

American Rescue Plan State Fiscal Recovery Fund Recommendation Cover Sheet

Please submit this document with any recommendations for funding from Rhode Island’s allocation of federal fiscal recovery funds available through the American Rescue Plan Act. This information will be made available to the public along with any detailed documents submitted that describe the proposal. It is encouraged that such documents identify clear goals and objectives and quantifiable metrics.

This is not a formal request for funds, and submission of recommendations does not guarantee a response, public hearing, or appropriation from the General Assembly.

Name of Lead Agency: **Community Provider Network of Rhode Island**

Additional agencies making recommendation (if applicable): **Rhode Island Coalition of Children and Families, Horizon Health Partners, Senior Agenda Coalition, Substance Use Mental Health Leadership Council of RI**

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Brief Project Description (attachments should contain details) **Short-term and Long-term investments in the Health and Human Service Sector**

Total request: **Approximately \$100-\$300 million through 2024**

One-time or Recurring Expense? **One-time short term investment and long-term investment TBD**

ARPA Eligibility Category (check all that apply) – See link for further information

<https://www.rilegislature.gov/commissions/arpa/commdocs/Treasury%20-%20Quick-ReferenceGuide.pdf>

Respond to the public health emergency and its economic impacts **X**_____

Premium pay to eligible workers **X**_____

Government services/state revenue replacement _____

Water/sewer/broadband infrastructure _____

Coalition of Health and Human Service Agencies



Health and Human Service Workforce Recovery Investment

The needs of Rhode Island elders, children and adults with disabilities, mental health and substance use conditions continues to grow; there has been a decade-long deterioration of the skilled health and human service (HHS) workforce to meet these needs. Based on current labor projections, personal care is one of the fastest growing labor industries in Rhode Island. To address this imbalance of supply and demand, keen attention to the HHS workforce is needed.

The primary funder of health and human services for the identified population is the State Medicaid system and the primary supplier of HHS services are community-based providers. The health and human service system has been beset by chronic underfunding and unsustainable programming. This has resulted in wage compression and attrition of skilled clinicians and direct support staff, causing an access to service crisis for Rhode Islanders. The HHS providers are simply unable to meet the needs of our community. Approaching three years of operation during a global pandemic (COVID), without significant state investment, our workforce needs to be strengthened to continue to pivot and respond to needs of the community quickly, efficiently and safely.

State revenue and municipal revenues investments fund wages for our public fire, police, teachers, and state agency workers, who provide essential services to Rhode Islanders. These services afford our citizens the ability to live safely in their day-to-day lives. The home and community-based workforce are also essential to the fabric of our society. Yet, investments in this workforce have lagged so significantly, available workers have no interest in coming to this industry that will subject them to a life of poverty. We have devalued the clinical expertise of skilled clinicians through poor compensation and they are fleeing the industry in search of careers that will compensate them for their credentials.

The need and demand for this workforce grows each year and our efforts as a State to ensure we can meet the needs of Rhode Island citizens must be urgent and robust. Failure to invest in this industry will undermine our societal progress toward inclusive living within our communities for elders, children and adults with disabilities and mental health conditions. We have an opportunity to invest in the needs of our community and ensure an industry which employs tens of thousands of Rhode Islanders, is able to compensate their workers with middle class jobs that allow them to meet their basic needs and contribute to our local economies.

Health and Human Workforce Recovery and Stabilization

Workforce Stabilization-Short Term Investment

To meet the immediate need of the workforce shortage and chronic attrition of staff in the fields of community-based supports, behavioral health treatment, disability services, child welfare, and elder

care, investments are needed to supplement the current payment structure offered by Medicaid and other human service agencies across delivery systems. **All** service categories in the above fields require a minimum of a 25.0 percent increase in rates to elevate wages and to attract, train, and retain workers during this year of recovery from the public health emergency (PHE) through the remainder of Fiscal Year 2022 and Fiscal Years 2023 and 2024 while permanent solutions are developed. Rate increases to address wage enhancement and related operating costs are necessary to stabilize the HHS workforce sector. Methods for approaching wage enhancements include:

Rate Increase Based Assumptions: Providers fund hourly wages and salaries based on reimbursements received through State payers. The complexity of the funding model makes it difficult to estimate precise investment needed, however, based on utilization, numbers of provider staff, number of beneficiaries accessing or needing services, the Executive Office of Health and Human Services (EOHHS) could determine the financial investment needed. For example, a recent rate increase in 2021 for developmental disability services required an average 15.0 percent rate increase on various rates to achieve an approximately \$2.50 an hour wage increase to \$15.75.

