourly costs of a DSP and have been able to determine that a \$13/hr employee **directly costs** the agency \$20.99/ hour. In this calculation, we do not account for turnover or administrative overhead, so the true cost is even higher. What is taken into account is:

- Non-billable training time
- 2 weeks of vacation time
- 1 week of sick time
- Non-billable travel time and the cost of transportation
- Insurance
- Taxes

As you are aware, many service reimbursement rates within the SLS, DD-Comp and CES waivers are reimbursed at less than \$20.99/ hour. As an illustration to this point, our SLS program at Parker serves more than 150 individuals across the services categories offered by the waiver. In January of 2017 we provided 9,843 units of personal care services, respite, mentorship, or community connection activities. This translates to just under 2,500 hours of direct supports to individuals receiving SLS services that either live with their families or on their own. Typically, we serve most individuals in SLS between 2- 12 hours a week. These services are often the difference between an individual being able to live on their own or not. This number does not include all of the employment services we provided as well. Below is a sample of the hourly billable rates for SLS, most falling well below what it costs us to provide the service.

SLS/ CES Reimbursement Levels

Service revenue	per unit	per hour
Respite	4.95	19.8
Enhanced homemaker	6.13	24.52
Basic homemaker	3.73	14.92
Personal care	4.95	19.8

It is important to note that although enhanced homemaker is a service that is reimbursed at a higher level, this is typically a service that is only in plans 1 -2 hours a week, making the reimbursement rate not adequate due to non-billable travel time unless it is being coupled with another service at the same time. Most individuals and families require and request the largest amounts of service in the respite, basic homemaker and personal care categories.

In recent months, many agencies have stopped providing SLS services because they can no longer afford to lose money in this area. At PPCH, we continue to provide these services, but we have to be very selective as to which services we can provide, and where in the state we can provide services. The rates make paying competitive wages very difficult which in turn leads to recruitment and retention issues which further limits our ability to serve individuals. In order to sustain our services we have begun to exclude services with the lowest reimbursement rates. On average PPCH loses \$4,166 per month providing SLS services. In 2016, PPCH lost \$55,941 providing SLS services. We only continue to provide these services because we see every day how critical they are to the individuals and families receiving them. These are not "fluff" services. They are services that help individuals to get to the doctor, pay their bills, buy their groceries, and clean their homes. These are services that give tired families a break. They also help individuals get and keep a job, access their communities and learn and grow.

Our CES services are impacted even more because we hire our CES staff starting at \$13/hour because the youth in this program are very challenging and having staff work in a family home, often in front of mom and dad with this challenging population is a very difficult job to fill and has demanded a more competitive wage. Our mean CES wage is \$14.73/hr. A \$15/ hour employee costs us \$23.65/ hour.

Additionally, we receive a tremendous amount of RFP's requesting 1:1 Supported Community Connections. As you can see below, the only rate that comes close to being possible to provide this service is a 1:1 at a SIS Tier Level 6, at \$25.76/hour.

SCC Reimbursement rates SLS/ Comp

Service revenue	per unit	per hour
SCC Level 1	2.87	11.48
SCC Level 2	3.14	12.56
SCC Level 3	3.54	14.16
SCC Level 4	4.07	16.28
SCC Level 5	4.90	19.6
SCC Level 6	6.44	25.76

As Colorado comes into compliance with the Federal Final Settings rule, CMS will have the expectation that services are provided in less congregate and more individualized settings. This is simply not feasible without significant increases to most of these SCC rates. It is difficult to make connections in your community when you are traveling as a group of individuals with IDD.

Lastly, as minimum wage continues to rise in Colorado, it will be increasingly difficult to recruit and retrain staff at a starting wage of our current \$12/hour in entry level positions. We already experience a turnover rate of 36%. We currently have a "no show" rate of 40% to scheduled interviews for our DSP positions. It is simply becoming increasingly difficult to attract qualified DSP's at \$12/hr.

Please strongly consider funding these vital services at rates that will entice providers to offer them and provide individuals to truly access the services they require and desire to be as independent and fulfilled as possible.

Sincerely,

JODI WALTERS | Executive Director

Parker Personal Care Homes

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