

**House Aging and Older Adult Services Committee**  
**Testimony**  
**Workforce Crisis in Personal Care and Assisted Living**  
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Thank you for this opportunity to address the workforce crisis affecting Personal Care and Assisted Living communities. I am Margie Zelenak, the Executive Director for the Pennsylvania Assisted Living Association otherwise known as PALA. With over 20 years working in senior living including Personal Care Homes (PCH) and Assisted Living Residences (ALR), my experience provides first-hand knowledge on the challenges faced by communities. I also have the honor of serving on the Governor's Long Term Care Council representing PCH and ALR.

The 1,113 Personal Care Homes and 65 Assisted Living Residences serving over 55,000 seniors provide care to the aging population of the Commonwealth. Argentum, our national association, [reports](#) the senior living industry in Pennsylvania has a \$6.2 billion economic impact. Our communities employ nurses, direct care workers, administrative, maintenance, environmental services and dietary employees to provide for the residents of PCH and ALR. Senior Living in Pennsylvania experienced losses of [\\$2 billion during COVID-19](#). A large portion of these losses can be attributed to the workforce crisis. For example, one of our members paid \$1,318,154.00 for staffing agencies since March 2020 for their 4 communities to supplement their workforce.

Yes, there was a workforce crisis prior to COVID-19 but it has been exacerbated by this virus. There were several contributing factors to the lack of workers because of COVID. Our workforce is overwhelmingly women, many of them with children. COVID-19 closed schools and required virtual learning. Our workforce had to make a choice on coming to work or staying home with their children for virtual learning. Since the childcare facilities were closed, there were no options for our workforce to find a place for their children while at work. The uncertainty of school schedules and childcare access prevented many from re-entering the workforce including the escalating cost of childcare. Communities had workers leave because they were afraid of bringing home COVID-19 to their families. The direct care workforce is also an aging workforce with health issues themselves. Their fear of contracting COVID-19 led many to retirement.

PCH and ALR are now in competition with other industries that are struggling to hire workers. It is difficult to compete with the local Sheetz, Wawa or Rutters when they are offering \$16.00 to \$20.00 an hour for applicants for a less stressful job of care giving. Drive down any street and you will see signs looking to hire employees. Nurses and direct care workers can leave our communities and work for staffing agencies and earn 2 to 4 times the amount we can pay. Since PCH/ALR is a private pay for the residents, the need to increase pay rates for staff would fall to the consumers, the residents, with increased rates.

Older Adults will outnumber children by the year 2034 in this country. The statistics are staggering:

- 10,000 Americans turning 65 every day in the United States
- 70% of seniors will need long-term care
- Senior living has lost 380,000 caregivers since March 2020
- 96% of assisted living communities are facing staffing shortages

Personal Care Homes are closing in Pennsylvania. According to data from the Department of Human Services, 101 communities have voluntarily closed since 2019. Many of these PCH served the low income and SSI residents. These homes could not continue to operate because of the increased costs for operation and workforce. Several closed because they were unable to employ staff to provide the care or the owners were exhausted from working 24/7.

We all know there is a crisis but let's look at solutions to stop the drain of workers from long-term care (LTC). There have been several studies, workgroups and reports on the workforce crisis in Pennsylvania LTC prior to COVID-19:

- 2019 [Who Will Care for Mom & Date?](#) – PA Auditor General Eugene DePasquale
- 2019 [A Blueprint for Strengthening Pennsylvania's Direct Care Workforce](#) – PA Long-Term Care Council
- 2007 [Addressing PA Direct Care Workforce Capacity](#) - Governor's office of Health Care Reform

- 2003; [Finding Solutions to the Direct-Care Workforce Crisis](#). PHI and PA Intra-Governmental Council on LTC

What good is a report, if it sits on a bookshelf and is not activated?

At the meetings of the LTC, I continually ask for an update on the recommendations in the Blueprint. The committee members worked hard to develop this report and it is frustrating that there has been no action since 2019. One of the recommendations is to raise the public awareness of the important role direct care workers provide in caring for older adults. The general public only hears the horror stories and not the fantastic stories that happen daily in our communities because of the dedicated staff and amazing residents.

