

# The Cooperative Solution to the Caregiver Crisis

HOME CARE COOPERATIVE CONFERENCE, NOVEMBER 2017

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# The Cooperative Outlook

# Home Care Cooperatives



# The Cooperative Difference

Home care cooperatives are best positioned to *gain market advantage* and *transform the home care industry*





*20% Turnover rate  
(versus 60% nationally)*



*Rapid business growth 18 to  
1,000+ hrs of service in 1 year,  
2,000 hrs expected by end 2017*



*30% of workers have been with  
the agency for over 5 years.*



*Over 4 awards won for  
quality training and care*



**1938**

## TELEPHONE KEY SET

The "300" also offered added convenience for business users. It incorporated within the set one "hold" button and five others for calling, signalling or access to other extensions. Early models had metal housings, but plastic was substituted in the early '40s.

## iPhone 6 (S)

The only thing that's changed is everything.



Available Colors:



**Storage**  
16GB / 64GB / 128 GB



**Camera**  
Front: 5MP  
Rear: 12MP iSight camera



**System Architecture**  
Apple A9 Chipset  
RAM: 2 GB



**Battery**  
Non-removable Li-Po  
1715 mAh



**Connectivity**  
Single SIM (Nano SIM)  
Bluetooth 4.2, A2DP, LE  
Wi-Fi: 802.11 b/g/n  
GPS, NFC



**Display**  
4.7-inch, 750 x 1334  
pixels  
LED-backlit IPS LCD



**Market Price**  
\$827 (16GB)  
\$949 (64GB)  
\$1072 (128GB)

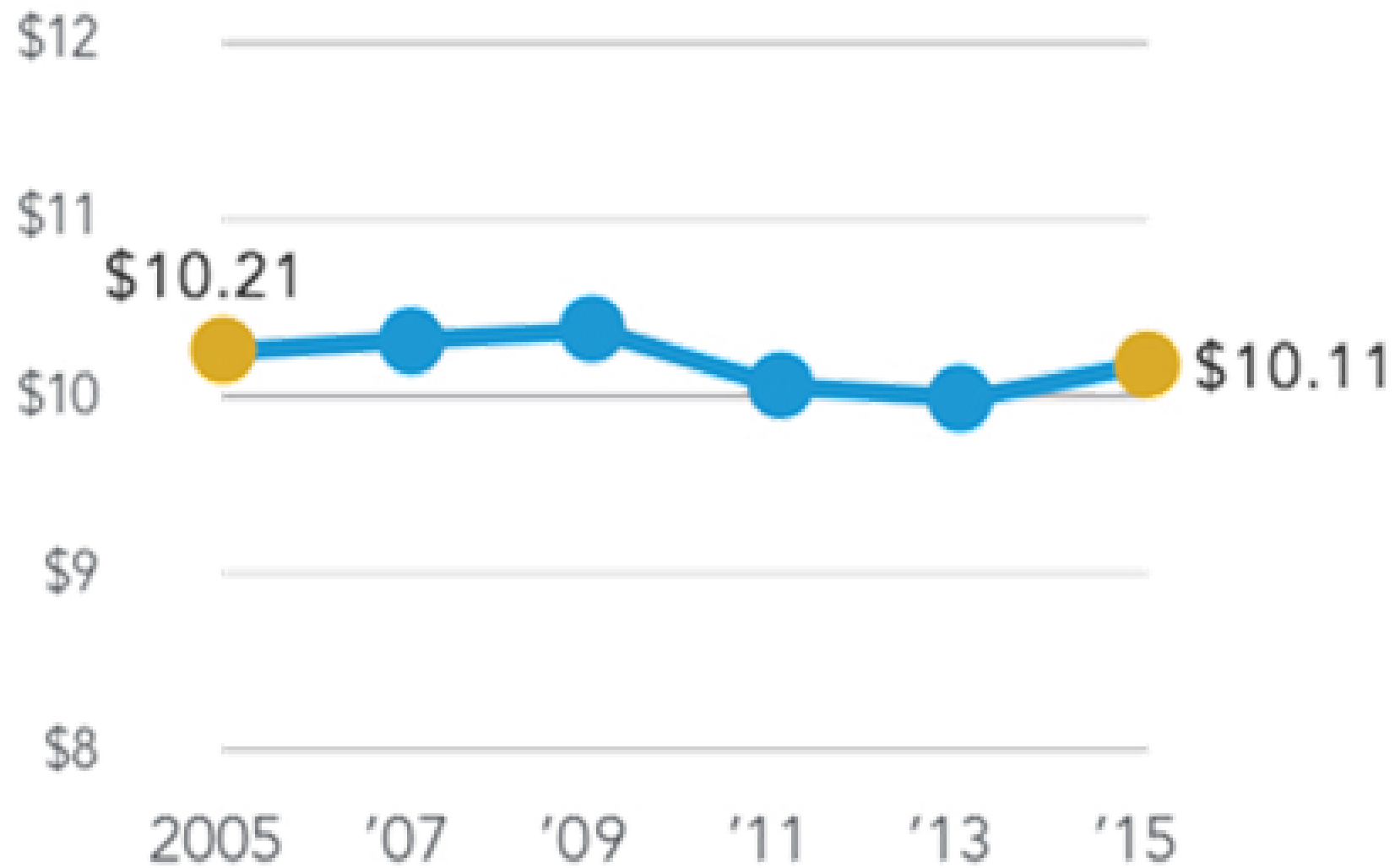


**Special Features**  
Fingerprint sensor  
4G LTE  
iOS 9  
Siri



*What a Difference  
77 Years Can Make*

# Home Care Worker Median Hourly Wages Adjusted for Inflation 2005 to 2015







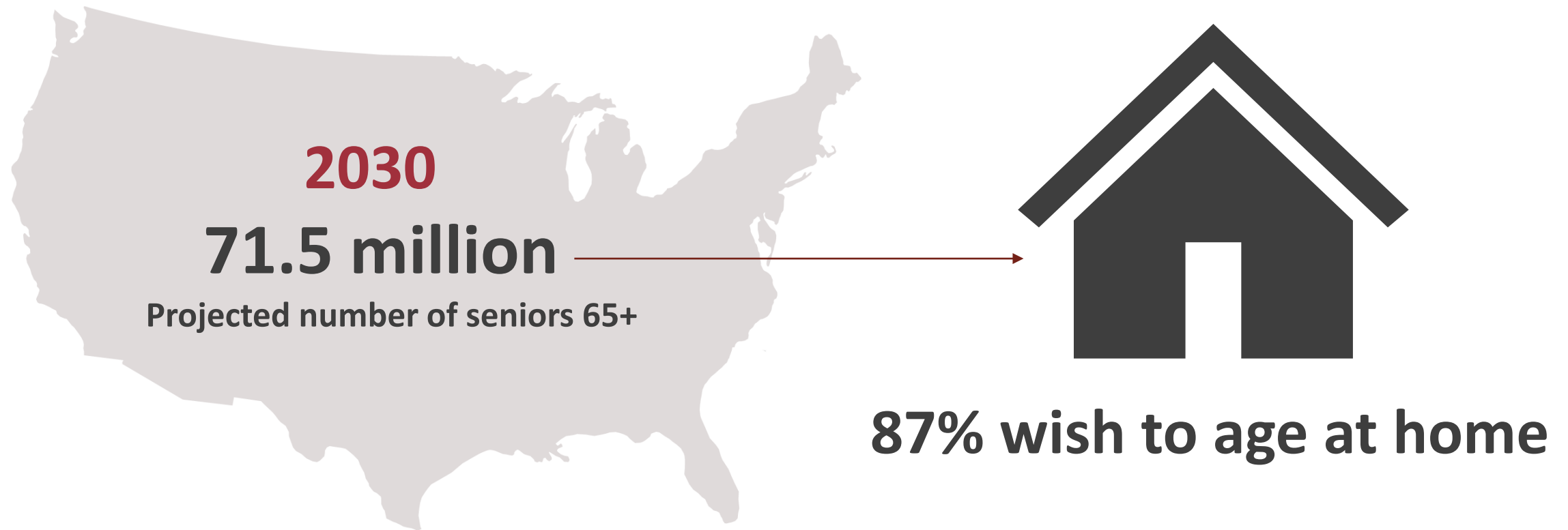
# Home Care

A NATIONAL OVERVIEW



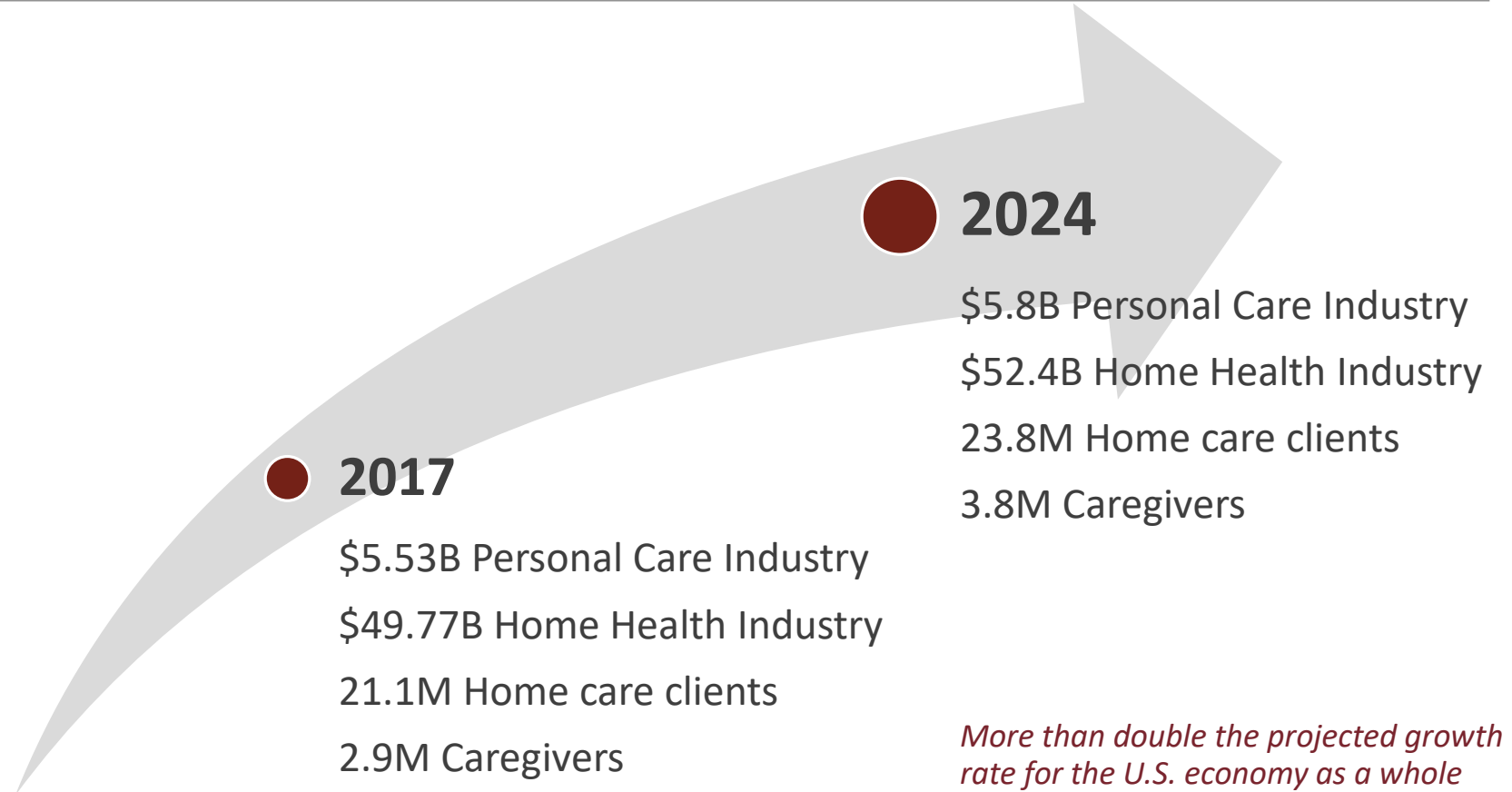
# Senior Population Growth

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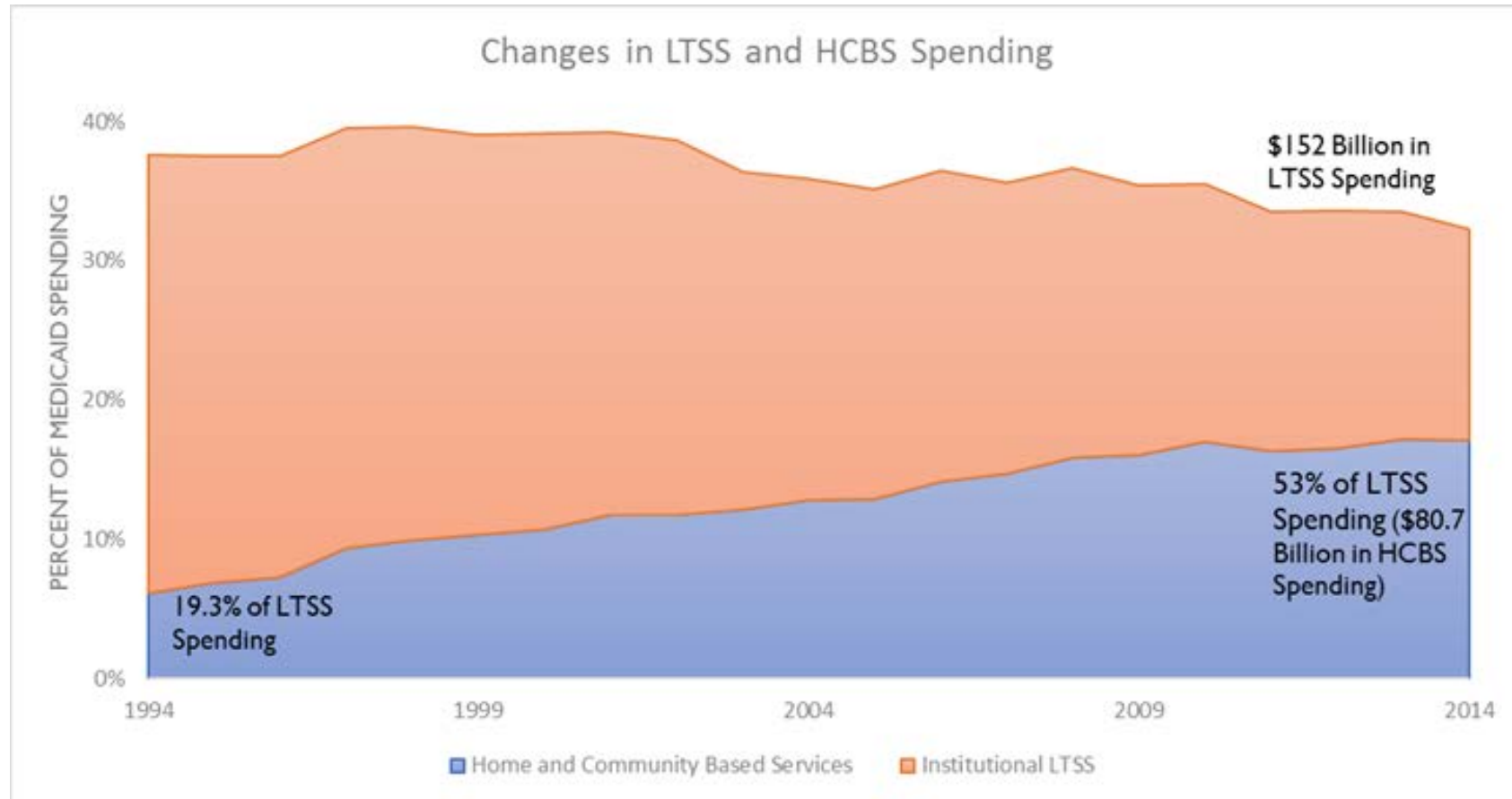


# Top 10 Fastest Growing Industries

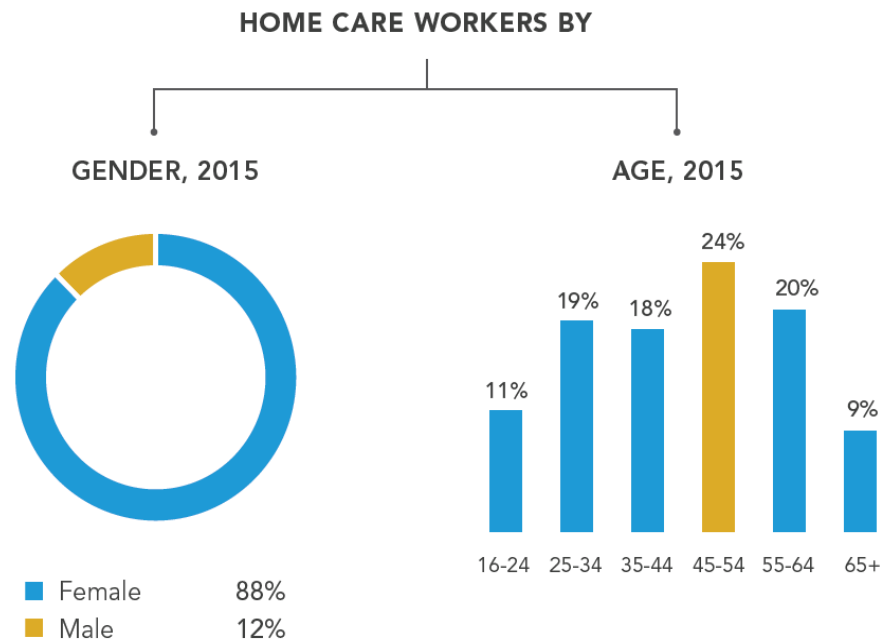
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# Medicaid Home and Community Based Services (HCBS)



