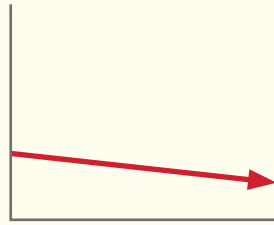


State Reimbursement Rates Must Keep Pace with New Minimum Wage

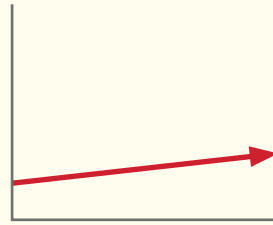


Hearts for Home Care

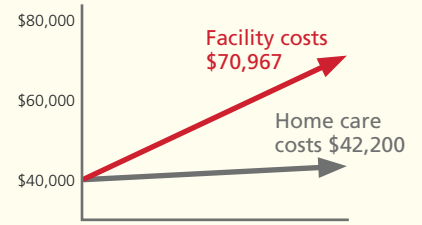
Home health aides provide cost-effective care in the setting where people prefer to stay—their home.



Skilled nursing facility usage down



Home care usage up

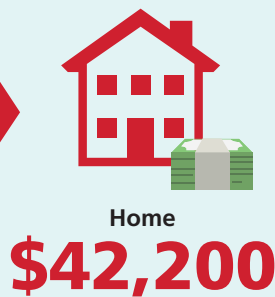


Facility costs are trending up while home care costs have stayed even

Support S3491/A5098 to ensure future minimum wage increases do not prohibit home care providers from caring for our most vulnerable residents.

NJ sees savings when aides provide care in the home

Home care is the most cost-effective option that saves the state **\$28,768** per enrollee each year¹.



If home care agencies can't keep up with minimum wage increases, more clients will enter facilities and these savings will never be realized.

Businesses need flexibility in reimbursement allocation

Reimbursement rates must cover:

- Wages on average 24% over the minimum wage
- Registered nurse for clinical oversight
- Recruitment
- Drug testing
- Reference checks
- OSHA
- New employee training
- Medical insurance
- Improving technology, including electronic medical records
- Clinical coordination of services
- Ongoing training and support
- Administrative costs and taxes
- Business development

NJ residents at risk

Without proper reimbursement rates to cover all costs, home care providers will not be able to continue providing care to the 31,000 residents that the State is responsible for keeping safe.



1. <https://www.state.nj.us/treasury/omb/publications/19budget/pdf/FY19BudgetBook.pdf>, page D-183.
* Assuming a continued 7% growth in enrollees and continued 4% shift in care from SNFs to home care