



September 23, 2021

To: Senator Michael J. Rodrigues, Chair
Representative Aaron Michlewitz, Chair
Joint Committee on Ways and Means

From: Ellen Attaliades, President/CEO, Association of Developmental
Disabilities Providers
Lydia Conley, President/CEO, Association for Behavioral Healthcare
Tammy Mello, Executive Director, Children's League of Massachusetts
Michael Weekes, President/CEO, Providers' Council

Re: Testimony in support of using American Rescue Plan Act (ARPA) funding
on the workforce crisis in the human services sector

Chairman Rodrigues, Chairman Michlewitz and members of the Joint
Committee on Ways and Means:

Thank you for the opportunity to submit testimony in support of using
American Rescue Plan Act (ARPA) funding to support the community-based
human services sector, which has more than 180,000 jobs and where workers
provide critical services to one-in-ten Massachusetts residents.

Our four organizations – the Association of Developmental Disabilities Providers
(ADDP), the Association for Behavioral Healthcare (ABH), the Children's League
of Massachusetts and the Providers' Council – are submitting this testimony
jointly as *The Collaborative*, a group of human services membership
associations that represent nonprofits providing critical services. Our joint
membership provides mental health and addiction treatment services, cares for
individuals with developmental and/or intellectual disabilities, helps children
and youth in need of support, protects women and children, assists the elderly,
shelters our homeless, aids our veterans and much more.

We represent a sector that was in a workforce crisis before March 2020 – the
high vacancy rates and frequent turnover in our sector has been the subject of
numerous reports. The low rates of pay for direct care staff, which have been
historically depressed in the rate-setting process, coupled with complex,
difficult jobs have led providers to struggle with recruiting and retaining
workers even before the COVID-19 pandemic impacted programs. The Donahue
Institute at UMass – in a report commissioned by the Providers' Council –
studied the human services sector in 2018 and noted median human services
wages were \$27,376 – compared to \$40,557 for all Massachusetts workers – a
difference of 48 percent.

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Additionally, while many industries and businesses were able to transition to a work from home or telehealth environment during the pandemic, the human services sector has instead been delivering essential and largely in-person care. Our providers, on-site and in homes, provide care to individuals with disabilities and individuals in group homes, make home visits to check on a family's wellness or provide early intervention services to a toddler, and provide needed support to elderly residents. These services prevent downstream utilization of healthcare in expensive settings like acute care hospitals and emergency departments. Many of our workers have continued to serve clients on behalf of the Commonwealth in-person through multiple waves of the pandemic – including today, as the state is battling the Delta variant of the Coronavirus.

During COVID, other portions of our sector had to close completely. For example, the closure of day service programs to comply with public health requirements impacted work opportunities for individuals with disabilities and has caused lasting ripple effects in this sector. Many human services workers who were laid off have found employment in other sectors or have chosen to remain out of the workforce to provide care to their own family. Some members who operate early education programs saw those close forever, leaving families in our state without access to reliable child care – as some of those programs have closed forever without hope of even reopening. The pandemic has impacted our sector in a number of ways, and it has significantly amplified the workforce crisis that we were experiencing, even before COVID-19.

Consider alarming statistics from a recent survey done by the Association of Developmental Disabilities Providers that looked at day services providers with which they work:

- Nearly a third of day habilitation providers responding said that they have a staff vacancy rate of over 40 percent; and
- More than 80 percent of the same respondents said they are maintaining a program waitlist due to the inability to hire staff.

This is not unique to just day services, but the difficulty in hiring staff cuts across all programs in the community-based human services sector. For example, Association for Behavioral Healthcare members report a 32 percent vacancy rate for clinical positions for Adult Community Clinical Services (ACCS).

Our organizations have come together to propose three solutions that we believe will allow us to better recruit and retain qualified workers so that we may fill vacancies, reopen programs and provide high quality services to clients and consumers we care for on behalf of the Commonwealth. We seek:

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- \$174 million per year for five years for human services organizations to provide recruitment and retention incentives to workers to help combat the workforce crisis in the sector;
- \$27 million for the creation of a student loan repayment program designed to help ensure an educated and well-trained workforce; and
- \$250,000 for a marketing campaign designed to attract unemployed and underemployed Massachusetts residents to careers in the human services sector.

We have included a brief description of each of these initiatives below, as well as our justification for the amounts listed above.

Recruitment and retention funding

The underfunding of the human service sector requires bold investment to prevent permanent destabilization. The American Rescue Plan Act presents an opportunity to infuse the system with needed funds in the short- and medium-term, in order to work towards a sustainable and stable rate structure in the long-term.

Therefore, we are requesting \$174.08 million per year for five years to help the sector battle its workforce crisis and the immense difficulties the community-based human services sector is having with recruitment and retention.

While the workforce crisis in the human services sector was well documented before the pandemic, COVID-19 has only amplified the difficulty of recruiting and retaining workers to our sector. We are unable to operate like businesses that raise prices to increase starting salaries and attract workers to vacant positions. As you are aware, rates for social service programs are biennially reviewed and set by either EOHHS, as required under Chapter 257 of the Acts of 2008, or by MassHealth. Ch. 257 was passed to address the true cost of running programs and end the historic underfunding and rate stagnation in our sector. In reality, both Ch.257 and MassHealth rates are often much lower than what is necessary, forcing programs to either pay above state-proposed rates and run at a deficit or face staff shortages and program closures.

