

**JOINT INFORMATIONAL HEARING WITH THE  
SENATE LABOR & INDUSTRY  
AND SENATE AGING & YOUTH COMMITTEES  
ON THE CONSUMER WORKFORCE COUNCIL.**

**TESTIMONY BY DANIEL P. LOFTUS, EXECUTIVE DIRECTOR  
NORTHEAST PA. CENTER FOR INDEPENDENT LIVING/**

**TUESDAY - 4/28/09**

**9:30 A.M., HEARING ROOM 1, NORTH OFFICE BUILDING**

Good morning Chairpersons Gordner, Vance, Tartaglione, Washington and members of the Senate Labor & Industry and Aging & Youth Committees. My name is Daniel P. Loftus, and I am the Executive Director of the Northeast Pa. Center for Independent Living-an organization that serves people with disabilities in a 15 county region.

This is my first time testifying, and I am passionate about this issue and the services we provide.

My simple message is this initiative is simply unnecessary. You will hear [or have heard] from proponents of the Consumer Workforce Council that the initiative is necessary because consumers, i.e. persons with disabilities have difficulty hiring and retaining personal care attendants in the consumer model—which means the model where the consumer hire their own attendant or attendants. Although that might be true occasionally we do not believe it's true generally. And by 'we', I mean my Board of Directors, 83% of whom are persons with disabilities and 50% of whom use personal attendant services.

In fact, not only does the Board of Directors believe this is not true but we survey thousands of consumers. We asked them if they had difficulty finding or hiring

attendants. On a scale of 1 to 5, where 1 was not difficult at all and 5 was EXTREMELY Difficult the result was 1.47. That's hardly a compelling reason to provide a whole new bureaucracy to fix a problem that is not as universal.

Furthermore we asked, based on the same scale, if they have difficulty retaining and keeping attendants and the result was 1.25 ! Again, hardly a blip on the 'need scale'. This data, was shared with the Administration.

The consumers were also asked if they felt that their attendants wanted to join a collective bargaining unit. 94% said NO! In my written remarks to the Committee I have included not only a copy of the results with the question but the comments from consumers, many of which are your constituents, which are far too numerous to repeat in this limited time that we have.

I want to be clear to the members of each Committee, we don't disagree with the other GOALS of this initiative. We all would like to see higher wages, health benefits and paid leave.

With respect to the first, many of the advocates of this initiative are in a position where they can assist the consumer in raising the wage rate. The reimbursements are essentially the same around the state. Thus the difference between the wage + the statutory deductions and the rate is the Fiscal Employers margin. I would ask you to ask these proponents what is their margin? Are they passing on to attendants or keeping it? We at the NEPACIL believe that we have attendants who earn the highest in the state, perhaps 20% more than those advocating for this initiative. Why not simply educate the consumer that this wage rate can be raised. As one Commissioner, who operates a small business, from up north said to me: "My margin is 35%. If yours is more you're ripping us off". That's what our gross margin is—35%. In the past departmental COLA we passed on 102% of the cola. In the previous colas we passed on more than half of the cola rate to the consumer attendants. It seems to us that part of the 'need' would be addressed at the local level.

With respect to healthcare we all believe in health insurance to effect quality healthcare. An organization that we belong to, the Pa. Council on Independent Living, has brokered limited coverage and low cost health insurance. You will hear later from several of my colleagues who have access to the same program. Why does the Commonwealth not pursue that and/or have the Department provide the incremental increase to provide it? Why does the state need a 'Council' to advise it to do it? I might add, in the provision of enrolling consumers we ask EVERY attendant if they want this healthcare arrangement. Only 3% are enrolled. In part, obviously, because of the cash premium requirement but also because a large number of attendants, particularly in the Aging program, are family members, e.g. a daughter who lives down the street, who have health insurance from a spouse. Now that is no reason to obviate the need for health insurance but I submit again that obviates the need for such a bureaucracy to do it.

Furthermore, I submit that your plate is very full. The discussion of the legislation necessary to merge the Departments of Welfare and Aging is monumental. You need to get clear your thoughts to prioritize. As Steven Covey, who wrote "7 habits of highly effective people", one of the habits is "first things first". I hope that you'll subordinate your deliberation of this initiative for more pressing matters.

Additionally, although I'm an optimist and I believe that the sun will shine again one day it is pouring from an economic standpoint. I can't for the life me fathom how the Administration and proponents of CWC could consider ADDING a layer of bureaucracy with NEW, Unsustainable revenue stream in this fiscally strict budget period.

Finally, I'm told that you'll hear from someone later who has experience in Oregon. Well, I'll tell you that we have a contract in Illinois. So we have 'expertise' from afar. You don't need to hear our experience in Illinois or others in other states. Your constituents are here. You don't need someone to borrow your watch to tell you what time it is.

Thank you very much for hosting this hearing and I look forward to working with you and the legislature to ensure that the CWC is not enacted.