Let's not move from talking about the workforce crisis but let's implement solutions. Here are suggestions from PALA to help ease the crisis:

- Review regulatory requirements for PCH/ALR direct care staff that require a HS diploma or a non-US diploma that is equivalent to a US diploma.
- Embrace immigrants and refugees to help with the direct care workforce shortage by eliminating barriers to employment.
- Technology advances in long-term care are not aligning with current regulations. Review the options to adapt technology to assist with the workforce crisis.
- Provide childcare funding to all employees, not only low-income employees who choose to work in LTC.
- Promote and increase the apprenticeship programs for direct care workers.
- Implement the public awareness campaign as recommended in the LTC Council Blueprint.
- Provide American Rescue Plan funding for student loan forgiveness not only for nurses but for direct care workers that commit to working in LTC.
- Support Rep. Kosierowski and [HB 2325](#) LTC Facility Employee Retention Grant Program legislation from this committee for a vote in the House. This is the only legislation that

provides workforce retention and bonuses for Personal Care and Assisted Living communities.

- Support Rep. Bonner and [HB 2293](#) Temporary Health Care Services Agencies to reign in the outrageous costs that staffing agencies are charging communities because of the workforce crisis.
- Pass the budget that includes \$50 million for increase of SSI to assist PCH that provide care to these low-income residents. This additional funding will help PCH to stay open and increase their pay rates to recruit and retain employees.
- Allocate additional American Rescue Plan funding to PCH/ALR so they can compete with other health care entities and attract a qualified, compassionate workforce.
- Implement [SB 115/Act 68 of 2021](#) adding Pennsylvania to the Nurse Compact Act. The inclusion of Pennsylvania in the Nurse Licensure Compact would allow nurses in other states to practice in PA.

I would like to take the time to thank you and the Pennsylvania General Assembly for your support of Personal Care and Assisted Living communities. Pennsylvania was the leader in providing funding from the CARES Act, \$50 million, and the American Rescue Plan, \$30 million to assist communities in fighting COVID-19. Several other states have reached out for our game plan to obtain fund in their states. Education is the key. PCH/ALR are not nursing homes. PCH/ALR do not receive home and community-based funds. PCH/ALR are our residents' homes but they have been left behind in Washington, DC. Federal funds did assist other health care entities but there is no Medicaid for PCH and ALR. PALA appreciates your understanding the financial crisis and appropriating funding to help provide for the seniors in our communities, but the battle is not over. The crisis now is with the workforce and recruiting and retaining caring, compassionate, and qualified employee to care for the vulnerable residents in our communities.

Thank you again for this opportunity to discuss the workforce struggles of Personal Care and Assisted Living communities in the Commonwealth.

## References

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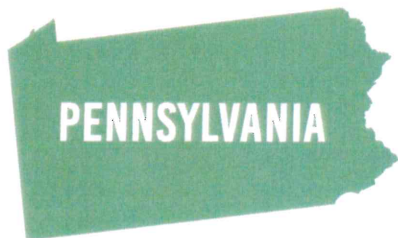
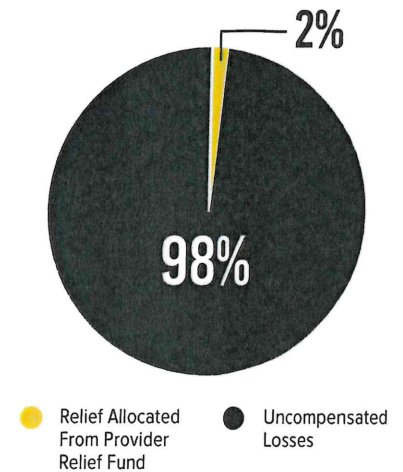
Appendix A: Argentum Senior Living: Pennsylvania Economic Impact

Appendix B: Argentum Senior Living: COVID-19 Impact on Senior Living Providers in Pennsylvania