# Home Care Worker Profile



Graphics by PHI, U.S Home Care Workers: Key Facts

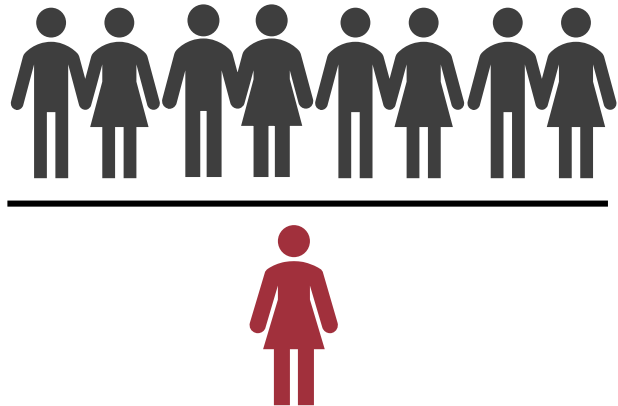




**AHEAD**

# Caregiver Ratio

$$\text{Caregiver Ratio} = \frac{\left( \begin{array}{c} \text{Frail Elderly} \\ (20\% \text{ of senior population}) \end{array} \right) + \left( \begin{array}{c} \text{18 to 65 year old} \\ \text{disabled population} \end{array} \right)}{\left( \begin{array}{c} \text{Home Health} \\ \text{Aides} \end{array} \right) + \left( \begin{array}{c} \text{Personal} \\ \text{Care Aides} \end{array} \right) + \left( \begin{array}{c} \text{Nursing Assistants} \\ (8\% \text{ of total in HCBS}) \end{array} \right)}$$



8 Likely Clients for Every 1 Caregiver  
*significant variations nationally*

# Caregiver Ratio & Recruitment



Factors  
Affecting  
Recruitment

- Immigrant Population
- Scale of agency
- Pay
- Benefits
- Guarantees Hours
- Workforce Demographics
- And more....

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Minnesota



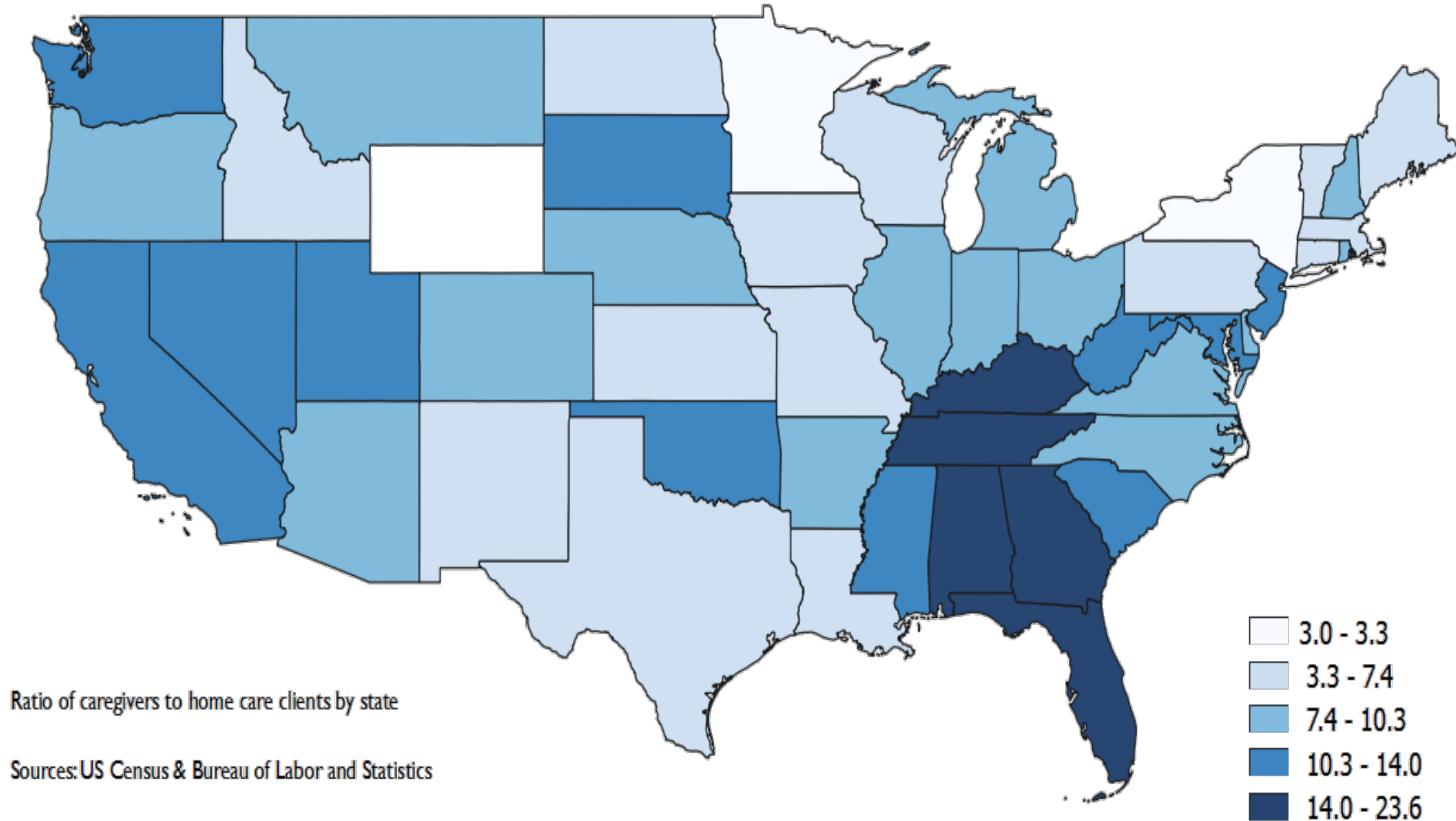
National Average



Florida



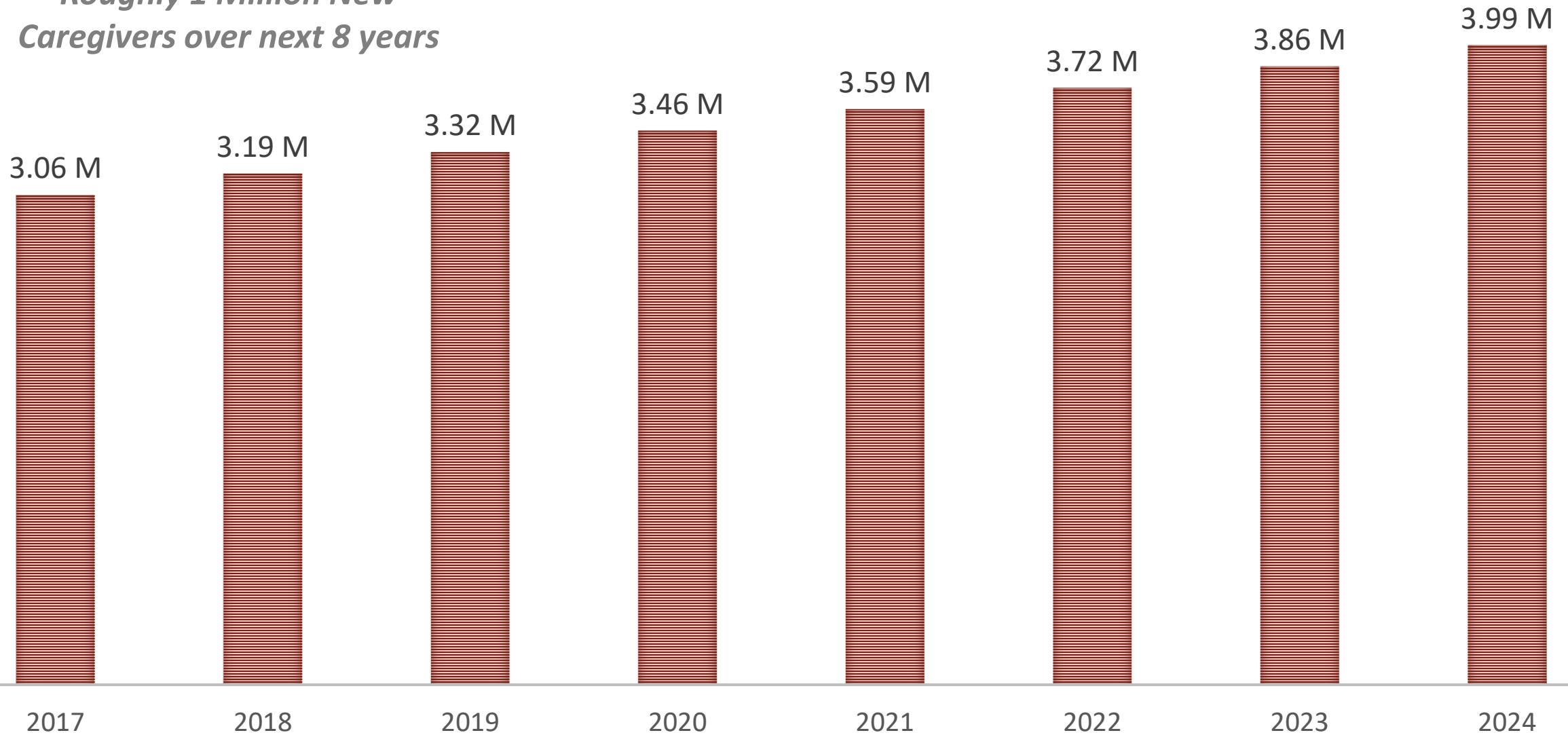
# Caregiver Ratio: Variation Across the Country





