

The Impact of Health Insurance Funding on Direct Care Worker Retention and Home Care Service Delivery

Findings from a 2011 Survey of Participating
Medicaid Personal Assistance Service and Private
Duty Nursing Providers

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Survey Intent

In January 2011 a survey was sent out to all of the Medicaid Personal Assistance Services (PAS) and Private Duty Nursing (PDN) providers who have been participating in the Health Insurance for Direct Care Worker funding initiative. The initiative began in January 2009 when the Department of Public Health and Human Services (Department) began providing reimbursement for health insurance premiums as part of the Medicaid payment rate to Medicaid PAS and PDN provider agencies who offer health insurance to their personal attendants and private duty nurses. The survey was designed to evaluate the impact of this program.

Survey Summary

The survey results indicate that a large majority (93%) of the responding agencies believe that the health insurance funding has had a positive impact on worker retention. In addition, the health insurance funding has improved the quality, professionalism, and overall health of the direct care workforce, which in turn has had a positive effect on the quality and continuity of services provided to Medicaid consumers. In sum, the health insurance funding has had a significant and positive effect on both the direct care workforce and service delivery. It is also worth noting that none of the respondents would be able to continue to offer health insurance if the Department's funding was revoked.

Survey Respondents

Fourteen of the seventeen participating providers (82%) returned the survey. In response to the question "would your agency be able to continue to provide health insurance coverage to direct care workers without Department funding" all sixteen agencies (100%) responded with a "no". The survey asked respondents to report on the number of workers who enrolled in the health insurance plan in January 2009 and to report on the number who remained enrolled in January 2011. There were 471 workers enrolled in January 2009. Of those workers 243 (52%) remained enrolled as of January 2011.

Worker Retention

Agencies were asked to report on the impact of the health insurance funding on worker retention. Eight (57%) of the responding agencies provided quantitative retention data. All eight indicated retention rates were higher after the health insurance initiative was implemented. Retention has increased anywhere from 11% at one agency to 30% at another, with an average increase between 15-20%. One agency reported: "We have had NO turnover in our staff that are covered by insurance". Another reported that "retention of employees who have insurance is greater (78%) than total employee retention (62%)".

When asked to respond to the statement "I believe that the Department funding for health insurance coverage for direct care workers has improved retention of direct care workers" all fourteen agencies responded. Thirteen (93%) responded that they "strongly agreed" or "agreed" with the statement. One (7%) agency responded "neutral" to the statement. None of the agencies responded that they "disagreed" or "strongly disagreed" to the statement.

Agencies were also asked to respond to a qualitative question about "the effect of health insurance coverage on your agency's and/or the consumer's ability to retain workers". Twelve (86%) of the

agencies responded to the question by affirming the significance of health insurance on worker retention. They reported that quality workers were more inclined to stay for the long-term as a result of the benefit and that potential workers sought the agency out because they provide a health insurance benefit. Some of the agency responses are included below:

“To be able to offer the possibility of insurance to care attendants is a tremendous advantage”.

“Health care has been a wonderful benefit for our caregivers and a great incentive for them to work hard and stay with us for the long run”.

“It is our agency’s belief that we have been able to retain more of the workers who need to work full time and are “desirable” employees. They are not forced to seek employment elsewhere for their benefits. . . Insurance has made a huge difference in being able to keep quality caregivers versus quantity”.

Overall Impact on Service Delivery

Respondents were also asked to provide additional information on the impact of health insurance on their agency’s ability to deliver personal assistance services. Many of the respondents indicated that the health insurance benefit improved recruitment, the quality of the workers who are hired, and the overall health of their workforce. Some of the responses are included below:

“Caregivers report that they have had overall better health, many report the dental part of our insurance has been very beneficial”.

“To be able to offer insurance to care attendants and to promote our services as having this possible benefit has been a boost to supplement the scope of services we deliver. It provides attendants with more than healthcare coverage; it also gives more professionalism to their choice of employment”.

“It has allowed those most needing insurance, those delivering care to the most vulnerable, a means to stay healthier”.

Agencies also commented on their ability to deliver higher quality services to consumers as a result of direct care workers receiving health insurance.

“By being able to offer this benefit, we are able to recruit better caregivers thus resulting in client's receiving better care on a more consistent basis. There is no doubt that being able to offer health insurance to our caregivers has increased client satisfaction”.

“We feel the health insurance program has had a tremendously positive impact on our agency. The quality of employees we're able to attract and retain has improved immensely. As our employees are able to utilize the health benefits, our consumers' health and well-being is protected at a much higher level”.

For more information on the Health Insurance Funding Program contact Abby Holm at abholm@mt.gov.