# COVID-19 IMPACT ON SENIOR LIVING PROVIDERS IN PENNSYLVANIA

VULNERABLE SENIORS SERVED	70,402
NUMBER OF FACILITIES	1,195
FACILITIES OPERATING AT LOSS (EST.)	670
JOBS SUPPORTED (DIRECTLY/INDIRECTLY)	24,500 / 19,800
COVID-19 ECONOMIC IMPACT (UPDATE EST. 2020 & Q1/2 2021)	-\$2,089,144,855
PROVIDER RELIEF ALLOCATED (EST.)	\$42,978,621
UNCOMPENSATED LOSSES (EST.)	-\$2,046,166,234

## RELIEF ALLOCATED TO OFFSET COVID-19 EXPENSES/LOSSES



Senior living providers in **PENNSYLVANIA** care for vulnerable older adults in assisted living, memory/Alzheimer's care, and other senior congregate care settings.

The average age in senior living is 85, most residents suffer from multiple comorbidities, and need assistance with activities of daily living such as bathing, eating, or toileting—services which cannot be socially distanced.

Providers have incurred significant expenses from procuring gowns, gloves, masks and other infection prevention and control supplies, or lost revenue due to record-low occupancy rates—losses which are long-term, compounding, and unsustainable.

## COVID-19 IMPACT AMOUNTS TO \$16,381 PER RESIDENT

	# OF SENIORS PER FACILITY	TOTAL EXPENSES AND LOSSES PER FACILITY
SMALLEST FACILITIES (UNDER 35 RESIDENTS)	25	\$409,525.00
	30	\$491,430.00
	35	\$573,335.00
MEDIUM SIZE FACILITIES	100	\$1,638,100.00
	125	\$2,047,625.00
	150	\$2,457,150.00
LARGEST FACILITIES	200	\$3,276,200.00
	225	\$3,685,725.00
	250	\$4,095,250.00

*Data is representative of senior living communities with 25+ residents across assisted living, memory care, and independent living facilities. The number of facilities and residents listed includes only licensed facilities. COVID-19 financial impact data is based on a representative national sample. Estimates are based on a per resident impact by state for 2020 and Q1/Q2 estimates for 2021. Provider Relief Fund estimate is based on percentage of COVID-19 cases per state against "GAO Summary of PRF Allocations" as of 12/31/20.*

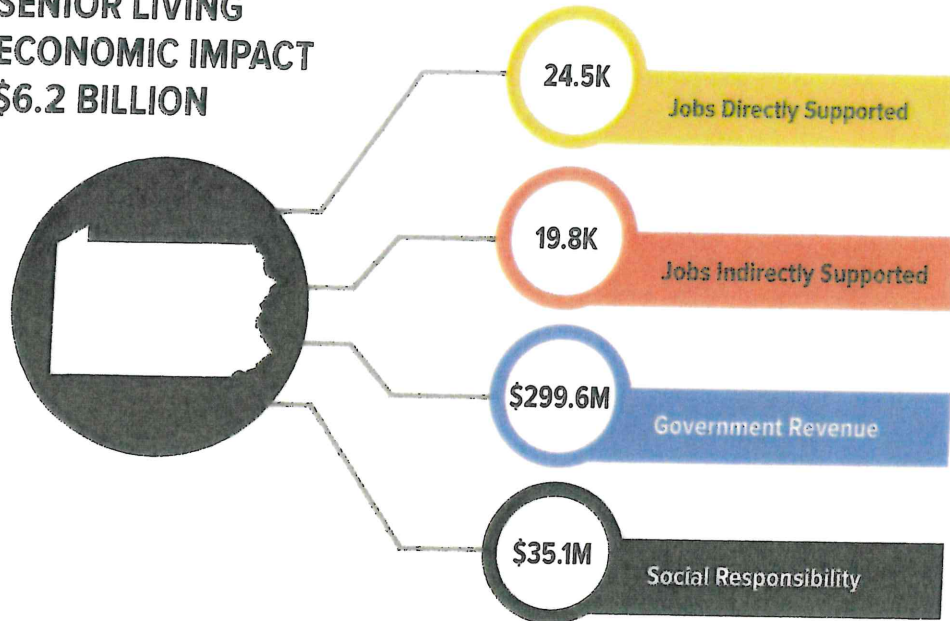
Argentum is the leading national association representing 75 percent of professionally managed assisted living, independent living, memory care, and continuing care retirement communities. These communities offer choice, dignity, security, and comfort in the final years of life to nearly two million vulnerable seniors.





