

Rate Transition Sustainability workgroup

Meeting Minutes of 9-21-2011

Present: Matthew Reyher, Pat Bourne, Terrence Hickey, Elisa Velardo, Stacie Silva-Gordon, Peter Mason, Sheryl Kemp

Charge of Group: The group will examine current information; wages and benefits in CT as well as Nationally, to ascertain if and how other states handle inflation with regard to sustaining the workforce in CT Provider agencies for the purpose of proposing a plan to the Legislature that is realistic and acceptable to providers with a timeframe for implementation. This work would include unionized workers as well.

Starting point: The group first recapped how the current rate formula was created. The \$14.75 hourly wage came from a combination of information obtained in 2003 (the DOL staff salary surveys) combined with a current bump accounting for inflation. The current rates are based upon reality for the purposes of conversion however, the underlying wage may be suppressed.

Focus: There was consensus to focus on the combined wage and benefits issue as the core argument as we move forward. The legislature will have more sympathy from this perspective than to argue the total cost of doing business. It will be important to show that wage increases will in fact result in savings for the state by decreasing worker reliance on state plans for housing, medical, food stamps and other subsidies. As wages increase so do associated costs of hiring and managing staff.

Cautions and Factors impacting decisions: One Legislature will not want to tie the hands of a future legislature. Caution that if the plan requires a minimum wage COLA then that will be how the increase will need to be allocated. Will want to link the increases to both the wage and benefits which will then give some flexibility as to how increases are applied.

Where will we look for data or get information to assist us: Deb Henrich may be able to get figures on state benefits usage, Husky. Look at other states (at a subsequent meeting it was suggested to look at Maryland, Oregon, Washington, or Oklahoma) Matt will look into the National front through CCPA. Pat will look at ANCOR- Direct care professionals. The search will be focused on finding any system that is tied to an index. The Courant has information on salaries by metro Hartford and counties. A member will look into both MEHIP and Sustinet.

In reviewing the information labeled, "Impact of work supports: Connecticut" brought to our group by Deb Henrich, it appears the minimal wage to sustain a single parent and two young children with benefits would require roughly \$20.00 per hour for a 40 hour work week.

Future task: Look at the rate spread in relation to the LON. Peter will bring that data.

In the current environment inflating health care costs & benefits are transferred to the employee or discounted. The use of state benefits is not easy to determine given the variation in individual situations, choices and reasoning.

Next Meetings: October 5, 1- 4:00pm Wallingford

October 19, 1 – 4:00pm Wallingford