

Committee Name:
Joint Committee on Finance – Budget Hearings (JCF_BH)

Appointments

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Clearinghouse Rules

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Record of Committee Proceedings

99hr_JCF_BH_RCP_pt00

Wages

April 14, 1999

RE: Support for nursing home Medicaid
increase and wage pass through

Dear Joint Committee on Finance,

Columbia Health Care Center is a 150 bed skilled nursing home located in beautiful Wyocena, Wisconsin. Currently 76% of our resident stays are covered by the State Medicaid program, 6% by Medicare and 18% are private pay. The Governor's proposed 1999-2001 State budget will severely impact our facility and the quality of care we provide.

Currently our facility receives \$98.64 a day for our Medicaid residents requiring skilled care. Our private pay skilled residents pay \$130.00 a day. Columbia Health Care Center's Medicaid deficit is subsidized by private pay and Medicare residents. Columbia Health Care Center had a net loss of \$440,502.00 for fiscal year 1998.

The 1999 - 2001 budget bill calls for a Medicaid rate increase of 1.77% in the first year of the biennium and 1% in the second year. This proposal will result in a Medicaid rate decrease for Columbia Health Care Center. The proposed rates will not meet or exceed the inflationary increases incurred in the health care industry which average 3 - 4%. A 1% increase on top of already low rates allow for a 0% increase in staff wages. Don't these hard workers deserve a raise? If the funding provided through the Medicaid program is not sufficient to allow facilities to recruit and retain competent staff, quality of care inevitably will suffer. Last session, the Legislature passed bills which increased nursing home minimum staffing levels and require employee criminal background checks. neither bill contained additional funding.

Staff recruitment and retention is the #1 problem facing nursing facilities in Wisconsin. The Department of Health and Family Services concludes that high turnover can compromise quality of care. Nursing homes are suffering from a terrible staff shortage. The work is hard and unrewarding. Certified nursing assistants (CNAs) are required by law to take a 75 hour class, pass a competency test and undergo a criminal background check. Also, CNAs must complete 12 hours of inservice education each year, this is more than a licensed nurse. CNAs comprise over two-thirds of the employees who provide direct hands-on care to nursing home residents. The average wage for a CNA is \$8.32/hour, or an annual salary of \$17306 before taxes. Due to Columbia Health Care Center's significant reliance on the Medicaid program, for reimbursement of costs incurred, we are severely constrained in our ability to provide better wages for our employees. Is an annual salary of \$17306, sufficient to raise a family for the many CNAs who are single parents? Are you comfortable in the thought that those caring for our fathers, mothers, grandparents or spouses are being paid \$8.32/hour on average, which is less than a telemarketer or fast-food restaurant employee?

I seek your support for a 7% wage pass through for nursing home employees and also a 3.3% rate increase for Medicaid certified nursing homes in each year of the biennium. Passing the nursing home increases will assist long term care providers in avoiding a potential crisis in care due to extremely tight labor markets, difficulty in recruitment and retaining of caring and competent staff and increasingly inadequate Medicaid funding.

Columbia County has been aggressive in offering competitive wages and benefits to our employees. Our current starting wages are:

RN	\$15.36
LPN	\$11.58
CNA	\$ 8.10
Housekeeping/Laundry/Dietary	\$ 7.96
Maintenance Mechanic	\$ 9.40

Our average wages are:

RN	\$18.04
LPN	\$14.02
CNA	\$ 9.31
Housekeeping	\$ 8.80
Laundry	\$ 9.39
Dietary	\$ 9.00
Maintenance	\$10.76

CHCC

Wage Pass Through - Page 3

Our current benefits are: (All benefits are prorated for part time employees)

2 weeks vacation after 1 year, with increases based on years of service

10 holidays

12 sick days

Columbia County pays 90% of health insurance

Columbia County pay 11-13% of actual salary into Wisconsin Retirement Fund


Still with the competitive wages and benefits we have an average turnover of 50.69%. For the 1998 calendar year Columbia Health Care Center had an average turnover of 64.53% turnover in the nursing department. Currently we have 7 RN/LPN positions open and 34 CNA positions open. Already in the first two months of 1999 we have spent \$1420.00 in advertising for open positions. We have developed a retention committee to work on why people leave and what can/could we do different to keep them. The majority of the staff who leave our employment go into other professions.

The Medicaid increase and wage pass through isn't the true issue here. The issue is quality of care for nursing home residents. Recruitment and retention in nursing homes is problematic because the Medicaid reimbursement limits the ability to offer competitive wages. The wages we are able to pay don't do justice to the work my staff perform each day. Quality of care may be threatened if we are unable to staff at the levels our residents deserve. My staff are not working here to get rich, they are here because they care. They enjoy providing care to our residents and find their jobs rewarding and fulfilling. I hear the employees frustrations when staffing levels are down and they aren't able to provide the quality of care they would like. Family members have expressed concern over staffing levels. We are continuously recruiting and training staff, however the work is hard and the compensation minor.

I understand budget dollars are tight, but please consider the nursing home Medicaid increase and wage pass through. The proposed income and/or property tax cut is minimal and could be better used to offset wage increases for overworked and underpaid caregivers or to add staff to improve the quality of life for nursing home residents.

Please contact me at (608) 429-2181 ext. 220 if I can provide you with further information.

Sincerely,

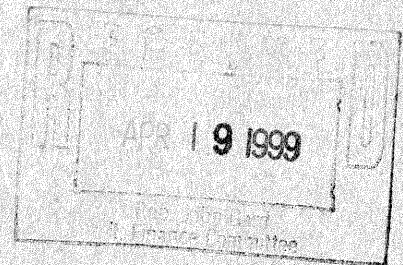

Amy E. Yamriska
Administrator

To: Joint Finance Committee Members
From: Amy Brenne, Administrator
Subject: Recent Hearings
Date: April 16, 1999

MEMORANDUM

The employees of Glenhaven, Inc. could not financially afford to take a day off of work to attend the hearings recently held on April 14 in our area. Therefore some employees have taken the time to write you a written testimony. Please read their letters. They are very good letters and speak the concerns of the people of Wisconsin. We also invite you to come to our nursing home for a visit. You should find out first hand the hard work that these people do for minimal wages on a daily basis. Many of them have devoted their whole career to this profession. The profession of caring for human lives. Thank you for your time.

Glenhaven, Inc.
612 East Oak St.
Glenwood City, WI 54013



Glenhaven Inc.