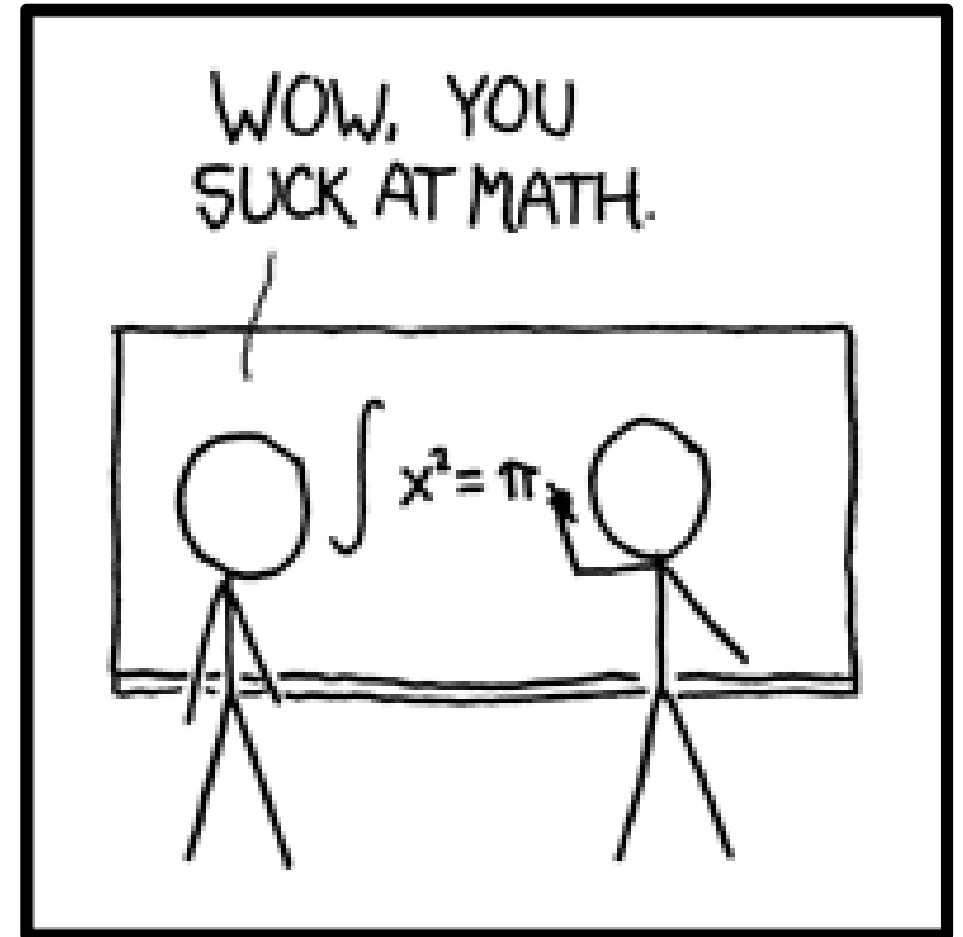
## EXPECTED GROWTH IN CAREGIVERS 2017 TO 2024

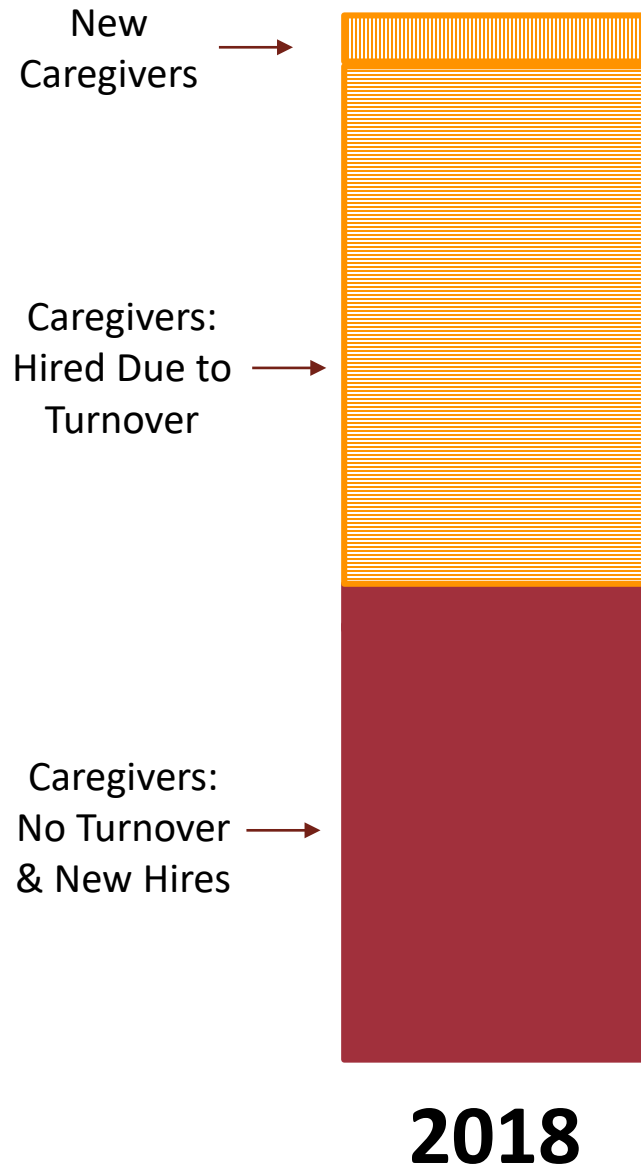
*Roughly 1 Million New  
Caregivers over next 8 years*



***3.99 Million – 3.06 Million =***

***13 Million***

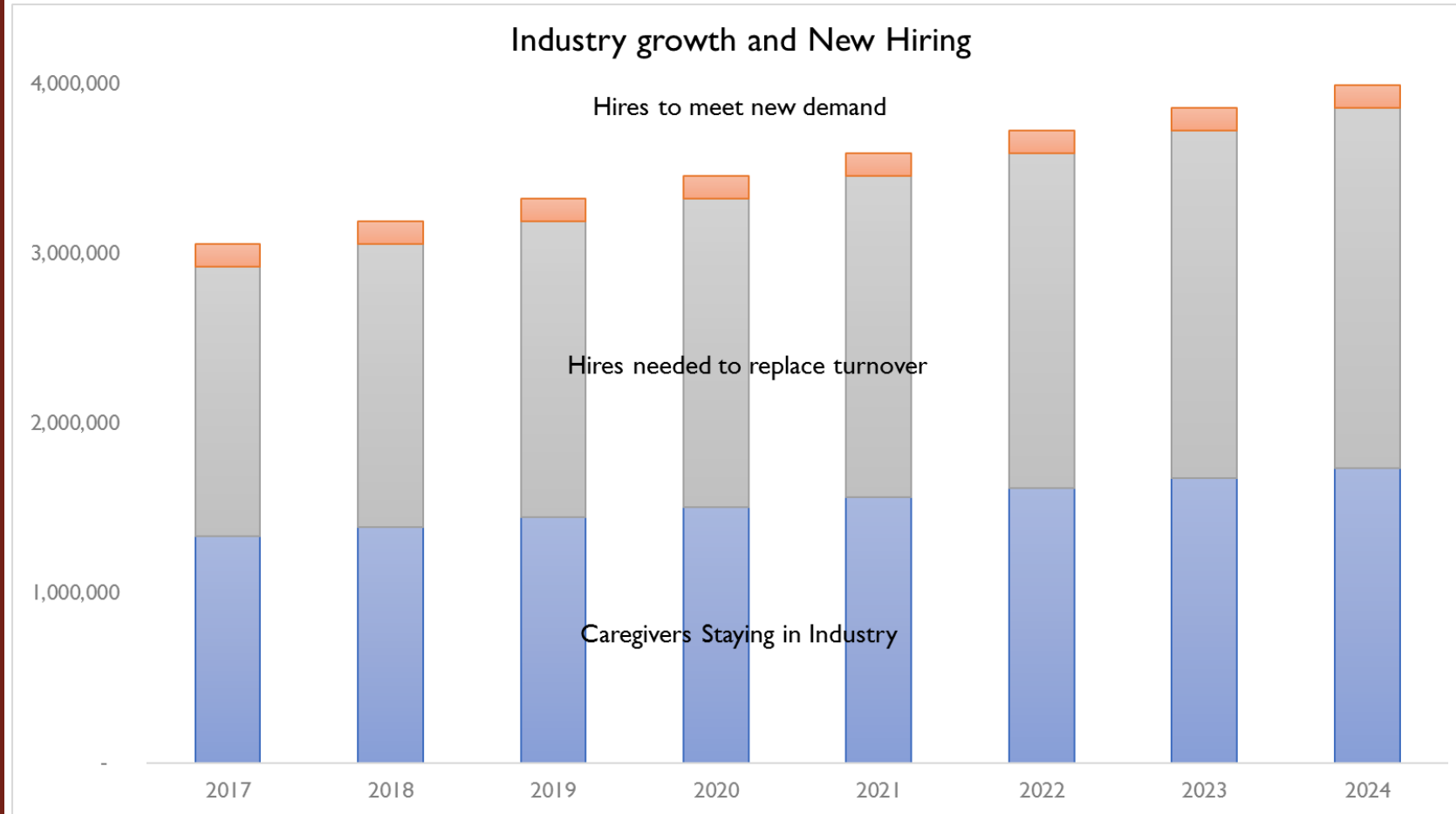




60%  
Caregiver  
Turnover Rate

13 Million  
Caregivers

Need to be hired and  
trained to meet  
demand by 2024 if  
current turnover rate  
persists





