

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 397 Caregivers for Adults
SPONSOR(S): Anderson and others
TIED BILLS: **IDEN./SIM. BILLS:** SB 434

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Healthy Seniors</u>	<u>8 Y, 0 N</u>	<u>Walsh</u>	<u>Schoolfield</u>
2) <u>Healthcare Council</u>	<u> </u>	<u> </u>	<u> </u>
3) <u>Policy & Budget Council</u>	<u> </u>	<u> </u>	<u> </u>
4) <u> </u>	<u> </u>	<u> </u>	<u> </u>
5) <u> </u>	<u> </u>	<u> </u>	<u> </u>

SUMMARY ANALYSIS

House Bill 397 would allow the Department of Elderly Affairs (DOEA) to establish a pilot program to train economically disadvantaged workers 55 or older to act as companions and provide personal assistance to frail adults 60 or older. The agency is directed to use the resources of the Senior Community Service Employment Program (SCSEP), which program is funded by an allocation to the agency from the U.S. Department of Labor to provide training and subsidized jobs to SCSEP participants.

The effective date of this bill is July 1, 2007.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Promote Personal Responsibility --- The bill establishes a pilot program to train and employ economically disadvantaged persons age 55 and older to provide care and assistance to frail adults age 60 and older. It affords opportunities to those with low job prospects to become employed in jobs serving elders in their own homes and communities.

B. EFFECT OF PROPOSED CHANGES:

Background

Caregiving

About 10.1 million people over the age of 18 in the U.S. – nearly 4 percent of the population – need another person’s assistance to carry out activities such as bathing, feeding, cleaning, or grocery shopping.¹ Within this group, nearly 80 percent of care recipients are 50 and older, and the average age of care recipients 50 and older in the U.S. is 75.² Most care recipients (79 percent) who need long-term care live at home or in the community,³ and those individuals living in nursing homes and other institutional settings could potentially live in the community if appropriate, affordable support was available.⁴

Although family members and friends provide most of the needed assistance for people in home and community-based settings, home care workers, personal assistants, direct support professionals and other direct-care workers are a critical resource for many. Individuals and families rely on these workers to provide them with comfort, companionship, and care in an atmosphere that preserves their dignity and well-being. Such workers are already in short supply in many regions and demand is expected to grow rapidly, due to a combination of consumer demand and changes in public policy.

Federal funds allocated for health care training are typically reserved for the development of various medical professionals (doctors, nurses, etc.). Consequently, there are limited resources available to address the training needs of paraprofessional caregivers who work in community settings.

Senior Community Service Employment Program (SCSEP)

The Senior Community Service Employment Program (SCSEP) is a work-based training program providing subsidized, part-time, community service work-based training for low-income persons age 55 or older who have poor employment prospects. It is administered by and funded through the U. S. Department of Labor (DOL). DOEA and various not for profit organizations are awarded competitive grants to operate SCSEP programs around the state:

- DOEA
- AARP Foundation
- SER Jobs for Progress National, Inc.

¹ McNeil, Jack. 2001. *Americans with disabilities: Household economic studies*. Washington, DC: US Department of Commerce, Economics and Statistics Administration, US Census Bureau.

² *Caregiving in the U.S.*, 2004, National Alliance for Caregiving and AARP, available at <http://www.aarp.org/research/reference/publicopinions/aresearch-import-853.html>.

³ *Long-term Care Users Range in Age and Most Do Not Live in Nursing Homes: Research Alert*, 2000, Agency for Healthcare Research and Quality, available, in part, at <http://www.ahcpr.gov/research/nov00/1100RA19.htm>.

⁴ *Understanding Medicaid Home and Community Services: A Primer*, 2000, U.S. Department of Health and Human Services. Available at <http://aspe.hhs.gov/daltcp/reports/primer.pdf>.

- Senior Service America, Inc.
- USDA Forest Service
- National Caucus & Center on Black Aged, Inc.
- Experience Works

Program participants work an average of 20 hours a week, and are paid the highest of Federal, State or local minimum wage, or the prevailing wage. The goal of the SCSEP program is to transition participants from subsidized training jobs to other employment which is not supported with Federal funds.⁵

Effect of Proposed Legislation

HB 397 would allow DOEA to establish a pilot program to train economically disadvantaged workers 55 or older to act as companions and provide personal assistance to frail adults 60 or older. The pilot may begin in Fiscal Year 2007-2008 and cannot exceed three years. The agency is directed to use the resources of the Senior Community Service Employment Program (SCSEP) to the greatest extent allowed by federal law to support the pilot program.

The bill specifies that the purposes of the pilot are to:

- Develop training and employment opportunities for economically disadvantaged workers 55 or older
- Encourage the use of those workers to provide community-based care for frail adults 60 or older
- Meet the demand for in-home companion care and assistance service providers to prevent
- Act as a direct referral service for DOEA

HB 397 requires that if DOEA establishes the pilot program, it must provide a report to the Speaker of the House and the President of the Senate by January 1, 2010. The report must include the status of the pilot; the number of workers 55 or older trained to provide community-based care for frail adults 60 or older; the number of those frail adults served; and recommendations for further legislation, including whether the pilot program should be replicated statewide.

The effective date of the bill is July 1, 2007.

C. SECTION DIRECTORY:

Section 1: Creates an unnumbered section of Florida Statutes; allows DOEA to establish a pilot program to train certain workers to serve frail adults; provides purposes of the pilot; requires that DOEA report to the Legislature if the pilot program is established.

Section 2: Provides that the act is effective July 1, 2007.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

⁵ See, generally, *Senior Community Service Employment Program*, available at <http://www.doleta.gov/seniors>

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill establishes a pilot program to train and employ economically disadvantaged persons age 55 and older to provide care and assistance to frail adults age 60 and older. It affords opportunities to those with low job prospects to become employed in jobs serving elders in their own homes and communities.

D. FISCAL COMMENTS:

None, but see "Drafting Issues or Other Comments" below.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

DOEA advises that there are many restrictions on the funding associated with the SCSEP Program. Specifically, the funds are awarded by the Department of Labor based on competitive grants and may be used only for the approved purposes. Accordingly, DOEA would not have the ability to implement the pilot using the "resources of the Senior Community Service Employment Program (SCSEP) to the greatest extent allowed by federal law" until the next grant opportunity, currently scheduled for award in mid-2008.

In addition, President Bush has proposed a 28 percent cut in funding for the SCSEP Program for the 2008 federal fiscal year, putting additional pressure on the award of funds to the state.⁶

D. STATEMENT OF THE SPONSOR:

This bill will provide in-home care services by economically-disadvantaged adults over 55 to Florida's seniors, who are the fastest growing segment of our population. This will make it possible for them to remain in the comfort of their own homes and prevent costly premature institutional placement.

⁶ *Jobs Program for Elderly on Chopping Block*, Sarasota Herald-Tribune, February 25, 2007.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

At its March 6, 2007, meeting, the Committee on Healthy Seniors adopted three amendments to HB 397 as filed. The amendments:

- Locate the proposed pilot program in Pasco or Pinellas county or both
- Appropriate \$100,000 from General Revenue to fund the pilot
- Delete reference to the Senior Community Service Employment Program

The Committee reported the bill favorably with three amendments.