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## Senate Bill 154

*"An Act establishing the Home Care Employment Standards Advisory Board; relating to payment for personal care services; and providing for an effective date."*

Seniors are the fastest growing demographic in the state of Alaska<sup>1</sup> and are living longer lives.<sup>2</sup> The state's 85+ population is expected to increase by 500% between 2022 and 2050, of which, 1/3 will experience Alzheimer's and Related Dementia.<sup>3</sup> The Alaska Department of Labor and Workforce Development predicts home care, a part of Alaska's continuum of care services for seniors and people with disabilities, to be one of the fastest growing and most in demand occupations in the state.<sup>4</sup>

Alaska faces an acute shortage of direct care workers, particularly outside of population centers. The potential provider workforce demographic, those age 18 to 64, is in decline. Furthermore, low pay and lack of benefits force many caregivers out of the profession and make recruitment and retention increasingly more difficult for agencies providing in-home care services.<sup>5,6</sup>

We need to create strong and long-lasting home care infrastructure in Alaska which will expand access to quality, affordable home and community-based care for seniors and people with disabilities, keep people in their homes and out of costly facilities, and bolster the creation of jobs. We also need to ensure that Medicaid funding for personal care services is wisely spent, with an adequate portion of the rate going to pay and benefits for direct care workers, in order to help address the workforce shortage. SB 154 accomplishes both of these objects by:

- Establishing a Home Care Employment Standards Advisory Board that will investigate, advise, and develop recommendations on Medicaid rates and other policies to improve the wages, working conditions, and recruitment and retention of direct care workers.
- Requiring that agencies providing personal care services spend at least 70 percent of the total annual funding they receive from the department for personal care services on the pay and benefits of Personal Care Assistants providing such services.

<sup>1</sup> [https://health.alaska.gov/acoa/documents/ACoA\\_SeniorSnapshot\\_Feb2021.pdf](https://health.alaska.gov/acoa/documents/ACoA_SeniorSnapshot_Feb2021.pdf)

<sup>2</sup> <https://alaskamentalthrust.org/wp-content/uploads/2020/07/ACOA-Presentation-1.24.23-REVISED.pdf>

<sup>3</sup> <https://alaskamentalthrust.org/wp-content/uploads/2020/07/ACOA-Presentation-1.24.23-REVISED.pdf>

<sup>4</sup> "Workforce Development." Alaska Mental Health Trust, Accessed February 19, 2021. <https://alaskamentalthrust.org/alaska-mental-health-trust-authority/what-we-do/workforce-development/>

<sup>5</sup> The Alaska State Plan for Senior Services FFY 2020-2023," Alaska Commission on Aging, 2023, 170.

<sup>6</sup> The Alaska State Plan for Senior Services FFY 2020-2023," Alaska Commission on Aging, 2023, 170.