

**Community Conversation #1
IN-HOME AND LONG TERM CARE ON ORCAS
November 1, 2018**

Time	Topic	Presenter
6:30-6:40	Welcome, Introductions, Why we're here	Tom
6:40-7:00	LTC defined/Orcas issues	Dennis
7:00-7:30	Caregiver Coop	Debra
7:30-7:55	Discussion	All
7:55-8:00	Wrap Up, Next Steps	Tom

Meeting Objectives

- Introduce the topic of In-home / Long Term Care (LTC) and initiate a community conversation
- Validate the issues / challenges
- Present the coop model
- Identify interested parties
- Discuss ideas and insights

Handouts

- LTC Background paper
- Coop material (from Debra)

Meeting notes (Revised 11-7-18)

The meeting began at 6:30 PM at the Orcas Senior Center. Audience participants introduced themselves and Dennis King provided an overview of the issues facing access to in-home care and long term care (LTC) on Orcas Island. Twenty three (23) people attended.

Presentation by Dennis King, who works for Lahari

For discussion purposes, LTC is composed of at least three elements: Home care (non-medical), Home Health (medical) and Skilled nursing care.

There is no homecare agency that effectively serves the island. (See background information attached.) There is a silver tsunami among the US population (baby boomers aging), and America will need 5 million more home care aids in the workforce to effectively manage the increase in elders needing care. We feel that need on the island.

There are at least three stakeholders in this discussion: care givers, care seekers, the community.

Care seekers

There currently is not reliable way on island to get a home caregiver. There is no system for backup caregivers when needed. There is little or no consistency of care, because assessment tools and care plans are not always consistent among the independent caregivers. Finding respite care is extremely difficult when family caregivers must go off island or just need some time off.

Caregivers

The burden of paperwork is considerable. Thus, many private caregivers are paid under the table without records. Independent contractors are given a 1099 tax form, but IRS does not consider home caregivers to be independent contractors.

Island residents with LTC insurance are required by insurance companies to have a formal assessment, usually by a social worker or nurse. It is hard to get an agency to come to Orcas to do an assessment, if they do not provide care givers on island and therefore will not get the follow up business.

Independent caregivers do not usually have a “next client” in the queue, and so they experience an employment gap when a client leaves or dies.

Independent caregivers do not usually receive insurance benefits, paid time off or contributions to their social security.

The Community

Medicare does not pay for home care. Medicaid (low income) does pay for home care through a program called “COPEs” in Washington State. There is a lack of COPEs caregivers on island, as COPEs pays caregivers about \$15/hour. Thus, the only real option for low income folks needing home care is a nursing home off island.

Minimum working wage on Orcas is about \$25/hour. For any home care solution to be available to the general public, it must provide about \$25/hour total compensation to sustain a trained, credentialed workforce.

Presentation by Deborah Craig

Ms. Deborah Craig works at the Northwest Cooperative Development Center (NWCDC) as a cooperative business developer specializing in home care cooperatives. See: www.nwcdc.coop

Between 2010 and 2030, caregiver will be the fastest growing job in America. We need to recruit and train younger workers. Three factors on which success hinges are: wages, benefits, social status of the caregiver profession. Caregiver coops strive to achieve all three.

Labor laws were recently expanded to include home caregivers under Fair Labor Standards Act (FLSA) protections. That is, caregivers now qualify for overtime pay. Washington State has very strict laws governing home care agencies. Home Care Aids (HCAs) must now be certified.

In Worker Cooperatives (Co-Ops), the workers are the owners of the business. The food coop is an example. Each member/owner gets one vote in decisions. Coops exist to meet the needs of the member-owners. In a caregiver coop, owners are also concerned about the service product

(care of clients). Member-owner-workers are concerned about how much to charge their clients and about creating good paying jobs as well.

Caregiver Coops are licensed in WA by the Department of Health (DOH). They provide liability insurance. Caregivers are worker-owners of the business. Any business profits are available to go back to the workers as a dividend to maintain a living wage. The coop board of directors is elected by the workers. All profits go back into the community by virtue of wages earned and spent, versus going to stockholder / investors, who may not be community members (islanders).

There are only eleven (11) caregiver coops in the US. The Bronx (New York) coop is one of the first. It is large and does advocacy work. The Circle of Life Coop is in Bellingham, WA.

With Northwest Cooperative Development Center (NWCDC), existing coops are working to establish six (6) coops in WA and achieve economies of scale (group purchasing power).

Peninsula Homecare Coop in WA pays workers \$15/hour, plus a \$6/hour (approx.) dividend. This coop started up with a \$35,000 business loan in April 2015. Their first profit share to worker - owners was in November, 2016.

Coops help each other by sharing policies, procedures and business documents to help get started and maintain high quality service. Start-up does not require fixed assets. Expenses do include: insurance (liability and D&O insurance for board members). Administrators must take a ½ day class in Olympia. Estimate start-up costs to include: \$4K for marketing, \$4K for legal, and \$25K for working capital.

Discussion

- Ways to subsidize operating costs when serving Medicaid (COPES) clients? Philanthropy? Public funding?

- A coop would provide access to caregivers – even for clients who have private pay caregivers and need respite, etc.
- What is an “Agency” vs. a Co-op? A coop is actually a type of “agency”, meaning it is a business and can manage public and/or private insurance reimbursement, etc. A coop could charge Medicaid for the salary of caregivers up to the current \$27/hour Medicaid pays agencies and also raise other funds to cover the administrative costs (overhead) of running the business. That would be a decision for the board, which is made up of worker-owners. A coop is owned by the workers, not owned by for-profit investors.
- Skagit and Island Counties are working on a caregiver coop. Heartsong is the name of their new caregiver coop. Three (3) years of operation are required with 2 years of success for Medicaid billing. When Heartsong applies for a caregiver agency license, it could include San Juan County. That could allow any coops in SJC the option to operate under the umbrella of the new license. In that case, if a caregiver coop on Orcas started later, the clock on the 3 year waiting period would have started when Heartsong became licensed.
- A waiver to the 3-year wait period might be possible considering that home care through Medicaid entitlement is not effectively available to low income individuals through the state-run COPES program. Part of the argument for such a waiver is that moving people off island and into care facilities is more costly than paying a workforce in the community where they already live and have supports.

Participants suggested holding another meeting with the purpose of engaging more caregivers to attend.

Adjourned at 8:00 PM.

Attachment #1

By Dennis King

Orcas Long Term Care(LTC) Community Conversation Background and Problems Home Care

Background

Long Term Care is essential if one wants to remain and age on Orcas. However, the three main components of long term care; home care, home health and skilled nursing, all have issues in our county and on our island.

- There are no licensed home care agencies that reliably service Orcas Island,
- home health organizations serving Orcas from the mainland have not been financially sustainable, and
- the only skilled nursing facility in the county closed in 2017.

Problems due to a lack an Orcas Home Care Agency

For the care seeker/care recipient

- No single published contact to request care.
- Inconsistent quality of care - independent caregivers have different assessment skills and tools
- Hard to maintain continuity of care - replacing a caregiver due to “chemistry” or sickness
- Independent caregivers are typically not insured
- Burden of paperwork paying caregiver as a household employee
- LTC insurance issues
- Insufficient workforce

For the caregiver

- No insurance
- Continuity of work
- Lack of benefits - PTO, healthcare

For the Community

- Medicaid home care recipients qualified for the COPES program can find few caregivers willing to work for \$14/hour