We are grateful that EOHHS used the most recent Bureau of Labor Statistics (BLS) salaries to set benchmarks for rate that went into effect on July 1, 2021. This step reflects true progress towards compensating providers for the cost of running and staffing programs. However, the median salary for direct care workers is still only \$16.79 an hour. Direct care workers provide critical,

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complex services to one-in-ten residents of the Commonwealth, and it is understandably difficult to recruit and retain talent at this low salary estimate. Even the MIT Living Wage calculator notes a living wage for a single person in the area is \$17.74 an hour.

As our sector has some agencies reporting vacancy and turnover rates at historic highs, the safety net for our sector is becoming increasingly frayed. To help recruitment and retention efforts, we are proposing each organization receives \$5,000 in funding per FTE to assist with workforce development efforts over a five-year span, totaling \$174.08 million per year.

Organizations could use this funding to give a supplemental payment to employed workers and/or create hiring incentives to fill vacant positions. Our ask of \$174.08 million would impact about 34,800 FTEs if applied to POS providers and Medicaid-funded positions for staff earning less than \$60,000 and POS and Medicaid-funded nurses and clinicians earning less than \$90,000.

The funding would help the sector bridge the gap from the immediate workforce crisis to a future state where rates better reflect fair and equitable wages – wages that are commensurate with jobs and recognizes workers’ essential efforts. It will take a sustained effort to alleviate the crisis, and this infusion will provide a foundation that over time can be used to engage the state to incorporate rate increases through its rate-setting process.

Student loan repayment program

For several years, the Providers’ Council has introduced legislation to create a student loan repayment program for human services workers. While it has received positive consideration from a number of committees over the last decade, the bill has never been signed into law.

We are requesting \$27 million to create a Human Services Student Loan Repayment Trust that would be spent over five years to help a projected 3,000 workers per year receive up to \$150/month to help repay a qualified student loan. The trust could be set up by the Legislature and administered by EOHHS with payments going directly to the lender.

The Institute for College Access and Success notes that 60 percent of graduates from public and nonprofit colleges in 2019 had debt at an average of nearly \$29,000 per person; Massachusetts is higher than the national average at \$33,259. Student loan debt in Massachusetts grew by 77 percent between 2004 and 2016 – faster than in all but one other state.

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And other workers in the health and human services sector are currently already benefitting from student loan programs or have had them proposed. EOHHS has set up a fund under the DSRIP Statewide Investments to recruit and retain workers like APRNs, PCNSs, NPs, Pas, LICSWs and more who are eligible for up to \$30,000 for committing to serve at an eligible organization for four years. Additionally, in EOHHS *Roadmap for Behavioral Health Reform* it has included “loan repayment incentives” as one of its focus areas.

Like these programs, we believe a program should be created for human services workers who have been in the field for at least a year, who are working full-time and who are making under \$50,000. These programs shouldn't just be available for physicians, psychiatrists, psychologists and other high-paying jobs; we must make them available and accessible to direct care staff and others.

We are happy to further discuss what criteria makes sense for eligibility if the state uses ARPA funds to create a loan repayment program for human services workers.

Marketing campaign to attract workers to human services

As we have noted in our testimony, the recruitment and retention of workers in the human services sector has become increasingly difficult. Recently, the Providers' Council worked with Argus, a Boston-based communications firm- to learn more about Millennials and Generation Z and what they look for when examining what career they want to pursue. The data we received noted that “making a difference” and seeing their “contributions were valued” are the top two items that are important to them when seeking a job.

With this in mind, we are proposing a multi-faceted, integrated media campaign to reach these audiences where they are: on online news sites, social media and on the highways and byways of the Commonwealth. **We request \$250,000 for the creation of this marketing campaign to help us recruit new potential workers – young people, the unemployed and the underemployed – to a future career in the human services sector.**

We will partner with a strategic communications firm to promote employment in this essential sector that has jobs in every city and town throughout Massachusetts. While we have engaged in billboards, geofenced mobile advertising and social media promotion in the past, we think a larger, more comprehensive campaign with multiple elements could attract more workers to this field.

Our successful campaign would include four key elements:

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- **Paid:** Using billboards, radio spots and PSAs – with negotiated, mission-related discounts – and possibly through retention of a celebrity spokesperson.
- **Earned:** Using the campaign to create news coverage.
- **Shared:** Using social media frequented by younger generations, particularly Instagram and Tik Tok.
- **Owned:** Developing a landing page on our website with information and engaging prospective employees who see, hear and read about the campaign and want to learn more about jobs in this growing field.

The PESO model is the backbone of many successful marketing campaigns, and we believe by using it, we would be able to attract younger workers to a growing field, particularly by leveraging campaign messaging that taps into their desire to want to make a difference in the world.

We anticipate selecting a strategic communication firm who would work with us to develop a program, help determine the best way to reach the target audiences, begin an advertising campaign with creative and then evaluate its success.

Closing

Thank you for your consideration of this request that would strengthen our community-based human services workforce and allow us to provide higher quality services to the one-in-ten residents we serve on behalf of the Commonwealth. A well-trained, highly educated workforce that is able to provide consistent, quality care truly does strengthen Massachusetts as a whole and allows us to ensure our most vulnerable friends, family and neighbors are safe and secure.

We appreciate the time, and we look forward to continuing the conversation with you in the very near future.