Wage Based Assumptions: To achieve wage increases (premium pay) it is possible to utilize high level assumptions to estimate the investment needed. For example; if Rhode Island would like to increase a wage by \$5.00 per hour annually, for 10,000 workers annually, there is a minimal corresponding investment of \$104,000,000 million in ARPA funding needed to make this possible. *(Note: this assumption does not include cost of payroll tax or other needed fiscal assumptions related to increasing wages for workers)*

Fundamentally, the approach to achieving the policy of raising wages for this workforce can be achieved through various methods and funding mechanisms. This proposed temporary increase is aimed to stabilize the workforce and while a long-term investment strategy to workforce recovery is developed and implemented.

Workforce Recovery-Long-term Investment

Rebuilding the workforce and access to services for Rhode Islanders will take commitment and time. The foundation for this recovery and long-term solution is grounded in the need to develop a process for establishing payments for health and human services and pairing the needs of our community with the workforce. While the short-term workforce stabilization is being deployed, we must simultaneously work to build the foundations for a healthy health and human service delivery system.

Rate Reform: The health and human service system has not assessed the “price” to deliver service in current day labor markets. There is a need for Rhode Island to standardize a process for pricing cost to provide services and fund the market price and demand.

- Pass rate reform legislation during the 2022 legislative session
- Fund and support actuarial and financial analysis of the cost to provide home and community-based services in the current labor market. *Cost Estimate: \$1.0-\$2.0 million*
- Fund a projection-based analysis to allow the State to project long-term investment strategy needed to stabilize and sustain the delivery system. *Cost Estimate: To be determined by Executive Office of Health and Human Services (EOHHS)*
- Fund a data collection system to establish standard practices of reporting on demand and capacity of the system.

Cost Estimate: To be determined by Executive Office of Health and Human Services (EOHHS)

Workforce Development Programs: *Cost Estimate: To be determined by the Department of Labor and Training and EOHHS*

- Fund the development of formal training for various health and human service worker categories
- Develop comprehensive apprentice and certificate program expansion to cultivate career pathways
- Develop and fund higher education diploma tracks to the health and human service industry and loan forgiveness programs.
- Incentivize demand-based workforce programming (i.e. bachelor level clinicians or BCBA's)

Technology and Innovation *Cost Estimate: To be determined by EOHHS.*

- Investment in monitoring devices and efficient methods of delivering services
- Investment in home and community-based organizations to sustain newest technology and innovative practices of care support and treatment methods (much like was done for Primary Care/CTE/EHR)

Older adults, children and adults with disabilities and mental health conditions struggle with systemic inequalities and access to care that either treat or support their condition. This was greatly exacerbated by the pandemic which disproportionately impacted these populations who rely upon Medicaid or State funded programming to support their daily lives and well-being. For example; three out of four persons referred for home care wait over two months to receive services. The lack of available care and clinical staff and suspension of important community-based programs that have not recovered from the impacts of the public health emergency has a direct impact on their health and well-being, and ability to gain access to support they need to live freely in our communities.

Further, it is well documented that the care economy is disproportionately impacting women and people of color. Investment in this workforce will not only elevate a low-wage workforce out of poverty, many of whom are women and people of color; it will also serve to ensure that marginalized communities receive the support and services they need to live and thrive in our communities.

Strengthening our continuum of home and community-based service delivery will ensure that care is available in the least restrictive setting and supports the ideals of inclusion in our communities that are hallmark standards in the Americans with Disabilities Act, and the Olmstead Decision. Not only will it support a better quality of life and needed clinical and long-term care for the individuals supported by services, it will provide more middle class jobs, reduce segregation and costly institutional or acute services, and strengthen the diversity and inclusiveness of our communities.

In the short-term, investment in this workforce would have an immediate impact on the individuals who currently are unable to access services they need. Secondly, when wages rise, earnings are contributing to our local economies and reduce the reliance of low-wage workers on public assistance programs and the deleterious impacts of living in poverty. In the long-term, this investment would spark the evolution of a workforce industry that has largely been marginalized and devalued toward a profession that is well regarded and compensates workers for the valuable services they provide.