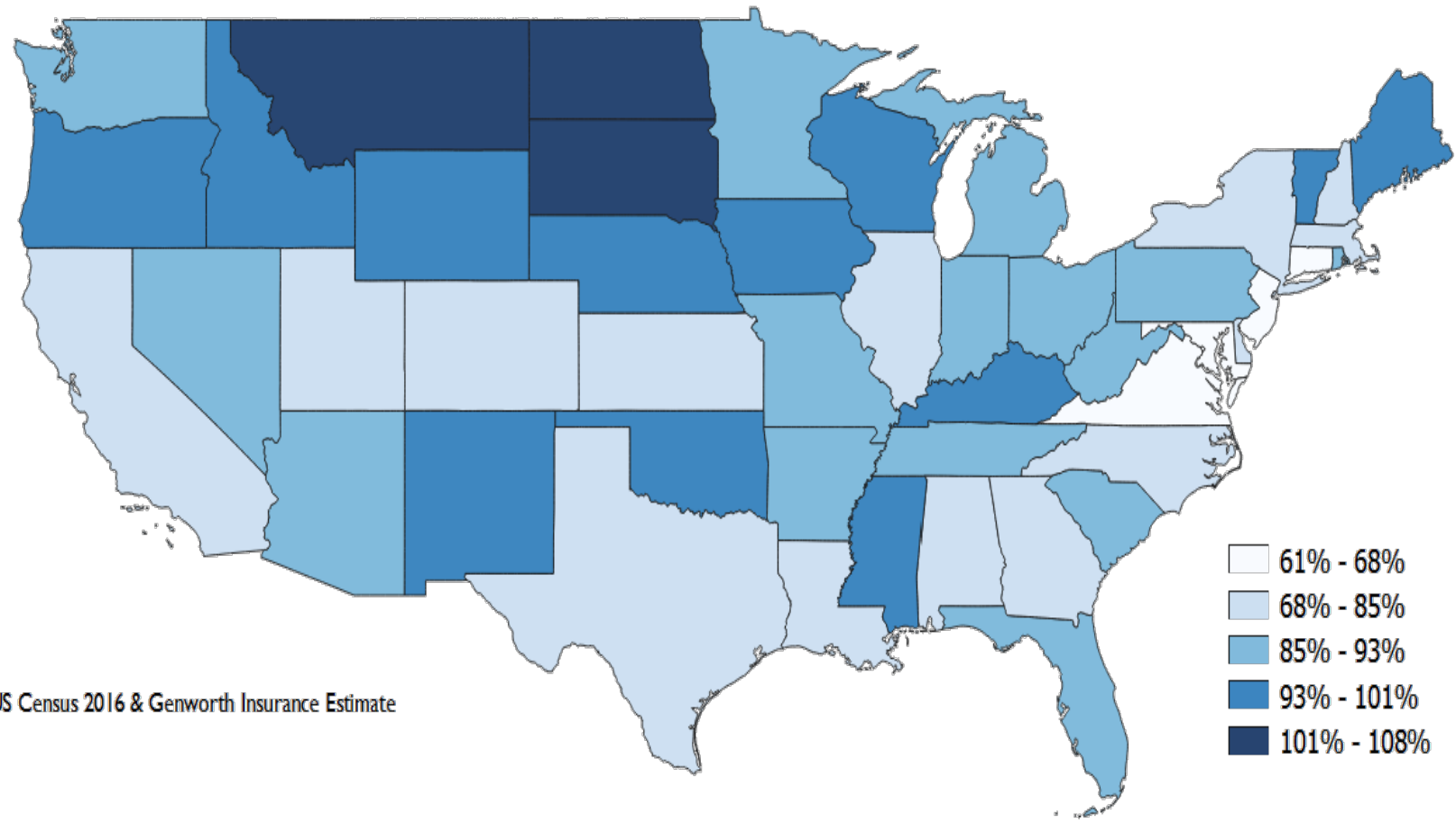
# National Strategy

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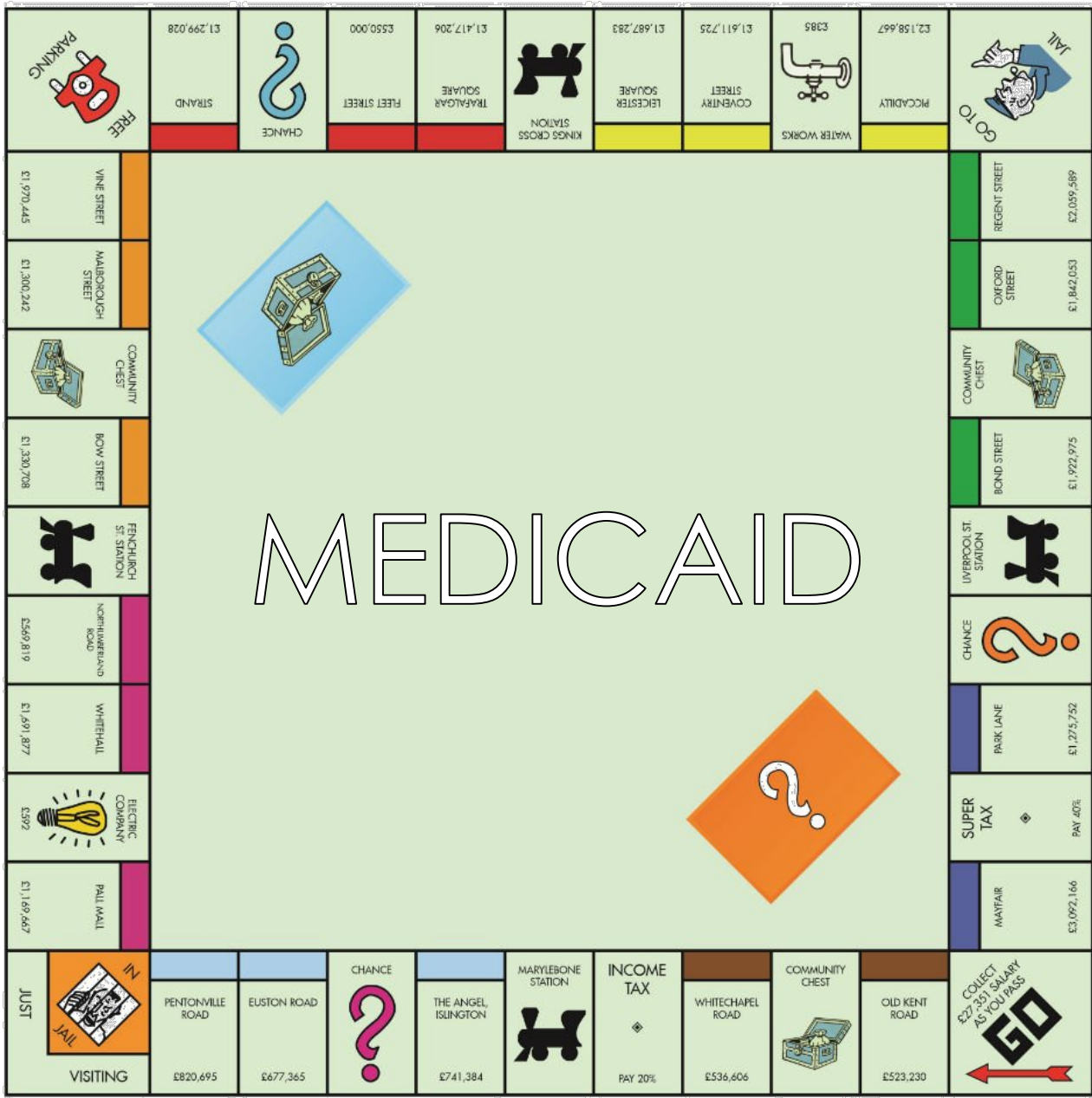