612 East Oak Street
Glenwood City, WI 54013

Phone 715-265-4555
Fax 715-265-7344

April 15, 1999

Dear Joint Finance Committee Member:

I am writing on behalf of all of my past, present, and future employees of Glenhaven, Incorporated. I strongly urge you to support a 7% wage pass through proposal for long term care employees. Individuals included in the wage pass through proposal include direct care and support service workers. The wage pass through funds would be used for wage increases, staffing level increases in order to better serve residents' increasing needs, and fringe benefits for employees.

If our elderly population is going to be cared for in the near future and beyond, something needs to be done to improve the wages and benefits long term care facilities provide to employees. If the population continues the trend of greater elderly and fewer young people, I am afraid that there will not be anyone left to care for the dependent individuals that reside in long term care facilities.

As an employer of 50 plus employees in a small, semi-rural community in Wisconsin, it is very difficult to attract and retain qualified candidates to care for our forty-four residents. Many of my employees are trying to raise a family, and it is very difficult to do with the poor wages and benefits that we can afford to offer. Many of the employees are also single parents with children. Many of the employees love the residents and their job, but with the poor wages and benefits, they are forced to find other employment with better pay and benefits.

It is very difficult to compete with the local factories and other industries that are able to pay higher wages and offer better benefits, such as full family coverage of health insurance. Due to the shortages of staff, we are then forced to contract with pool agencies that charge two to three times the hourly rate of employing our own staff.

I strongly urge you to support a 7% wage pass through proposal for long term care. Imagine yourself at 90 years of age living in a nursing home. Wouldn't you like to know that the people taking care of you are adequately paid for all of their hard work and dedication? Imagine what it will be like twenty years from now when the baby boomers are reaching nursing home age, and there are not enough people to care for them. The pressure is on.

The dedicated individuals of our state need to know that they are supported. Right now they feel looked down upon and forgotten. Let's restore the faith in our people. Let's help them support their families and maintain a career that they love.

For your review, I have enclosed a copy of the 1998 wage scale. For 1999 we have developed a new wage scale, with minimal increases that are needed in order to remain competitive with local nursing homes. However, our wages are still grossly inadequate compared to factory employers. Go figure: a nursing assistant, caring for a frail, vulnerable adult is paid little over minimum wage, but a factory worker, who's job is routine and monotonous, with no one's life in their hands, is paid considerably more than the minimum wage. It doesn't make sense!

If you have any questions, or would like to discuss these issues further, I would be happy to speak with you. Feel free to call me at 715-265-4555.

Sincerely,

A handwritten signature in cursive script that reads "Amy Brenne".

Amy S. Brenne
Administrator

enc

1998 Wage Survey

<u>JOB CATEGORY</u>	<u>Glenhaven</u>					
RN	\$14.00	\$13.75	negot.	\$14.30	\$14.61	
LPN	\$10.25	\$11.00	negot.	\$10.60	\$10.90	
CNA	\$6.85	\$7.25	\$7.25	\$7.10	\$7.16	
Ward Clerk	\$9.00	\$8.00	\$10.22	\$8.75	negot.	
Social Service	\$11.48	negot.	\$10.45/10.70	\$10.50	negot.	
Activities--Director	\$9.58	negot.	\$10.75	\$12.10	negot.	
Activities--Aide	\$8.76	\$6.50	\$6.50	\$6.45	\$6.63	
Dietary--Aide	\$5.80	\$5.15	\$6.50	\$6.45	\$6.63	
Dietary--Cook	\$6.60	\$7.00	\$7.00	\$6.90	\$6.98	
Maintenance	\$10.00	negot.	\$10.70	\$10.70	negot.	
Hskg/Laundry	\$6.00	\$6.00	\$6.50	\$6.45	\$6.63	
Business Office	\$9.79	negot.	\$11.27	\$10.70	negot.	

*Glenhaven wages are based on 1999 wage scale



April 15, 1999

Dear Joint Finance Committee Member:

I am writing this letter in regards to the 7% wage pass through.

I have worked in the long term care industry for the past 10 years. I am a registered nurse and for the past 3 years am the Director of Nursing for a 44 bed skilled facility in West Central Wisconsin.

In those 10 yrs. I have seen an alarming change and trend in staffing in our facility.

I am very proud of our staff and the work that they do.

These people are truly dedicated and love the work that they do and the people that they care for.

I have seen them come to work on icy roads and treacherous conditions because they know that someone needs to care for the residents. I have watched our nursing staff hold the hands of the dying, bathe them after they have been incontinent and try to cheer them when they are lonely and their family hasn't come

to visit them, you may not realize but not all of the elderly are "sweet little old ladies". Because of their dementia they may become violent and injure the staff that are caring for them. Unlike some of the news programs views, our residents are well cared for and we are happy to say that we have become a part of their families.