# PENNSYLVANIA

**SENIOR LIVING  
ECONOMIC IMPACT  
\$6.2 BILLION**



## TOP INDUSTRIES IMPACTED



## IMPACT COMPARISONS

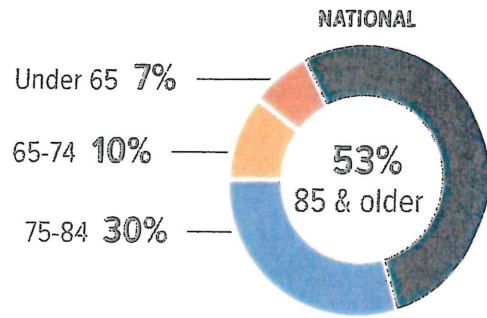
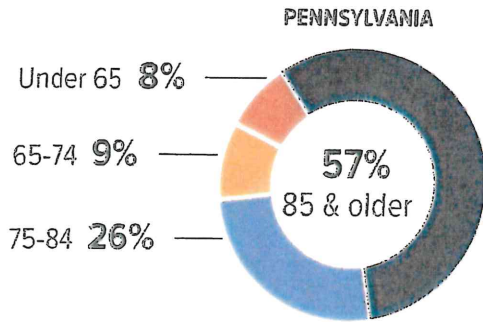
- Colleges and Universities  
**\$14.9 Billion**
- Air Transportation  
**\$5.2 Billion**
- Wireless Communication Carriers  
**\$12.1 Billion**
- Hotels and Motels  
**\$5.1 Billion**

*Source: Argentum engaged Tripp Umbach to measure the economic, employment, government revenue, industry, and social responsibility impacts of senior living communities at the national level and in each state. For the purposes of this study, "senior living" is defined as independent living, assisted living, memory care, and continuing care retirement communities. Skilled nursing facilities are not factored into the calculations. Economic and employment impact measures dollars and jobs generated within the region because of senior living communities. This includes spending on goods and services with a variety of suppliers within the state and their employees, spending of staff and visitors, and business volume and jobs generated by businesses within the region that benefit from senior living's spending. Data sources included Tripp Umbach internal data, IMPLAN datasets, National Center for Health Statistics, U.S. Census Bureau, and AARP. Impacts were formulated using IMPLAN software. IMPLAN data and accounts closely follow the accounting conventions used in the "Input/Output Study of the U.S. Economy" by the U.S. Bureau of Economic Analysis and the rectangular format recommended by the United Nations. Publication was made possible through MatrixCare.*

# PENNSYLVANIA

## RESIDENT PROFILE IN ASSISTED LIVING

### AGE PROFILE

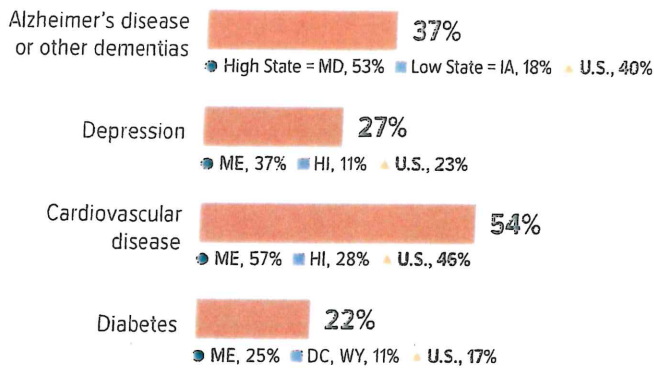


### GENDER



High State = DC, 76%, Low State = IA, 61%, U.S., 70%

### CHRONIC CONDITION DIAGNOSES



### TYPE OF ASSISTANCE NEEDED