# *Can Private Pay Drive Wages Across the Industry?*

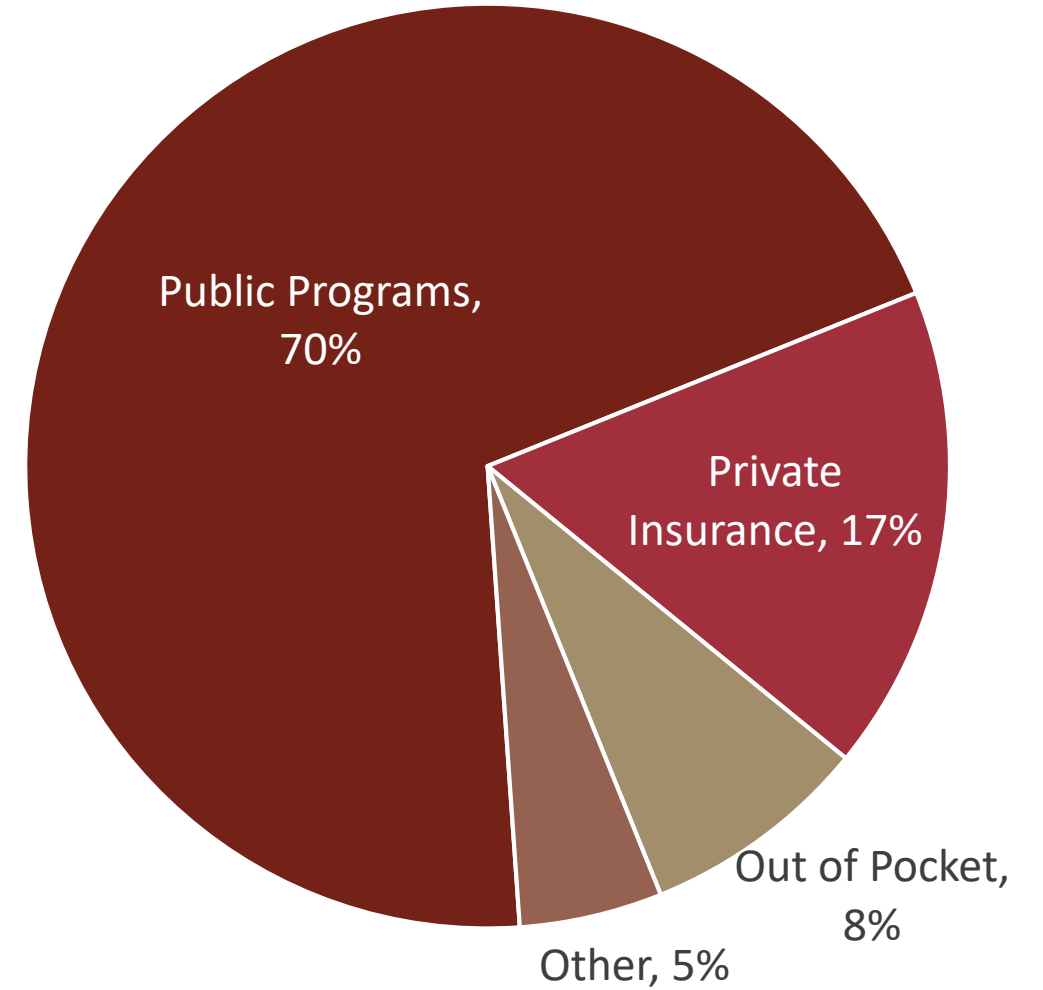
**Annual Home Care costs as a percentage of state median income.**



Source: US Census 2016 & Genworth Insurance Estimate

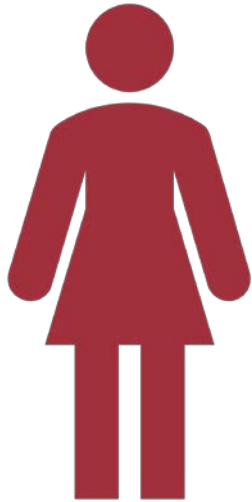


## Sources of Home Care Revenue



# Home Care Job Profile

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## Low Pay

- Average Hourly Pay of \$10.70
- Over 50% on Public Assistance

## Limited Benefits

- 18% of Caregivers are uninsured
- 40% on Medicaid

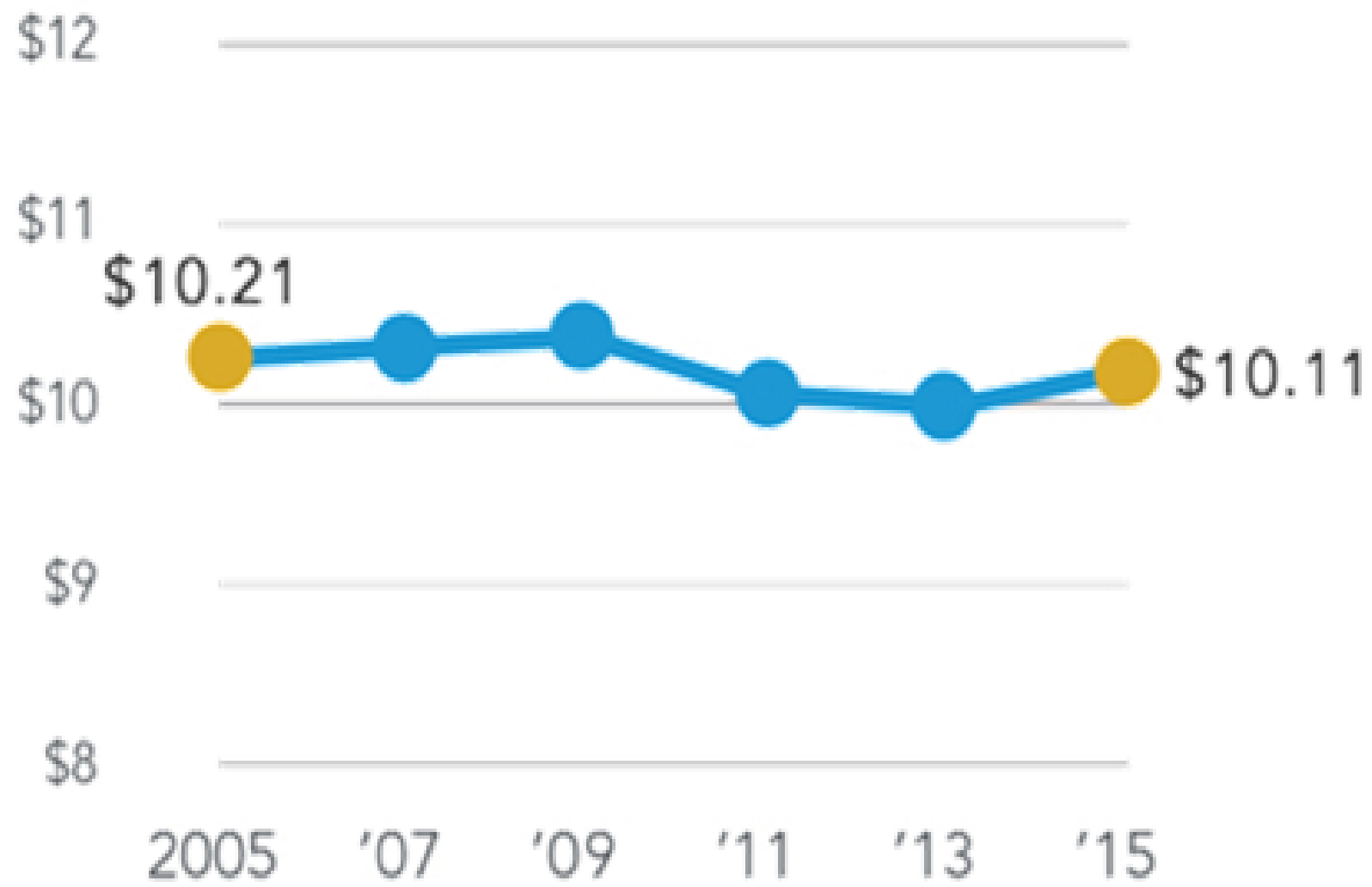
## Insufficient Training

- No Federal Training Standards for Personal Care Aides
- Inadequate training standards for Home Health Aides and Nursing Assistants

## Unstable

- 67% of Caregivers work part time







# Wage Components: Independent Provider Home Care Worker Washington State: 38,000 Workers

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Average Wage	\$15.56
Paid Time Off	\$0.62
Statutory	\$1.72
Healthcare	\$3.55
Training	\$0.40
Retirement	\$0.50
Referral Registry	\$0.02
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Total	\$22.38

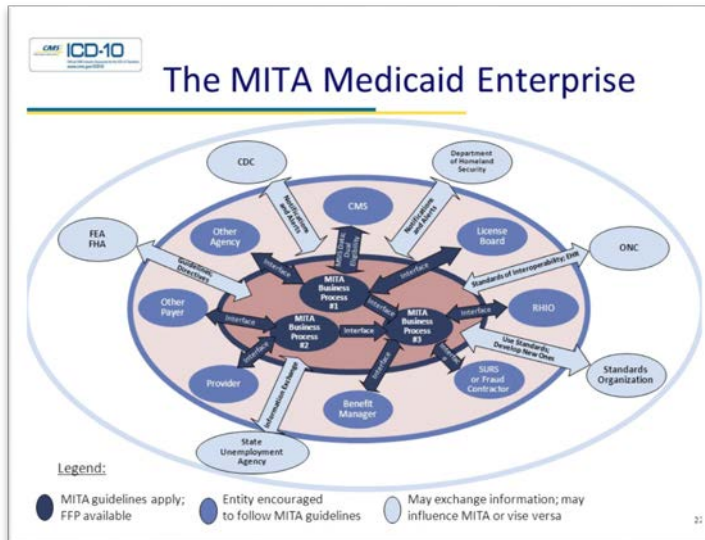
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# How?



