



THE FEDERAL GROUP, INC.

To: Vicki Hoak, Executive Director, Home Care Association of America
From: Patrick Cooney
Date: May 10, 2021
Re: Direct CARE Opportunity Act (H.R.2999)

The Direct Creation, Advancement, and Retention of Employment (CARE) Opportunity Act of 2021 (H.R. 2999) was introduced by Rep. Bobby Scott (D-VA) on May 4, 2021.

Findings in the bill:

- There is a growing demand for direct care and but not enough workers to meet the demand.
- The population age 65 and older increased from 38.8 million in 2008 to 52.4 million in 2018 (a 35 percent increase) and is projected to reach 94.7 million in 2060.
- According to the Centers for Disease Control and Prevention (CDC), one in four adults, or 61 million Americans is currently living with a disability.
- Between 2018 and 2028, the direct care workforce is projected to add more than 1.3 million new jobs.
- Nine in ten direct care workers are women, half are people are color, and a quarter are immigrants.

The *Direct CARE Opportunity Act*:

- Provides funding (\$300 million each year for 5 years starting in 2022) to states and entities to invest in strategies to recruit, retain and advance the direct care workforce pipeline;
- Implements models and strategies to make the field of direct care more attractive, such as training and registered apprenticeships, career pathways, or mentoring, allowing for local and regional innovation to address workforce shortages and needs in a high-demand field;
- Encourages retention and career advancement in the growing field of direct care;
- Responds to the needs of a growing aging population and allows older Americans, people with disabilities, and others who require direct care services to remain in their communities, when possible; and
- Supports the health and wellbeing of those who need and rely on direct care services, helping to prevent costlier institutional care.

Eligible Entities: Employers, such as home care providers, are eligible under the Act along with a state, a nonprofit organization, a labor organization, a joint labor-management organization, a local board, an entity carrying out an apprenticeship program, an Indian tribe or tribal organization, or a consortium of entities listed above. They must have the following:

- a) an established record of recruiting or providing training to direct care workers; or
- b) establishes a training program in consultation with an organization with an established record of providing training to direct care workers

Project Plans: To receive a grant under this Act, an eligible entity shall submit to the Secretary a project plan for each project to be developed and carried out (or for activities to be continued) with the grant at such time and in such manner as the Secretary may determine.

A project plan submitted by an eligible entity shall include:

(A) Demographic information regarding the population in the State or relevant geographic area, including a description of the populations likely to need long-term care services, such as people with significant disabilities and the aging population.

(B) Projections of unmet need for direct care services based on enrollment waiting lists under home and community-based waivers under section 1115 of the Social Security Act (42 U.S.C. 1315) or section 1915(c) of such Act (42 U.S.C. 1396n(c)) and other relevant data to the extent practicable and feasible.

(C) Current or projected job openings for, or relevant labor market information related to, direct care workers in the State or region to be served by the project, and the geographic scope of the workforce to be served by the project.

(D) Specific efforts and strategies that the project will undertake to reduce barriers to recruitment, retention, or advancement of direct care workers, including an assurance that such efforts and strategies will—

(i) be undertaken in consultation with the individuals served by the entities and

(ii) include—

- (I) an assessment of the wages or other compensation or benefits necessary to recruit and retain direct care workers; and
- (II) a description of the project's projected wages and other compensation or benefits for direct care workers at the State or local level, including a comparison of such projected wages to regional and national wages;

(E) In the case of a project offering an education and training program, a description of such program (including any curricula, models, and standards used under the program, and any associated recognized postsecondary credentials for which the program provides preparation, as applicable), which shall include an assurance that such program will provide to each project participant in such program—

(i) relevant training regarding the rights of recipients of direct care services, including their rights to—

- (I) receive services in the most integrated setting;
- (II) exercise self-determination; and
- (III) be free from physical, sexual, and financial abuse;

(ii) relevant training regarding the provision of culturally competent services to recipients of direct care;

(iii) an apprenticeship program, work based learning, or on-the-job training opportunities;

(iv) supervision or mentoring; and

(v) for the on-the-job training portion of the program, a progressively increasing, clearly defined schedule of wages to be paid to each such participant that—

(I) is consistent with skill gains or attainment of a recognized postsecondary credential received as a result of participation in or completion of such program; and

(II) ensures the entry wage is not less than the greater of—

(aa) the minimum wage required under section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)); or

(bb) the applicable wage required by other applicable Federal or State law, or a collective bargaining agreement.

(F) If applicable, any other innovative models or processes the eligible entity will implement to support the retention and career advancement of direct care workers.

(G) The supportive services and benefits to be provided to project participants to support the retention and career advancement of employment of direct care workers.

(H) How the eligible entity will make use of career planning to support the identification of advancement opportunities and career pathways for direct care workers in the State or region to be served by the project.

(I) How the eligible entity will collect and submit to the Secretary workforce data and outcomes of the project.

(J) How the project will provide adequate and safe equipment, and facilities for training and supervision, which—

(i) may include the provision of personal protective equipment and other necessary equipment to prevent the spread of infectious disease among workers and recipients of services; and

(ii) will include—

(I) a safe work environment free from discrimination; and

(II) adequate training for mentors and qualified instructors to ensure compliance with this subparagraph, including any equipment that may be provided under clause (i).

(K) How the eligible entity will consult on the implementation of the project, or coordinate the project with, the entities described in subsection (b).

(L) An assurance that the eligible entity will take such steps necessary to reduce or eliminate costs to project participants for any benefit or service provided under the project.

(M) How the eligible entity will consult with individuals employed as direct care workers, representatives of such workers, individuals assisted by such workers, and the families of such individuals throughout the project.

(N) Outreach efforts to individuals for participation in such project, including targeted outreach efforts to—

(i) individuals who are recipients of assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or individuals who are eligible for such assistance; and

(ii) individuals with barriers to employment.

Administrative Costs: Each eligible entity receiving a grant under this Act shall not use more than 5 percent of the funds of such grant for costs associated with the administration of activities under this Act.

Direct Support: Each eligible entity receiving a grant under this Act shall use not less than 5 percent of the funds of such grant to provide direct financial assistance, such as supportive services, to project participants to support the financial needs of such individuals to enter, remain enrolled in, and complete the project (or activities) assisted with such grant.

Supplement, Not Supplant: An eligible entity receiving a grant under this Act shall use such grant only to supplement, and not supplant, the amount of funds that, in the absence of such grant, would be available to address the recruitment, retention, or advancement of direct care workers in the State or region served by the eligible entity.

RECOMMENDATION:

This grant program would infuse \$1.5 billion into recruitment and retention efforts for the home care community. If you feel that as an employer you can meet the requirements of the Act for grant projects (as detailed above) this is a bill that HCAOA should consider endorsing.