

July 3, 2019

Dear Representative Scott,

The undersigned organizations are writing to express our support for the Raise the Wage Act of 2019 (H.R. 582). The Act would raise the federal minimum wage from \$7.25 to \$15.00 an hour over a six-year period, after which the minimum wage would be indexed to median wages. Our organizations believe that raising the federal minimum wage will significantly contribute to improving quality of care and quality of life for nursing home residents across the country.

According to the Paraprofessional Healthcare Institute (PHI), nursing assistants earn a median wage of \$12.84 an hour and a median income of \$21,200 a year.¹ Nursing assistants' inflation-adjusted wages have only increased six cents in the past 10 years, meaning that "while goods and services increased in price, the purchasing power of nursing assistant wages did not meaningfully increase in the past decade."² Since nursing assistants (37 percent) rely on some form of public assistance, federal and state governments subsidize the nursing home industry by compensating for their workers' low wages.³ Unfortunately, the data suggest that a profession in caring for the country's most vulnerable individuals may lead to poverty.

Given the hardships involved with being a direct care worker, it is not surprising to learn that these positions cannot compete with less demanding and higher paying jobs, such as those in the fast food and retail industries.⁴ This strain on the nursing home workforce is supported by a recently published study in *The Gerontologist*, which indicates that periods of low unemployment (like the one the country is currently experiencing) result in nursing home workers looking for jobs outside of the industry.⁵ The report finds that high unemployment makes nursing home work more attractive and leads to better care for nursing home residents, noting that a 5.6 percentage point increase in the unemployment rate decreases deficiencies and would result in lower rates of pressure ulcers, physical restraints use, and weight loss.⁶

¹ U.S. Nursing Assistants Employed in Nursing Homes: Key Facts, PHI (2018), available at <https://phinational.org/resource/u-s-nursing-assistants-employed-in-nursing-homes-2018/>.

² *Id.*

³ *Id.*; see also Toby Edelman, *The Public Cost of Low-Wage Nursing Home Jobs: Pennsylvania Proposals to Stop Hidden Public Subsidies to Nursing Home Industry*, Center for Medicare Advocacy (Dec. 23, 2015), available at <https://www.medicareadvocacy.org/the-public-cost-of-low-wage-nursing-home-jobs-pennsylvania-proposals-to-stop-hidden-public-subsidies-to-nursing-home-industry/> ("In addition, but generally unacknowledged, federal and state governments heavily subsidize the industry through needs-based public benefits that many of the industry's low-paid workers receive.").

⁴ See, e.g., Mary Kate Nelson, *Senior Care Workers Flee to McDonald's for Higher Pay*, *Home Health Care News* (Apr. 10, 2016), available at <https://homehealthcarenews.com/2016/04/senior-care-workers-flee-to-mcdonalds-for-higher-pay/> (noting that in Texas, for example, "nurses are being lured away from their jobs in home health and skilled nursing to join a different industry entirely: fast food"); *The Long-Term Care Workforce Crisis: Caregivers Needed!*, LeadingAge Ohio (2016), available at https://www.leadingageohio.org/aws/LAO/asset_manager/get_file/147860?ver=7248 (stating that "[c]aregivers leave for other higher paying or less-demanding non-health care positions (retail, fast food)").

⁵ Sean Shenghsiu et al., *Is the Quality of Nursing Homes Countercyclical? Evidence From 2001 Through 2015*, *Gerontologist* (Dec. 2018), available at <https://doi.org/10.1093/geront/gny148>.

⁶ *Id.*

Economic recessions should not dictate whether residents have access to quality of care and quality of life. The federal Nursing Home Reform Law requires every facility to provide services that allow residents to attain or maintain their “highest practicable physical, mental, and psychosocial well-being.”⁷ Unfortunately, as the study above highlights, low wages continue to place residents at risk of experiencing higher rates of harm. A 2015 report by the Keystone Research Center further adds that high rates of staff turnover, most often attributed to low wages, disrupt staff-resident relationships and cause “the loss of a valuable source of information about resident well-being.”⁸ As one nursing home worker explains in the report, “the work is just too hard for such low pay . . . many are either ready to walk away from the work or are thinking hard about doing so . . . Raising my wage to \$15 would . . . really change the way I think about my job.”⁹

Improving the experiences of nursing home workers is critical in light of the growing need for direct care workers in the coming years. PHI reports that, “by 2050, the population of adults aged 65 and above – who comprise 83 percent of the nursing home resident population – is expected to nearly double, from 47.8 million (in 2015) to 88 million”¹⁰ Additionally, the number of adults 85 years old and above (40 percent of residents) “is expected to more than triple over the same period from 6.3 million to 19 million.”¹¹ Continuing to pay our direct care workers low, uncompetitive wages for physically and emotionally difficult jobs will only place greater strain on resident care.

Our organizations thank you for taking this step to increase the federal minimum wage and making it easier for nursing home workers to provide care to our nation’s most vulnerable individuals. The Raise the Wage Act gives both nursing home workers and residents the hope of a better life.

Sincerely,

Center for Medicare Advocacy
Justice in Aging
Long Term Care Community Coalition
National Association of Social Workers
Service Employees International Union (SEIU)
The National Consumer Voice for Quality Long-Term Care
Women’s Institute for a Secure Retirement

⁷ 42 U.S.C. § 1395i-3(b)(2).

⁸ Stephen Herzenberg, *Nursing Home Jobs That Pay*, Keystone Research Center (Nov. 2015), available at http://keystoneresearch.org/sites/default/files/201511_NHFollowUp_FINAL.pdf.

⁹ *Id.*

¹⁰ U.S. Nursing Assistants Employed in Nursing Homes: Key Facts, PHI (2018), available at <https://phinational.org/resource/u-s-nursing-assistants-employed-in-nursing-homes-2018/>.

¹¹ *Id.*