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- ✓ Over \$2 million in political spending in 2016 Cycle
  - ✓ Multiples of that organizing members
  - ✓ Investment in Training & Quality





## TECHNICAL ASSISTANCE TOOL

# Quality Measurement Approaches of State Medicaid ACO Programs

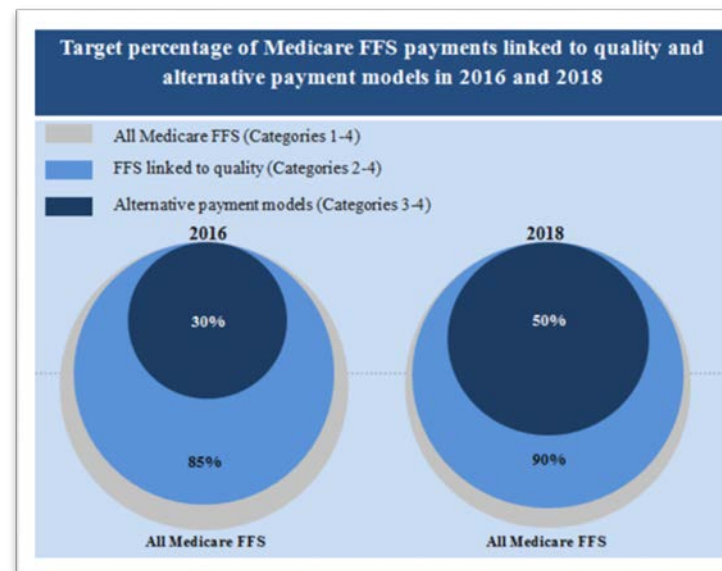
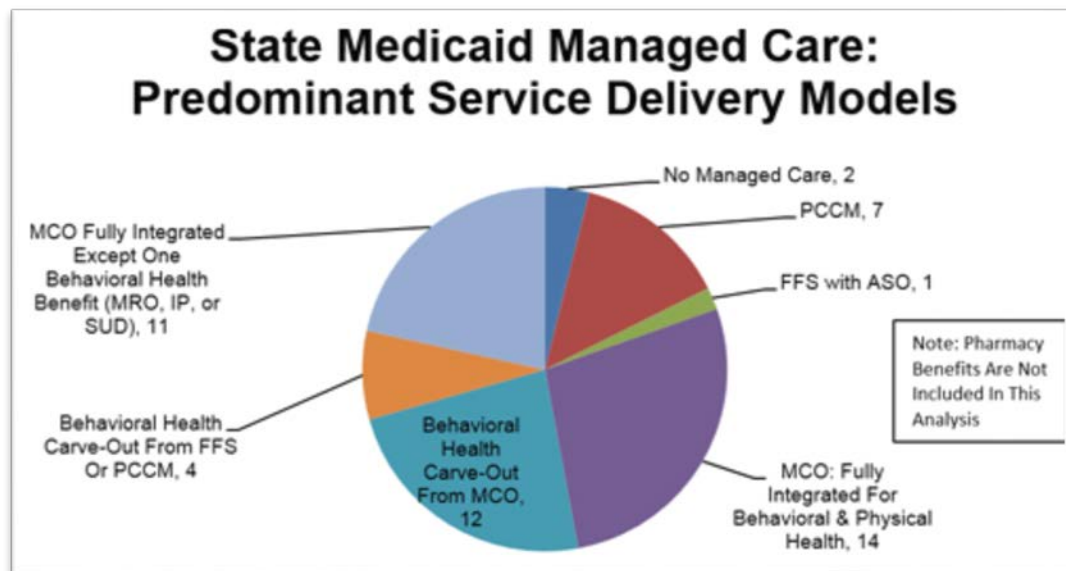
[www.chcs.org](http://www.chcs.org) | @CHCShealth

**CHCS** Center for Health Care Systems

Quality Measurement Approaches of State Medicaid Accountable Care Organization Programs

**Abstract**

Quality measurement is an integral component of the accountable care organization (ACO) model, which is used by states to measure the quality of care provided by the ACO. This tool provides a comprehensive overview of the quality measurement approaches used by state Medicaid ACO programs. It includes a list of states that have implemented ACO programs, a list of quality measurement approaches used by these programs, and a list of quality measurement approaches used by other state Medicaid programs. This tool is intended to provide technical assistance to states that are implementing ACO programs.



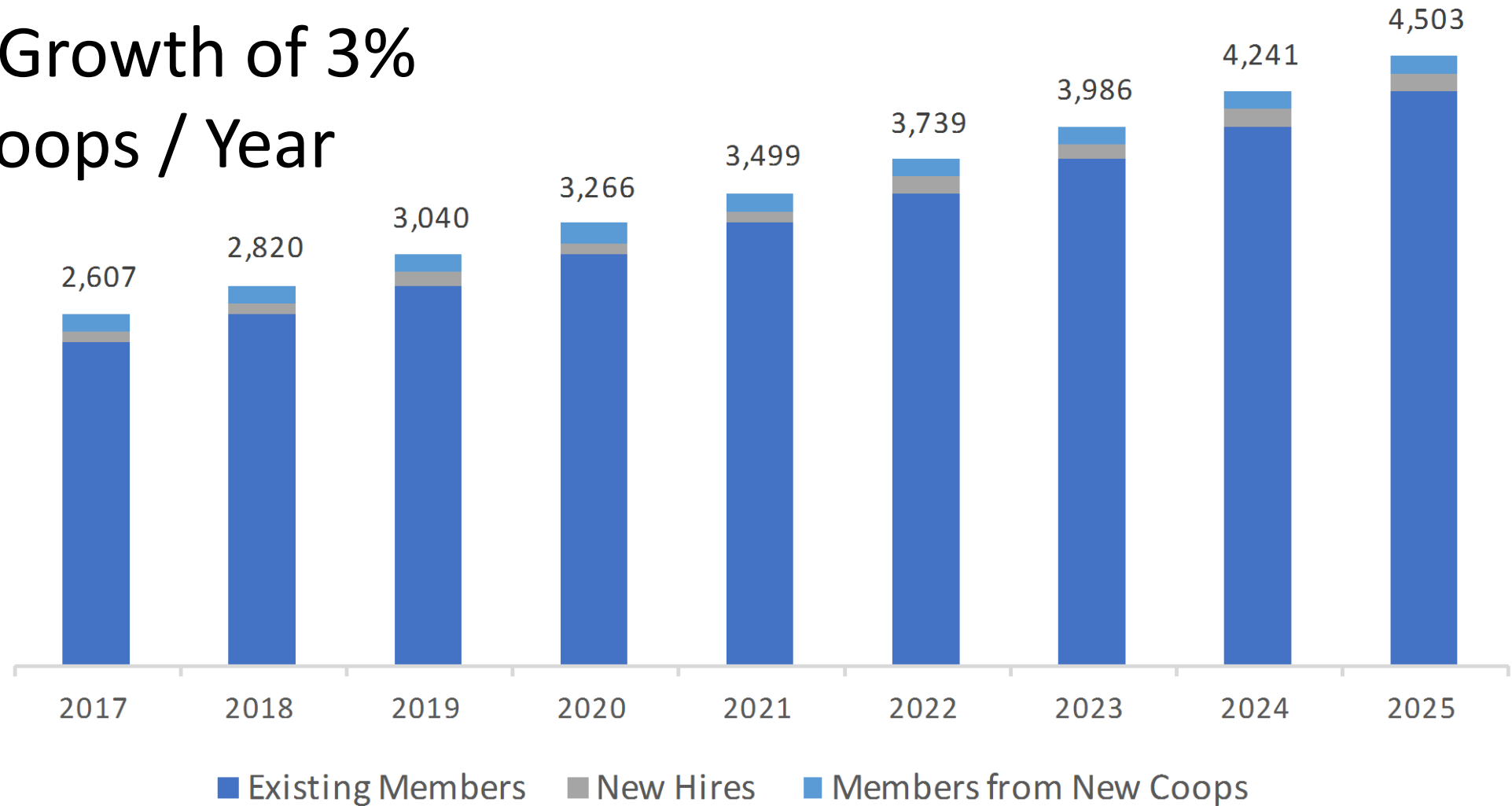
*In an increasingly complex and regulated sector, market winners will be able to tackle complicated programs.*

# Home Care Cooperatives



# The Promise of Linear Growth

- ✓ Internal Growth of 3%
- ✓ 3 New Coops / Year



But What About the Obstacles to:

