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Testimony of Ken Wessel, President, Home Care Council of New Jersey

Supporting Senate Bill 667 Expanding definition and licensure requirements for health care service firms.

Senate Health, Human Services & Senior Citizens Committee

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Chairman Vitale and Members of the Committee:

Thank you for the opportunity to testify. My name is Ken Wessel, and I am President of the Home Care Council of New Jersey and, for 35 years, Executive Director of HomeCare Options in Passaic County.

I am here today to convey the HCCNJ's support for Senate Bill S667 which is the beginning of an effort to improve and strengthen the home care system that operates in New Jersey.

- Currently providers of companionship services are not regulated in their provision of care to seniors and the handicapped. They are operating and proliferating in this gap of oversight. Due to this omission paid companions employed by organizations offering these services can actually perform tasks that trained, professionally supervised, Certified Home Health Aides are forbidden to do under State regulations. Regulations designed to protect seniors.
- While some companionship service providers state that they do not do personal care and therefore do not need oversight, others actually advertise that they do personal care. Regardless, any outside helper going into the home of a frail senior to assist them, should have some public accountability. The organization sending them should have to meet standards of hiring, screening, training, and supervision. A frail senior alone at home does not have the protections and oversight of those in an institutional or group setting. Extra oversight of the placing organization and the individual placed is appropriate in the home setting.
- Some providers feel they already have a quality service and question why they would need to go through an accreditation process. The public and the frail consumers of home care services have a right to a standard of quality and a third party assurance that the standards have been met. Third party accreditation programs recognized by NJ Medicaid as a requirement for providers of personal care services provide this assurance. Shouldn't every frail senior and handicapped consumer of home care have the right to quality care regardless of payer source? The State (DCA) is now requiring many home care providers under consent orders due to quality of care issues, to be accredited. If an accrediting body

withholds accreditation, a home care company could not be licensed and could not operate under this legislation. I believe that is a very effective incentive to provide quality care.

- The cost of accreditation may be a concern to organizations that have not been accredited. In reviewing costs of accreditation among different sized companies throughout the state, it appears the cost would be around ½ of 1 percent of budget. Costs are based on the size of the company with the smaller organization paying less. In some cases as little as \$900 per year.
- Nearly 200 Licensed Health Care Service firms are already accredited as it is required for companies participating in the Medicaid Personal Care program.
- An independent financial audit is currently only required for non-profit agencies and by only one of the four accrediting bodies. The majority of companies doing home care business with the state do not have this fiscal accountability. The state's single audit process does comprehensive testing to assure that services billed to the state have actually been performed. It is required if an agency has grant contracts with the State.
- If all current providers agree to the stipulations of the Bill (which have already been met by hundreds of companies), there will be no reductions in the numbers of providers. Participation or non-participation in the proposed requirements is voluntary. No company is being forced out of the provision of services.

Please vote yes on S667 and help protect our frail elderly and disabled from this gap in State oversight.