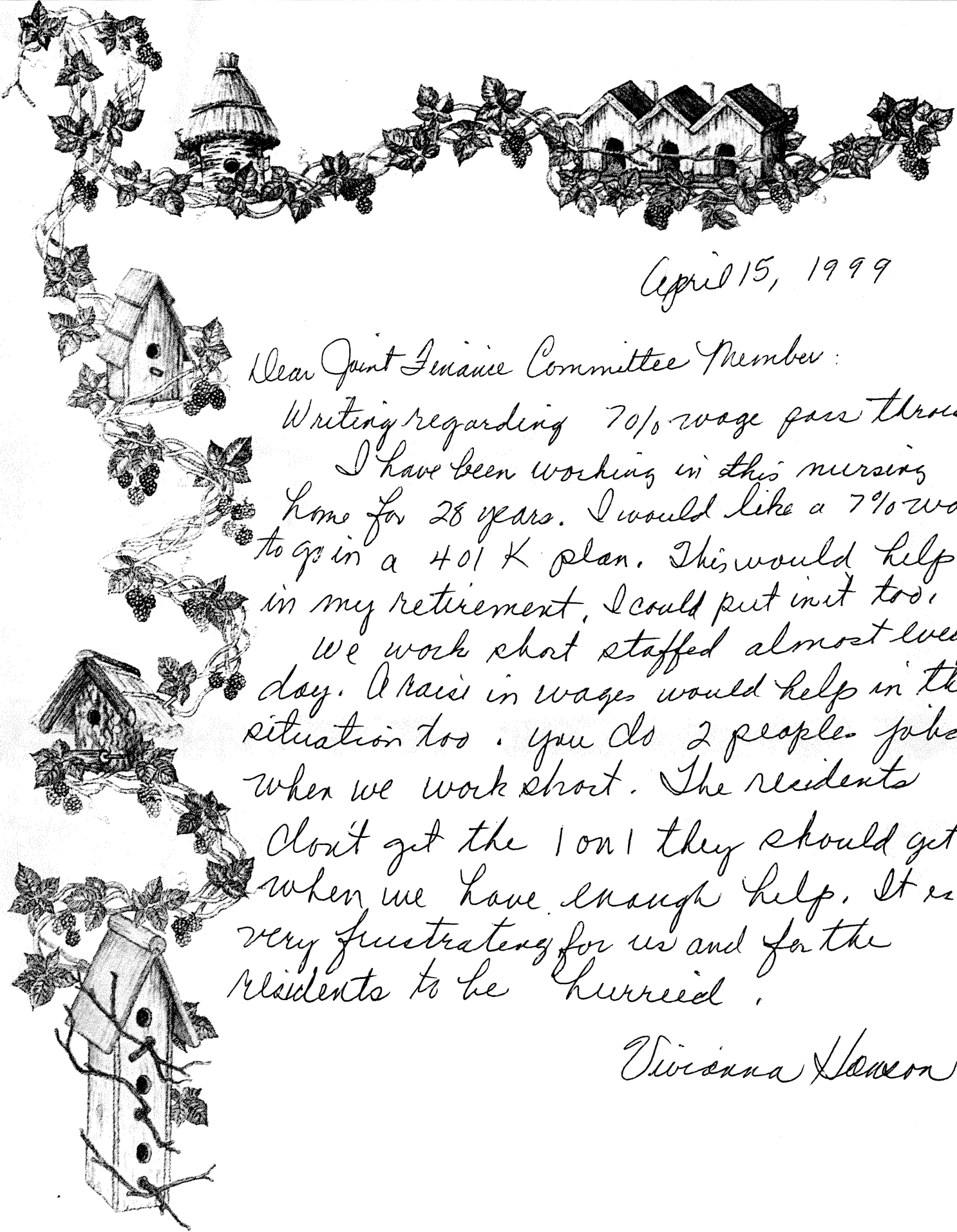
In the past 2 years I have seen an alarming loss of young qualified staff. They are not leaving this field of work because they no longer care for the residents but because they have to so they can make ends meet financially. They can make twice as much money by going down the road a few miles and working at a factory. Most of our staff are trying to raise a family, either on their own incomes or in combination with their spouses.

Do any of your people have loved ones that are in need of long term care? Will you be able to quit your jobs to care for them? What will happen to the elderly that are in need of care when there are not enough people to care for them? We need to work hard to enable a quality staff to do the work that they love.

It is very frightening to me that
may be no one available to care for
those that need it. The wages that
nursing homes pay now are barely able
to cover day care costs for our young
working mothers. At home 4 children,
two of whom are in college. The wages
that I make, even as a Director of Nursing
are not enough to even begin to cover the
bills. My husband works at 2 jobs so
that we can make ends meet. We drive
a 10 yr. old car and none of our children
have been given any extra luxuries.
The staff that we employ are truly dedicated
and loving. I feel that each and
every one of them deserves a wage that
can give them a standard of living
that they deserve. They deal with the
most precious commodity that there is.
Human lives. Remember, it may soon
be your parents, grandparents or even
yourselves that need skilled care. Who
will do the ~~work~~ caring if all of the
qualified staff have been forced out
of the industry because of financial
hardship? Please reconsider the 7% wage
pass through. The future of generations may
depend on it.

Sincerely

Dione Swanford R.N. C.
Director of Nursing



April 15, 1999

Dear Joint Finance Committee Member:

Writing regarding 7% wage pass through

I have been working in this nursing home for 28 years. I would like a 7% wage to go in a 401 K plan. This would help in my retirement, I could put in it too.

We work short staffed almost every day. A raise in wages would help in this situation too. You do 2 people jobs when we work short. The residents

don't get the 1 on 1 they should get when we have enough help. It is very frustrating for us and for the residents to be hurried.

Vianna Hanson

April 15, 1999

Dear Joint Finance Committee Members:

This letter is in regards to the 7% wage pass through. On our end even that amount isn't enough for what goes on in our nursing home. It's extremely difficult to make ends meet but being with the residents makes it easier to accept.

It's so frustrating when someone gets trained in and they end up leaving for a better paying position elsewhere. It makes everyone have to work twice as hard until we can go through the hiring process all over again. We are a small nursing home but we also are understaffed. Size doesn't matter though when all the other facilities are just as understaffed and our people go there.

I would hate to have a better paying Administrative position open up in the area. I would apply for that job and they would have to hire someone else to replace me just because of a few dollars per week. Don't get me wrong, I love my job, I love the employees, I love the residents and I love the guests. It's like always having family around. I wouldn't know what to do without seeing them every day. I would miss everyone but if I had the same work to do for better pay I would have to go a different route. Everyone tries to make ends meet but there are priorities! Please don't make me have to choose. Money isn't everything but it sure takes the pressure

JF

(over)

I have never worked in a Nursing Home before but I can tell you it's a whole new world for me. They have so much love to give. It's such a rewarding job. The residents couldn't be sweeter.

If you have ever had a relative in a Nursing Home you have some understanding about what I'm saying. If that Home was like ours you would know what I'm talking about. We had a perfect state and Federal survey. We really do deserve it - we work extremely hard to satisfy the residents - not just because it's our job and it's expected of us. The staff at Alenhaven truly love these people. I am so proud to be here each and every day.

If you or one of your family members needed to be in a Nursing Home you would then experience how hard everyone works to make sure every need is met. I don't mean that from the Nursing staff. All departments work extremely hard. I am in the Business Office. Actually, I am the Business Office. I have to put in a lot of hours - nonstop - so we're able to get paid to stay open. I have to pay the employees so they can pay their bills. I also have to pay off our own bills. I keep track of the Resident Trust Accounts to make sure their bills get paid. All of this goes on plus a whole lot more.

Dietary workers deserve recognition, too. The residents and staff have nothing but good things to say about their performance. Fantastic food is always the outcome.

Our housekeeping and laundry departments need a huge pat on the back. This place is always clean and smells so fresh. So many good comments can be heard from our families and guests.

Activities are another department of unsung heroes. Our residents are constantly being occupied. There are always activities going on. If not for a group of residents, it's on an individual basis. They are always going - non stop.

If you think I'm saying all of this because I want the 7% pass through - I'm not. I would definitely choose this Nursing Home for any family member in need.

3

of this service. I know they would be well cared for. I know they're doing it because of the love they have to give. Everyone has earned at least the 7% if not more. It would be an ~~hour~~^{hour} to live here.

Please, please, please come and visit our facility before you decide whether to pass the increase with a Yes vote or if you decide maybe No would be the right vote for you. If you can't make up your mind you could see for yourself. You really should see all of this with your own eyes. It's quite an experience.