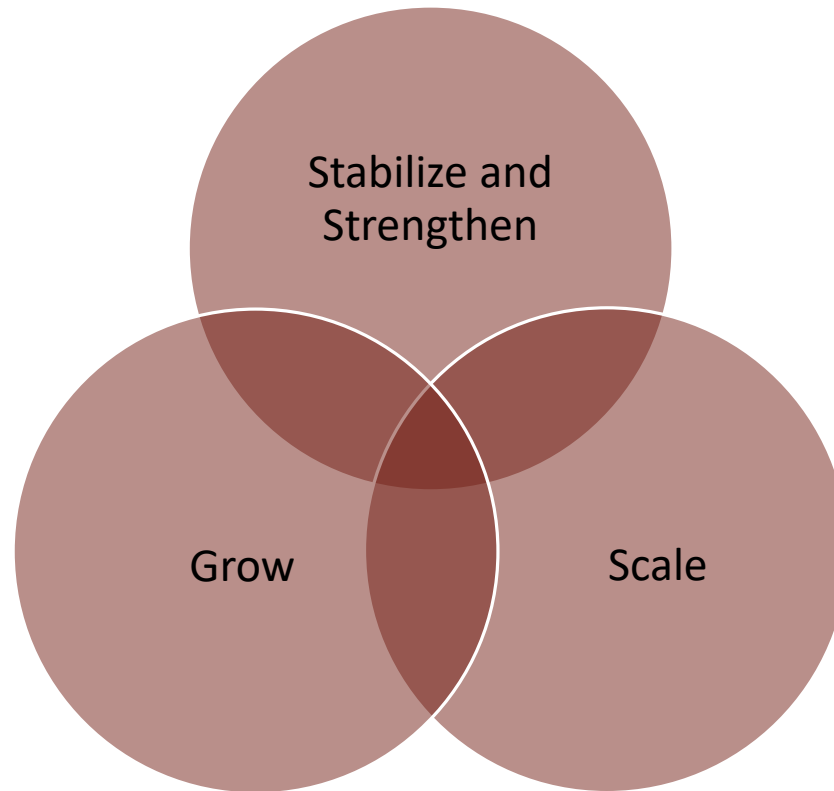
✓ Recruitment?

✓ Growth?

How do we transform the Industry?

# A Transformative Strategy

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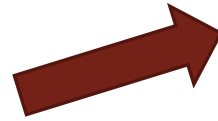


# Transformative Impact Goals

1. Build systems to strengthen the existing cooperatives, stabilize their operations, and where possible improve job quality;
2. Support new entrants into the field, to ensure these groups have the tools necessary to maximize their chance of success; and
3. Create a platform to improve job quality for a **significant** portion of home care workers, including increasing wages, adding benefits, enhanced training, additional opportunities for advancement, and a culture that respects workers.

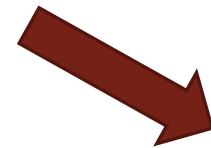
## Stabilize & Secure

- ✓ Recruitment
- ✓ Training
- ✓ Board Whisperer
- ✓ Launch Support
- ✓ Coordinated Development



## Shared Services

- ✓ Workers Comp.
- ✓ Health Insurance
- ✓ Payroll Services
- ✓ Software

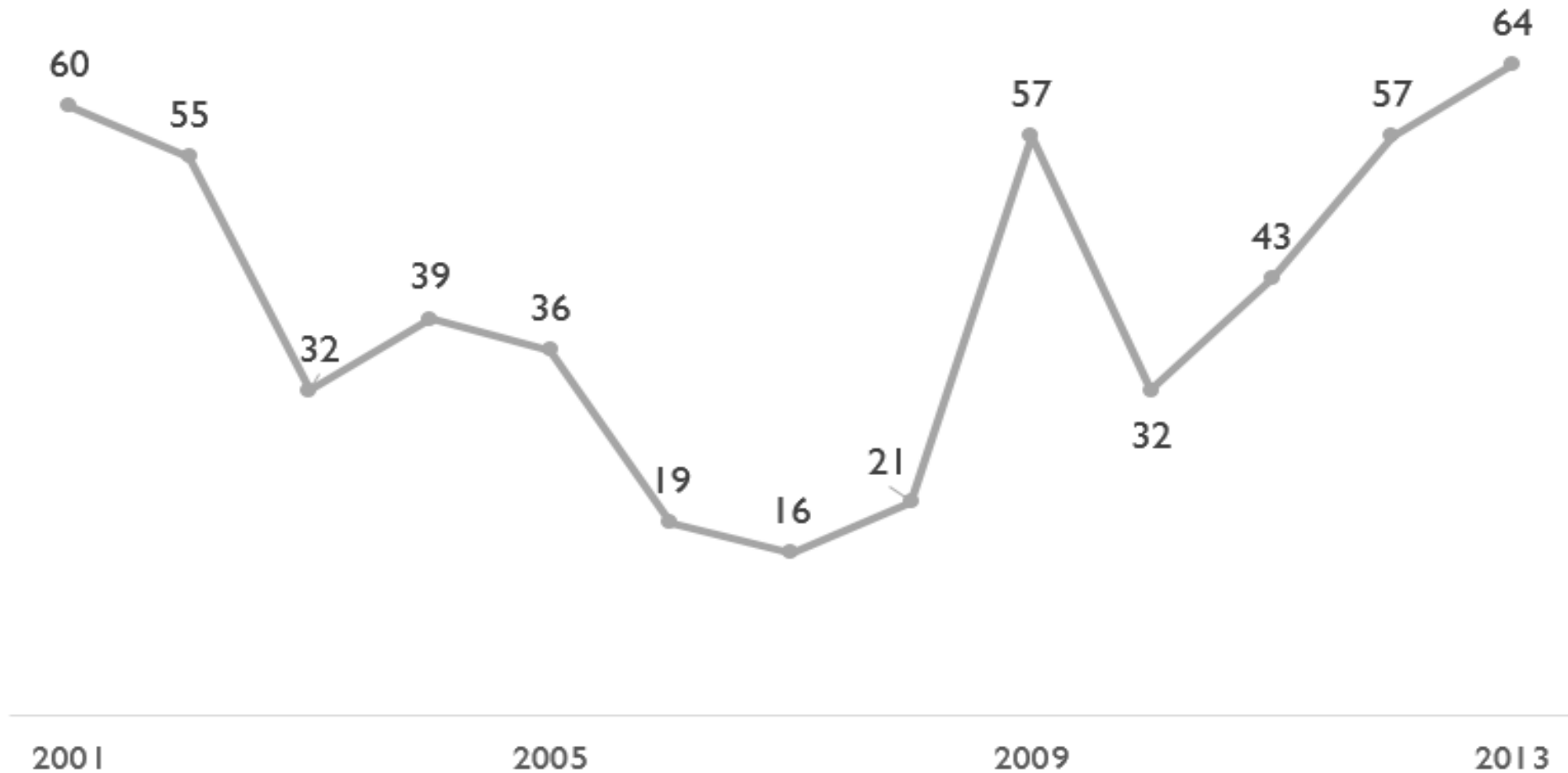


## Explosive Growth

- ✓ Conversions
- ✓ Acquisitions
- ✓ Innovations

# Acquisition and Conversion Opportunity

**Potential Conversions (2000-2013)**

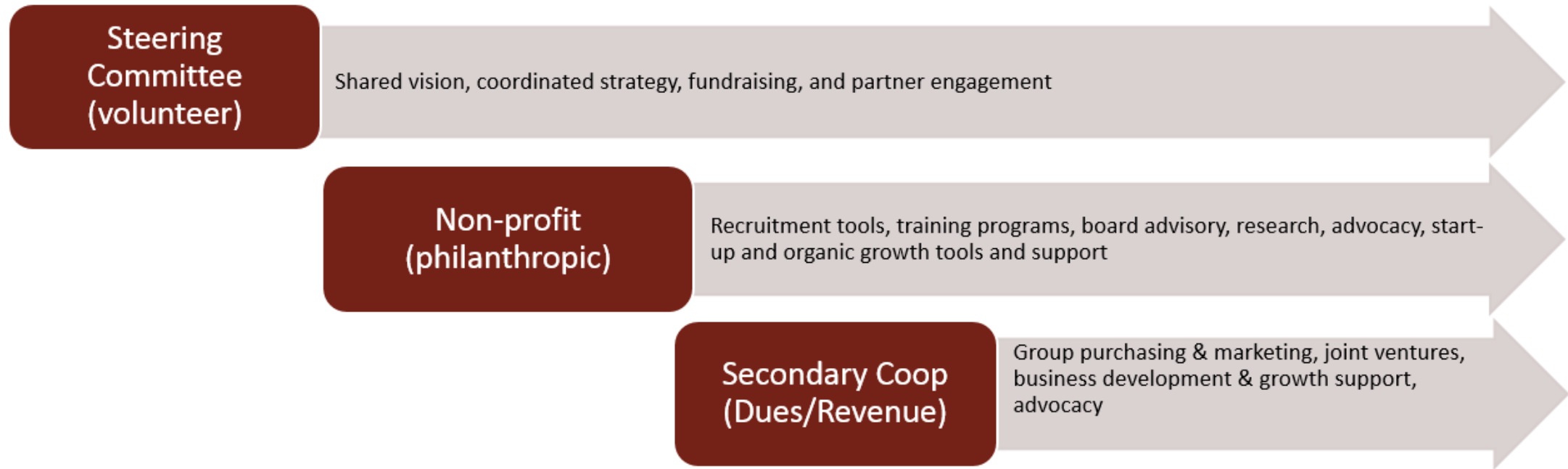


Home Care  
transformation  
is possible



# Next Steps

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# Questions

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