Testimony to the Ohio Senate Finance Committee Amended Substitute HB 110, Main Operating Budget FY2022-FY2023

Kathryn Shelley Disability Rights Advocate, The Ability Center of Greater Toledo May 13, 2021

Chair Dolan, Vice Chair Gavarone, Ranking Member Sykes, and members of the Ohio Senate Finance Committee, thank you for the opportunity to provide testimony on HB 110 – the Operating Budget for the next biennium.

My name is Kathryn Shelley, and I am a Disability Rights Advocate with The Ability Center of Greater Toledo, a Center for Independent Living serving seven counties in Northwest Ohio. The mission of The Ability Center is to advocate, educate, partner, and provide services that support people with disabilities to thrive within our communities. Therefore, we take great interest in assuring that people with disabilities are provided care in community-based settings whenever possible, and we are committed to advocating for a robust Home and Community-Based Services (HCBS) system in the State of Ohio.

The Ability Center of Greater Toledo hereby submits this testimony to specifically ask the Senate Finance Committee to support an additional 1% for 2022 and 5% for 2023 in provider rates for home and community-based services and supports to support provider agencies and wages for direct care workers. The Direct Care Workforce is comprised of personal care aides, home health aides, and nursing assistants. We ask for this increase for multiple reasons, including:

- Older adults and people with disabilities need the direct care workforce to stay independent in their communities and prevent unnecessary institutionalization
- This workforce is not paid enough and is disproportionately women who are Black, Indigenous, and people of color (BIPOC). Specifically, BIPOC individuals make up 18% of Ohio's population, but 42% of direct care workers are BIPOC individuals
- Women are also overly represented in this workforce, making up 88% of direct care workers even though women are only 51% of Ohio's total population
- Direct care workers make a median hourly wage of \$12.10 an hour or \$16,200 each year
- In Ohio, the lowest wage for someone to meet their basic needs—like rent, food, and healthcare—is \$13.16 an hour
- Because this workforce can't meet their basic needs, 53% of direct care workers receive public assistance with 39% on Medicaid
- Low wages for this essential workforce push these individuals into other industries that pay more per hour. For example, retail workers make an average of \$12.14 an hour, and office clerks make an average of \$16.37 an hour. Recently, COSTCO employees began making at least \$16 an hour

- Not paying a livable wage to this workforce makes inequalities in the state worse and places those in the HCBS system at-risk for institutionalization
- In the US, the annual turnover rate—the percentage of workers who leave each year—for direct care workers is 51.3%, which is 14 times higher than the average turnover for all industries
- In the next 10 years, the Bureau of Labor Statistics predicts that the need for this workforce will increase 34%—one of the fastest-growing jobs in the US, but Ohio will be unable to support this need if wages do not meet demand
- It is very important the state support these workers because they are the foundation of our home and community-based services systems
- A lot of the time, Older adults and people with disabilities can't find direct care workers, so they are forced into costly institutional settings
- Ohioans would rather live in their communities than an institutional setting. The state has an obligation to support this service system. This includes giving more funding to increase the pay for this skilled workforce

Thank you for the opportunity to submit testimony on the Operating Budget, and for your consideration of this increase for direct care providers. This increase will help to ensure that Ohioans with Disabilities and Aging Ohioans are able to continue to thrive and receive care in their communities. Please see my contact information below, and do not hesitate to contact me if you have any additional questions after the hearing.

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Sources

- Median and 10th percentile wage statistics come from the Bureau of Labor Statistics' Occupational Employment Statistics data: <u>https://data.bls.gov/oes/#/geoOcc/Multiple%20occupations%20for%20one%20geographi</u> <u>cal%20area</u>
- 2. MIT Living Wage Calculations: <u>https://livingwage.mit.edu/states/39</u>
- 3. Median pay per occupation according to the Bureau of Labor Statistics' Occupational Employment Statistics entries for Office Clerks, Retail Sales Workers, Animal Care Workers, and Home Care Providers
- 4. National Survey of DSPs in 2020: <u>https://www.ancor.org/newsroom/news/nci-survey-direct-support-professional-turnovernowavailable#:~:text=The%20newest%20National%20Core%20Indicators,(DSP s)%20</u> is%2051.3%20percent
- 5. Bureau of Labor Statistics in a 2020 report: https://www.bls.gov/news.release/pdf/jolts.pdf

- 6. PHI. "Workforce Data Center." Last modified September 14, 2020. https://phinational.org/policy-research/workforce-data-center/.
- 7. United States Census Bureau. Ohio Quick Facts. https://www.census.gov/quickfacts/OH