Rural communities are in a league of their own. Always "too small for good wages" is the excuse but we have the biggest hearts here and we should be getting paid to use our hearts. Paid by the pound??

Please don't make me have to apply elsewhere. I would be miserable and depressed the rest of my life. How would I survive my day without all this love?

We have a wonderful crew and they all work together so well. Please don't make us have to lose any of them because they can make \$2.00/hour 10 miles down the road.

Thank you for listening. I do hope you'll take the time to visit.

Thanks,

Mary Handrahan

April 15, 1994

Dear Joint Finance Committee Member:

I am writing in regards to the 7% wage increase.

Working at a nursing home is very stressful but rewarding. They work short handed (staffed) trying to give quality care to our most precious elderly.

People have to work every other holiday and weekend. Most people make more at fast food places flipping hamburgers.

I enjoy working for the elderly they are our senior citizens. We will some day be their ourselves and who will take care of us. Most nursing homes are short staffed and getting worse. People open your eyes!

Darlene Margak



Dear Joint Finance Committee Member,
Writing regarding 7% pass through

I've work for Glenhaven for 22 1/2 years.
I've work for many year ~~with~~ for low pay, no
~~benefits~~ benefits and hardly any raises. I work
pretty much ~~pay~~ paycheck to paycheck.

My job is a hard job. I am a CNA. Most
of time we work short. I've seen a lot of staff
leave because of not enough pay for the hard
work you do and poor benefits.

Glenhaven is a small nursing home and
needs to have better wages to keep up with bigger
surrounding nursing homes.

Due Larson



April 15, 1979

Dear Joint Finance Committee Member:

I am writing to you regarding the 7% wage pass through.

I was a nurses aide for about five years. Being a nurses aide is not an easy job by any means. Your days can be very trying, and stressful. Especially when you are continually short staffed. It is very hard to come to work every day knowing you will be short staffed. Resident do not receive the care they deserve. Workers are rushed to fit in all of the things they need to do in a day. Resident are also not given the special one on one time they need everyday.

For about the last year I have taken ~~the~~ a position of Medical Records at this Nursing Home. I have not been able to do my job as completely as I would like to at times because I feel like I should be helping the girls on the floor because I realize what it is like to work short, for both the aids and the residents.

I feel that a wage increase is necessary to keep nursing homes staffed appropriately. Most nurses aides make less than alot of factory workers in our area. These nursing assistants are caring for human lives - lives that could be your mother, father or grandparent. If you ever needed to place one of loved ones in a Nursing Home, would it give you much more comfort to know that there is enough staff there caring for them + giving them ^{the} care they need. Spending time with them and making sure they are safe.

Please consider this wage increase



April 15, 1999

Dear Joint Finance Committee member,

I am writing in regard to the 1% wage pass being considered. Please give this serious consideration. I have been an employee of Glenhauer Nursing Home for 34 years. I have been employed as a cook and I thoroughly enjoy my job. I enjoy preparing the residents quality food and meeting their dietary needs. I think it is very important to provide the best possible care and to ensure the residents quality of life in their senior years. I have seen many changes over the years and consider the staff shortages we are now facing to be one of the most serious. It is hard to recruit new employees when the wages being offered are low and other employment is readily available at a much higher rate. The cost of living continues to rise and our wages do not keep pace. It is hard to rise a family and meet all of one's financial obligations. Besides facing our own frustrations of staff shortages and financial difficulties, it is not fair to our residents when we can not provide the best possible care we would like. Thank-you for your consideration.

Sincerely,
Ray Sartmann

April 15, 1999

Need Joint Finance Committee Member -

eyes, with every thing raising in prices
and with a fixed income - Stay the same.
So have to keep a part time job -

My position is an N/A. for over 22 yrs -
started out a \$2.50 an hour - in 1976 -
We had no extra benefits. The work is
hard - and demanding - but I enjoy
being a people & care - Short staff
is always; some staff get burnt out.

The call ins, pay is necessary necessary -
We're thinking of the younger one.

to build a some kind of security - set some
funds away - ~~that~~ maybe this 7% wage.
lots of single family parents need 2 or
3 jobs to make ends meet.

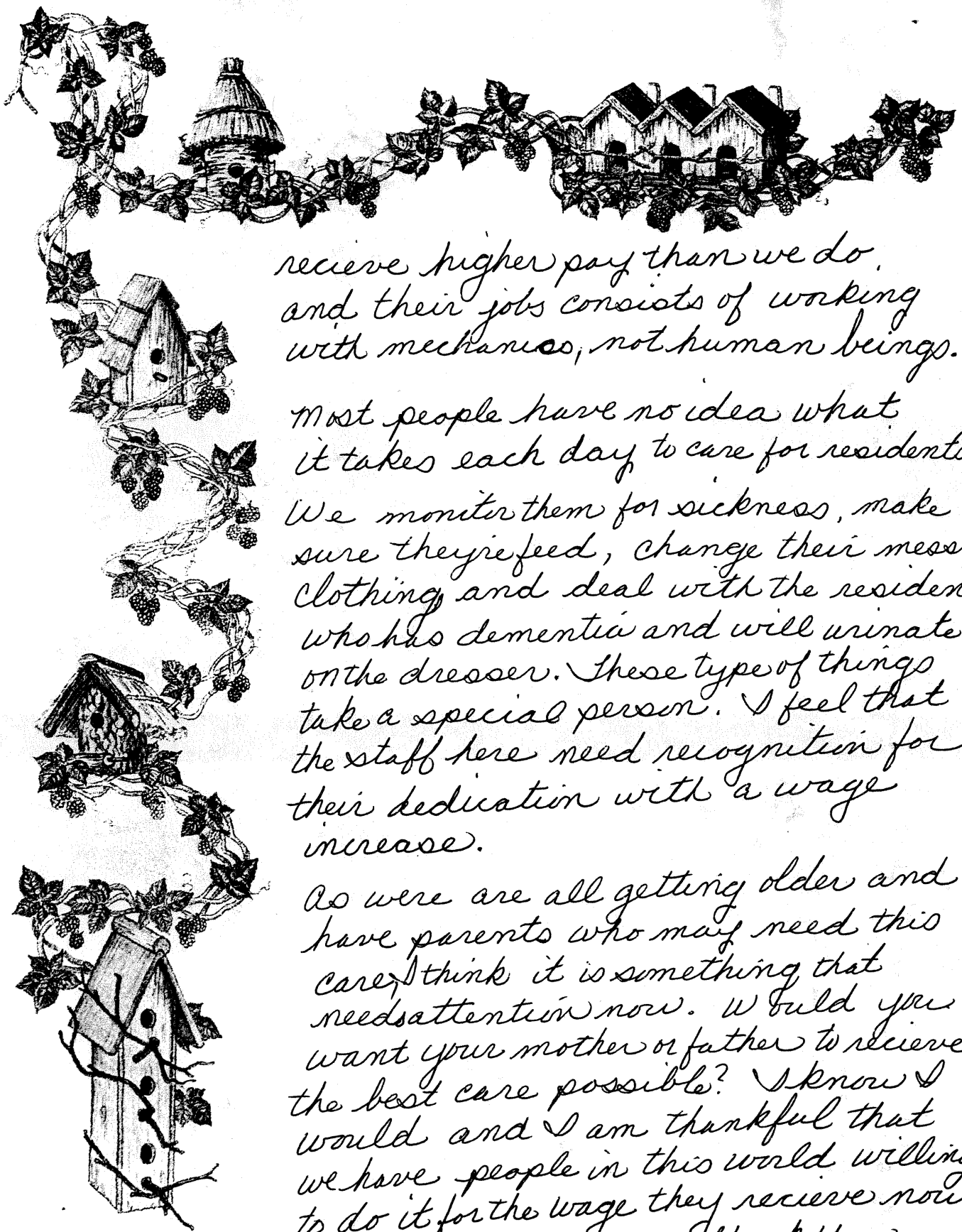
Lucy [Signature]

