



General Assembly of the Commonwealth of Pennsylvania
Joint State Government Commission
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Summary in response to Senate Resolution 288, Pr.'s No. 1629

Use of Contracted Workers at Medicaid Funded Long-term Care Facilities in the Commonwealth

Under Senate Resolution No. 288 (Session of 2022), the Joint State Government Commission studied the use of contracted direct care workers at long-term care facilities in the Commonwealth. Recommendations are included to ensure that long-term care providers are able to adequately attract, train, and retain its long-term care workforce to meet the needs of the citizens of this Commonwealth.

When compiling this report, Commission staff collected data from a variety of state and federal sources including the Department of Labor and Industry, the U.S. Bureau of Labor Statistics, and the Centers for Medicare and Medicaid Services. Surveys on long-term care facilities conducted by the Pennsylvania Health Care Association also proved valuable for providing up-to-date information on these facilities.

The report includes a list of findings, noting the dwindling numbers of direct care staff, and a rise in the use of contractors to provide care since the COVID-19 pandemic. Labor costs associated with long-term care appear to be increasing at a rate greater than inflation, and as a result, there are fewer beds at skilled nursing facilities to care for the Commonwealth's elderly and disabled population.

Specific recommendations for the Commonwealth include raising Medicaid reimbursement rates to fully cover the cost of residents at skilled nursing facilities, increasing the wages of direct care workers in the state, and establishing a quality-based reimbursement system to incentivize better care for long-term care residents.

The Commission further recommends that long-term care providers strive to improve the working environment of direct care workers, offer workers greater access to career development opportunities, seek innovative solutions to train the next generation of direct care workers, and redress the negative stigma surrounding direct care work in Pennsylvania and create a culture of respect and professionalism for workers at these facilities.

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