April 15, 1999



Dear Joint Finance Committee Member:

I am a single, divorced parent, my youngest child is in her first year in college. I am very fortunate that I receive money each month from my ex-husband each month for property we owned together. Without this extra income it would be very difficult to make ends meet on the current wage I receive here at Glenhaven. I am an LPN and I love working with the elderly. I can honestly feel good about what I do for them everyday as I feel they need dedicated, caring people to understand them and take care of their needs. It takes special people to be able to care and handle these people. They are at a point in their lives when they have to depend on others for their survival. They deserve the best quality care that can be provided. We have been experiencing staff shortages in our facility and I feel because of the low wages it is difficult to keep employees as this is very hard, plus physical work and some days are stressful as residents can be hard to handle at times. Factory workers



receive higher pay than we do,
and their jobs consists of working
with mechanics, not human beings.

Most people have no idea what
it takes each day to care for residents.
We monitor them for sickness, make
sure they're fed, change their messy
clothing and deal with the resident
who has dementia and will urinate
on the dresser. These type of things
take a special person. I feel that
the staff here need recognition for
their dedication with a wage
increase.

As we are all getting older and
have parents who may need this
care, I think it is something that
needs attention now. Would you
want your mother or father to receive
the best care possible? I know I
would and I am thankful that
we have people in this world willing
to do it for the wage they receive now!

Thank You
Linda Taber-Lynn

11/01/19

Dear Joint Finance Committee member,

I can't make ends meet because, I don't have the money to do it. Everybody wants money & your money goes so far. I am broke within 2 days of paying bills. I have no money to live on until the next pay check. And it starts all over again. I am a CNA. I love my job. I love helping people. It is satisfaction I get for helping the elderly, cause someday I might need the help & I would want to be treated the same way. I love listening to them, they have great stories to tell. I never thought I would be in this type of work, I'm glad that I am. Like I said I love helping people. With staff shortages you can't provide the care & wants of the Res. That hurts the Res. & your self, cause you know what needs to be done. If we were short the job can't get done the way its suppose to. I love taking care of the Residents, it satisfy me. I go home & think about the day, the laughs, the tears, and the hugs. The stories that they have told. Just being there with hand holding means a lot to the Residents. I'm a great listener. When they laugh, you can't help, but laugh with them. I have been told ~~by~~ by a lot of people that it takes a special person to do what I do. And I thank them. I'm very happy that I became a CNA. I wouldn't change it for the world. We need the money so we can have the staff

that we need, so the Residents get the care that they need. Its the Residents that get hurt by all this, cause they don't get the care that they need, cause of being ~~the~~ Short Staff. So thats why its so important that we get the 7% wage, so we can care for our Residents
Thank you for reading my letter, I hope that you'll agree with all of us.

Thank you,
Dunich Hashmon

Joint Finance Committee Member

I am the sole working mother of 2. One a teenager and a 3rd grader. Besides my regular bills I also have orthodontists bills, car dues, and house payment. This increase would help alot. I do restorative therapy at Glenhaven its good to see people do things they couldnt before. It gives me more one on one with the residents. There people are a source of knowledge from.

I like giving therapy and learning about them. They have so much to share with us. As they have left there home and a way of life for them to come here because of some medical problem it is hard. This is confining for some. I try to make the transition easier. When we are short staffed I dont get my therapy

done like I should. Its not fair because we get off therapy for them. Some to walk, some to put strength in their arms, or just to build their strength up. There people pay for getting that and alot more. They should not be deprived of that.

if we didnt starting pay we could keep staff...
seriously consider this. You never know when

someone you love will need care, we are not as big as those
other facilities in large cities but we still have people who
need care here. With more of a regular staff it is better
for the resident. They get to know ~~you~~ you care. Please
consider this. I know Gov. Thompson allotted a lot of
Money for schools, I hope you allot us some money
also.

Sincerely
Dorinda Tomlin
restorative aide
C.N.A.
Glenhaven dnc.
Glenwood City, WI

CHOICES FOR INDEPENDENT LIVING, INC.

**941 W. Fountain Street
Mineral Point, Wisconsin 53565
Telephone (608) 987-3775
Fax (608) 987-3082**

April 15, 1999

Senator Brian Burke
Senator Russell Decker
Senator Robert Jauch
Senator Kevin Shibilski
Senator Gwendolynn S. Moore
Senator Kimberly M. Plache
Senator Robert L. Cowles
Senator Mary E. Panzer
Rep. John Gard
Rep. Cloyd A. Porter
Rep. Sheryl K. Albers
Rep. Dean R. Kaufert
Rep. Mark C. Duff
Rep. David W. Ward
Rep. Gregory B. Huber
Rep. Antonio Riley
Joint Finance Committee
State Capitol
Madison, WI 53707

Dear Senator Burke, Senator Decker, Senator Jauch, Senator Shibilski, Senator Moore, Senator Plache, Senator Cowles, Senator Panzer, Rep. Gard, Rep. Porter, Rep. Albers, Rep. Kaufert, Rep. Duff, Rep. Ward, Rep. Huber, and Rep. Riley:

Thank you for this opportunity to submit requests and comments regarding the Wisconsin State Budget.

On behalf of the Board of Directors of CHOICES for Independent Living, Inc, I ask that your committee consider our request for \$80,000 for locally-controlled and locally-accessible independent living services in rural southwestern Wisconsin.

Independent Living (IL) services are aimed at all persons with disabilities regardless of age. The four core services provided by independent living centers are: (1) information and referral; (2) individual and systems advocacy; (3) peer counseling; and (4) independent living skills training. Based on local consumer/client needs, other services provided may include housing, legal/paralegal, financial/benefit counseling, vocational, education, assessment, case management, communications, transportation, social/recreational, and personal growth/self-help.

Joint Finance Committee

April 15, 1999

Page 2

Unlike many states, Wisconsin independent living centers have been concentrated in metropolitan areas. Certainly, there is a great need for independent living services in high population areas, and it is often difficult to extend the services to surrounding rural counties. However, the geographic isolation experienced in rural areas is particularly felt by people with disabilities and necessitates different solutions for problems experienced by rural citizens.

CHOICES for Independent Living, Inc. has been formed by people with disabilities who live in southwestern Wisconsin. It is ready to provide independent living services to people living in Grant, Iowa, and Lafayette Counties. However, come July 1, there will be no independent living center funds designated to go to small, rural agencies. Ultimately, rural people all over Wisconsin will be affected by the outcome of this request.

Thank you for listening to our concerns and for considering our proposal.

Sincerely,



Jan Walker
Chair, Board of Directors
CHOICES for Independent Living, Inc.

Enclosure

cc: Sen. Dale W. Schultz
Representative David Brandenmuehl
Representative Stephen J. Freese

BUDGET REQUEST

\$80,000 for a small, rural Independent Living Center (ILC) in southwestern Wisconsin.

BACKGROUND

1994 - 1997

There were many conflicting ideas about who should provide independent living services in the thirteen western and southwestern counties of Wisconsin. In an attempt to resolve these differences, the State awarded Independent Living Center (ILC) funds to Great Rivers Independent Living Services (GRILS) in LaCrosse with the requirement that they subcontract the funds for Grant, Iowa, and Lafayette Counties to the Hodan Center in Mineral Point.

From the beginning, Great Rivers Independent Living Services (GRILS) and Hodan Center had an uneasy partnership. Great Rivers did not like being required to provide services through a subcontract with an agency which provided any centrally-based rehabilitation services to people with disabilities. However, the Hodan Center believed that, without this requirement, southwestern Wisconsin would have received few, if any, independent living services. Local consumers/clients were concerned that people in LaCrosse did not understand and were not listening to their rural concerns. Often, southwestern Wisconsin is not included in the same service area as LaCrosse which, unfortunately, meant that there was no base of trust to build on or work through these disagreements.

1997 - 1998

According to the 1997 Satisfaction Survey, the independent living services the Hodan Center provided under its subcontract with Great Rivers Independent Living Services (GRILS) were rated higher by both consumers/clients and service providers in their three-county area than the independent living services GRILS provided in the other counties.

On November 17, 1997, GRILS sent a letter to the Hodan Center stating that the Hodan Center would have to end all rehabilitation services provided on-site or GRILS would not continue subcontracting with the Hodan Center after June 30, 1998. On February 19, 1998, the Independent Living Consumer Advisory Committee in southwestern Wisconsin overwhelmingly voted to recommend the Hodan Center received Independent Living Center (ILC) funding with the understanding that it would "spin-off" the ILC program to create an independent, free-standing, locally-controlled independent living center. The Consumer Advisory Committee members were excited about the potential for local control and local leadership development.

1998-1999

Hodan Center obtained funding through the Wisconsin Department of Health and Family Services' Bureau of Aging and Long Term Care Resources to continue independent living services while an independent agency was established. CHOICES for Independent Living was formed, became recognized as an independent non-profit corporation, and has applied for 501(c)(3) tax-exempt status.

1999-2000

In general, Wisconsin Independent Living Centers have been established in larger cities and include large unserved and under-served rural areas. Unfortunately, the new State Plan for Independent Living continues this trend. The Plan does not provide funding for rural Independent Living Centers. Instead, it designates only Milwaukee and the Fox River Valley as expansion areas. It strives for \$500,000 and 500,000 people per Independent Living Center. This focus of independent living services in urban areas means that most rural Wisconsin residents with disabilities will live more than an hour drive from their Independent Living Center; it will be difficult to promote grass-roots advocacy for rural people with disabilities; few opportunities will be available for rural persons with disabilities to have a real voice in policies affecting their lives; and more people with disabilities will move from rural to urban areas because they believe they must do so to obtain need services.

CHOICES for Independent Living, Inc. has been formed by people with disabilities. It is ready to provide locally-controlled and locally-accessible independent living services to citizens of southwestern Wisconsin.

TO: Members, Joint Committee on Finance

FROM: Terry McGinnity, Administrator, Lodi Good Samaritan Center

DATE: April 15, 1999

SUBJECT: Nursing home wage pass-through

I respectfully ask the Committee to consider a Medicaid wage pass-through for nursing home employees. The Governor's budget as proposed will likely worsen an already near-desperate situation: high turnover rates and chronic staff shortages threaten the industry's ability to continue delivering quality care. Please consider the following:

1. Medicaid reimbursement is already significantly less than our incurred Medicaid costs. Self or private paying residents are forced into subsidizing the Medicaid deficit, often times hastening their addition to the Medicaid rolls.

1998 MEDICAID GAP

\$110.42	Medicaid cost per patient per day (Medicare carve-out)
\$98.91	Medicaid reimbursement per patient per day
<u>\$11.51</u>	<u>Medicaid gap per patient per day</u>
DEFICIT	21,174 Medicaid patient days @ \$11.51 = \$243,713
1998 PRIVATE RATES:	\$142.05 per day (excludes pharmacy)
	(\$52,000 per year plus medications)

2. The Governor's budget proposes a 1.77% Medicaid rate increase in the first year of the biennium and 1% in the second year. These increases will fall short of the cost inflation we are experiencing (4.98% in 1998). Factors contributing to our escalating costs include wage pressure, agency staff costs, and increased acuity levels of patients/residents. Resulting budget constraints make retaining staff difficult. Staff shortages have led to increasing reliance on expensive agency or "pool" help, and has demanded overtime hours from remaining staff.

(PLEASE TURN OVER)

3. The following provides an overview of our staff retention difficulties:

1998 TURNOVER RATE

Certified Nursing Assistants:	41%
Licensed Practical Nurses	44%
Registered Nurses	8%
Laundry Staff	67%
Housekeeping Staff	17%
Cooks	100%
Nursing, Clerical	100%

Agency staff expenses: \$59,260

Overtime expenses: \$64,342

4. The following is a brief description of our 1999 pay scale:

Position	Starting Wage	Average Wage *	Range *
CNA	\$8.27	\$9.59	\$8.35 - \$11.54
LPN	11.11	13.82	11.11 - 15.51
RN	14.63	17.81	14.73 - 20.44
Cook	8.27	9.07	9.07 - 9.58
Other Dietary	6.60	7.80	6.78 - 9.64
Housekeeping	6.60	8.51	7.50 - 9.20

5. The following describes our recruitment difficulties:

Position	Budgeted FTEs	Average # of Vacant FTE Positions	Average Length of Time to Fill
CNA	33.0	2.5	90 days
LPN	6.5	1.5	180 days
RN	10.0	0.5	60 days
Cook	2.8	1.0	110 days
Housekeeping	4.0	1.0	240 days

* Includes higher wages chosen in lieu of benefits for many employees

Colonial Club Senior Activity Center

Enhancing the quality of life through activities and services

April 15, 1999

Colonial Club, Inc.
301 Blankenheim Lane
Sun Prairie, Wisconsin
53590-2398

Telephone
608-837-4611
800-373-0783

Fax 608-837-9302

Greetings! My name is Barbara Bailey and I am the Executive Director of the Colonial Club Senior Center in Sun Prairie. My comments today are on behalf of all senior service providers (focal points) in Dane County and the Colonial Club. I have been a senior center director for fourteen years, first in Monroe Wisconsin and for the last three years, at the Colonial Club.

I am writing to you to express our grave concern about the future budget for older adult services in Wisconsin. We all know budgeted dollars have been decreasing while needs of the elderly become more critical and the number of frail elderly rises. Susan Crowley, the Director of Dane County Human and Family Services spoke at our Dane County Elderly Services Network meeting last week. We expected that she would tell us that our 2,000 - 2001 budget increase would not be large. However, her message was bleak - there is no increase in the governor's budget for older adult services and potentially there may be a cut of two to three million dollars. This is unacceptable!

Speaking for all senior service providers in Dane County, we are frustrated and discouraged by the lack of funding for the frail and isolated adults who need financial support in order to continue to live in their homes. Hospitals release people before they are prepared or able to care for themselves. Nursing home admissions focus on people who need skilled nursing care. The quality assisted living facilities have waiting lists or are unaffordable for most older adults. COP has a waiting list in Dane County of 1,696 persons.

I ask you to make this vulnerable population a priority. There is a great need for increased outreach funding. Outreach workers are the front line people who help seniors in need to find the financial assistance and resources in order for them to be well cared for and safe in their own homes. We urge you to increase funding to serve those on COP waiting lists and also to increase all elderly services dollars to affect at the very least an inflationary increase.

One comment on family care. We have a highly developed unique system of senior service providers in Dane County - the sixteen focal points. We are willing to fit into the new long term care redesign. We want the process to move forward and to incorporate as much as possible our current system. We believe strongly that it is working well to give the most senior adults the best service. We are pleased that our county shows a willingness to work with us to design the system down to our level.

Thank you. We would be glad to talk with you about this issue. On the reverse side you will find a list of the Dane County Focal points.



United Way
Participating Agency



Dane County Focal Points

East Madison/Monona Coalition: Deanna Duerst
Ph: 223-3100 Fax: 223-3102

North/Eastside Senior Coalition: Jim Stickle
Ph: 255-8875 Fax: 255-8508

South Madison Coalition: Kathleen Stoga
Ph: 251-8405 Fax: 251-9028

Westside Coalition: Suzanne Ballantyne
Ph: 238-7368 Fax: 238-1260

Belleville Senior Center: Evonne Koeppen
Ph: 424-6007 Fax: 424-3423

Northwest Dane Senior Outreach: Monica Walker
Ph: 767-3757 Fax: 767-3782

DeForest Area Senior Center: Linda Green
Ph: 846-9469 Fax: 846-6963

Fitchburg Senior Center: Sue Sheets
Ph: 275-7155 Fax: 288-3278

Outreach and Special Services: Ingrid Forgy
Ph: 838-7117 Fax: 838-3619

Middleton Senior Center: Jill Kranz
Ph: 831-2373 Fax: 827-1057

Southwest Dane Outreach/Nutrition: Lynn Forsbaug
Ph: 437-6902 Fax: 437-3190

Oregon Senior Center: Alison Koelsch
Ph: 835-7100/835-5801 Fax: 835-5625

Stoughton Senior Center: Dennis Ganshert
Ph: 873-8585 Fax: 873-8162

Colonial Club of Sun Prairie: Barbara Bailey
Ph: 837-4611 Fax: 837-9302

Verona Area Senior Center: Diane Lanaville
via U.S. Mail

Waunakee Senior Services: Ruth Quam
Ph: 849-8385 Fax: 849-8387



SKAALEN SUNSET HOME, INC.

400 NORTH MORRIS STREET
STOUGHTON, WISCONSIN 53589

PHONE: (608) 873-5651

FAX: (608) 873-5748

April 15, 1999

Joint Committee on Finance
Wisconsin State Capitol
Madison, WI

Dear Members of the Joint Committee on Finance:

We are concerned that SB 45/AB 133, the biennial budget bill, does not provide adequate funding for nursing homes. The 1.7% rate increase proposed for FY 1999-2000 and the 1% rate increase proposed for FY 2000-01 falls far short of meeting our costs to serve Medicaid residents.

This year our skilled semi-private room rate is \$128 per day. Our reimbursement from Medicaid is \$100.46, which is only 78.5% of the fees for private pay residents. In 1995 our skilled semi-private room rate was \$105 and the Medicaid reimbursement was \$87.77, which was 83.6% of the fees for private pay residents. The disparity is going in the wrong direction! It is not ethically right for cost of caring for Medical Assistance residents to be passed on to the private pay residents, especially in increasing amounts. Our charges are set to only cover our costs.

We ask that you increase the reimbursement for nursing homes. As a minimum, we need at least a 3.3% increase for each year plus a 7% wage pass-through.

Our employees deserve to have their wages increased but we do not have the financial resources to do it unless we have increased reimbursement from Medicaid. It would be unfair to ask our private pay residents to pay for the full burden of increased cost of labor. If the cost of labor increased \$1 per resident per day and medical assistance would not cover that cost, the private pay rate would have to be increased \$2.50 to cover the total cost because 55% of our residents receive medical assistance funding. Only 38% of our resident days are paid on a private pay basis. 7% of our residents receive funding from Medicare.

Recruitment and retention of quality staff is very important to our residents, and the labor market dictates their wages must be increased. This matter is serious because too many of our employees are leaving to work for non-health care employers at wages greater than what we are able to pay, and, in many ways, much easier jobs. Our turnover rate is increasing (117% in 1998) and our retention rate is decreasing. They must be improved and increased wages is an essential part of the solution!

With 3 or less years of experience, our housekeeping and dietary workers start at \$6.87 per hour, for activity therapy assistants, \$7.42 per hour, for cooks \$7.82 per hour, for nursing assistants, \$7.88 per hour, and beauticians \$8.28 per hour. We have three levels of maintenance workers, \$6.87, \$7.88, or \$9.42. The start rate for LPNs is \$11.38 and RNs is \$15. A 7% increase for these workers from medical assistance funding would help to bring these wages to be more in line with the competitive marketplace.

At Skaalen we treat our Medical Assistance residents with the same dignity and respect as we do our private pay residents. If they come to Skaalen and live in a private room as a private pay resident, and after being here for some time they outlive their financial resources and must receive Medical Assistance benefits, we allow them to continue to stay in their private room. This is an extra cost of \$10 per day which we must absorb - as Medicaid does not pay for routine private room services. However, this policy does fit with our values of dignity and respect care for all of our residents.

A society can be judged on how they care for their elderly. It is good news that there are many more options of care for the elderly, such as assisted living and home care, but when they do come to the nursing home they are sicker and need more staff to care for them. Medicaid must recognize this, and well as the increased demand for labor and the dwindling supply, causing the cost of labor to increase. Please do not force us to discontinue being a Medicaid provider because too much of the burden is being passed on to the private pay residents. Our mission is to serve all people, regardless of pay source, but unless Medicaid reimbursement is improved, we may have no choice but to make such a drastic change.

Also, we are in opposition to statewide implementation of Family Care prior to the conclusion and thorough analysis of the pilot program. We expect the pilots will provide new information and facts that will share the realities of the program design.

On behalf of the residents we serve, we would like to thank you for your consideration of their needs. Our residents deserve to have quality and reliable staff caring for them.

Sincerely,



Mark Benson
Executive Director



Dean Nelson
Administrator

April 15, 1999

Dear Member of Joint Finance Committee:

Thank you for this opportunity to express my support of the request from Choices for Independent Living, Inc., for \$80,000 for a locally controlled Independent Living Center in southwestern Wisconsin.

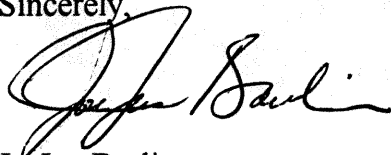
I am an active member of my community: Chair of the Hodan Center Board of Directors, member of the Iowa County Long Term Support Committee, member of Arc of Southwestern Wisconsin and now member of the Board of Directors of the newly formed Choices for Independent Living, Inc. At meetings and related events, I have heard from many people with disabilities who want an independent, locally controlled Independent Living Center in our area.

I can appreciate their desire, because for three and one-half years I was a member of the Board of Directors of the Great Rivers Independent Living Services, Inc., which is located in LaCrosse and covers thirteen counties including southwestern Wisconsin. All Board meetings were held in LaCrosse which for me meant a drive of approximately five hours for each meeting. It is no surprise that more than half of the Board lived in LaCrosse or the immediately surrounding area.

CHOICES for Independent Living, Inc., was formed by people with disabilities living in southwestern Wisconsin. It could provide locally controlled and locally accessible Independent Living Center services.

Thank you for your time and consideration. I would be happy to provide additional information or answer any questions you may have.

Sincerely,



JorJan Borlin

3300 Rohowetz Road

Dodgeville WI 53533

e-mail: jorjan@mhtc.net

phone: 608-935-3966

cc: Senator Dale W. Schultz
Representative David Brandemuehl
Representative Stephen J. Freese



DISTRICT 1199W/UNITED PROFESSIONALS FOR QUALITY HEALTH CARE
Affiliated with Service Employees International Union, AFL-CIO, CLC

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UNITED PROFESSIONALS, LEADING THE WAY TO QUALITY HEALTH CARE

April 15, 1999

Good Morning. My name is Kathy Christensen. I am a registered professional nurse [RN] with special graduate preparation in rehabilitation and long term care. I am currently employed at Meriter Hospital on the Medical Unit. In addition, I am also a Member Organizer for District 1199W/United Professionals for Quality Health Care, SEIU.

I have been involved in health care as a Nursing Assistant at age 16, and as a Nurse since my graduation from Nursing School in 1960. During that time, I have seen the birth of Medicare and Medicaid and the gradual degradation of bedside care for the long term patient/resident, as soon as they became a source of "big money" for the profit makers jumping into the field. Health care has become an "industry"; patients/residents are now "customers". Facility supervision is antiquated and enforces inadequate standards, with the emphasis on "paper-compliance."

I am here today in the company of care givers and care providers, because I must congratulate you for keeping your eyes focused solidly on the issue: providing adequate care and services to residents of nursing homes through recruitment and retention of qualified and competent Certified Nursing Assistants [CNAs].

The proposed "pass through" legislation will deal with the matter head on. It will not allow additional monies to be frittered away on new acquisitions or "competitive strategies" by corporations. My mother, a nursing home resident in Green Bay, and I, a 63 year old citizen, thank you.

I know that you are aware of the difficulty in recruiting and retaining CNAs. If you and I were placing an ad in the newspaper that was accurate it would read:

WANTED - CNA FOR NURSING HOME WORK

any number of shifts including every other weekend and holidays. Must be willing to work overtime whenever staffing is a problem regardless of transportation or child care problems. Benefits are very limited and your share of health care insurance is a large percentage of any wages. You will be subject to verbal and physical abuse from confused residents and may not retaliate in any manner. You will be at risk for many communicable diseases and the incidence of back and other injuries is very great.

JUST THINK, YOU CAN DO ALL OF THIS FOR A WAGE THAT WILL KEEP YOU AND YOUR FAMILY WITHIN, OR CLOSE TO, THE POVERTY GUIDELINES IN ALMOST EVERY COUNTY IN THE STATE OF WISCONSIN.

We probably would not mention that there are tremendous physical and psychosocial requirements for this direct care position - requirements so difficult that not everyone can handle the demands that will be made of them.

I sincerely hope that you will do all in your power to make this proposed legislation into law, to assure that administrative hang-ups do not prevent its implementation for months and months and make sure it escapes line item veto.

This is neither a partisan issue, nor a union issue. This is a "people" issue, one that effects thousands of seniors on a long term or short term basis. Please pass this measure that is in accordance with our State's traditional values and morality. This is an opportunity to do something that is positive until we can deal with this whole "Health Care Fiasco."

Thank you for your time and attention.