Can Home Care Companies Manage Overtime Hours?

Three Successful Models

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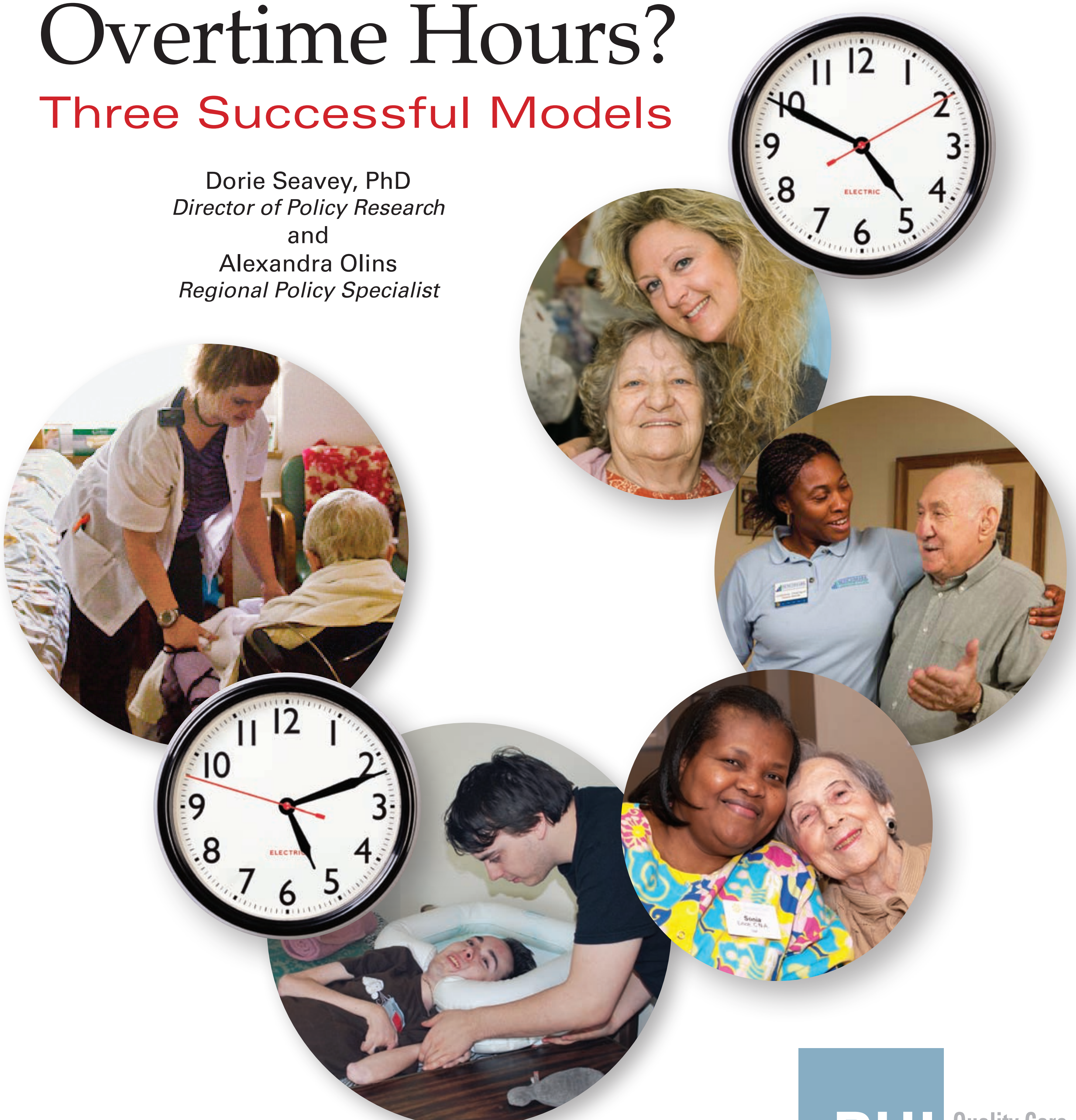

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About PHI

PHI (www.PHInational.org), a national nonprofit based in the South Bronx, works to improve the lives of people who need home and residential care—and the lives of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers, and policymakers improve long-term services and supports by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers, so that both may live with dignity, respect, and independence.

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Introduction

As the result of an exemption to the Fair Labor Standards Act, many home care workers are denied the basic federal wage and hour protection afforded to virtually all other jobs because they are construed as providing "companionship services" to people who are elderly and/or infirm. In December 2011, the U.S. Department of Labor issued a Notice of Proposed Rulemaking that, if adopted, would update its regulations concerning the companionship services exemption, significantly reducing the number of individuals to whom it applies and, thereby, extending minimum wage and overtime protection to the vast majority of home care workers.

Opponents of narrowing the exemption argue that the proposed regulations will dramatically increase the cost of overtime for agency providers—because it would have to be compensated at time and a half—with adverse consequences for home care agencies, consumers, and workers. They claim that because of the increased cost of overtime, the cost of care for elders and people with disabilities will become unaffordable. They further argue that, in response, agencies will have no choice but to reduce the number of hours that aides work and disrupt continuity of care for consumers by assigning multiple aides to their clients.

These arguments make several assumptions that are not supported by available data.[1] First, nationally representative surveys show that, for the home care workforce as a whole, the incidence of overtime is low, at less than 10 percent. What *is* high is the incidence of part-time work, with many aides reporting that they would like to work more hours.[2] Second, the vast majority of states have restrictions on the numbers of hours they authorize under Medicaid, so high-hour cases are uncommon. Third, a number of states—16 in total—already provide overtime coverage to at least some groups of home care workers, typically those that are employed by agencies.

Still, there are bound to be individual agencies—located particularly in states that don't already provide overtime protection to workers—that, under their current practices, do accumulate overtime hours. If paid at a premium, these overtime hours could have significant financial consequences. The question is, once there is a financial incentive to minimize overtime, how will these agencies respond? And what proactive steps can agencies take to manage their staffing and scheduling practices in order to minimize their overtime costs?

This report examines three home care agencies that successfully control their overtime costs: Community Care Systems in Illinois; Addus HealthCare, a nationwide company; and Cooperative Health Care Associates in New York City. While striving to maintain high standards of caregiver consistency critical to client satisfaction and well-being, these companies have put in place workforce management systems to minimize their overtime costs. As a result they have remained profitable while also paying their aides at least minimum wage and overtime at time and a half.

Case Study I: Community Care Systems, Inc.

Community Care Systems, Inc. (CCSI), is an Illinois-based for-profit in-home care provider. Operating since 1980, CCSI has 14 offices throughout the central part of the state. The company provides personal care services to over 3,000 clients and employs about 1,700 home care aides.

The vast majority of CCSI's business comes from contracts with the Illinois Department on Aging's Community Care Program (CCP). One of the largest home and community-based services programs in the country, CCP assists low-income adults aged 60 and older at risk of nursing home placement by providing comprehensive care coordination, adult day and in-home services, and emergency home response. The Department on Aging contracts with about 55 in-home service providers to meet the needs of an average monthly caseload of approximately 45,000 older adults.

Funding for CCP comes from state General Revenue funds as well as through a federal Medicaid Waiver program. Older adults not enrolled in Medicaid are also eligible to receive CCP services if they meet certain criteria; these clients may have a co-pay. Homemaker services (*e.g.*, assistance with cleaning, laundry, shopping, errands, and preparing and planning meals) account for the vast majority of program spending.[3]

Clients

Approximately 95 percent of CCSI's caseload is made up of CCP consumers. The maximum number of hours of care that CCP consumers can receive is determined by the program's service cost maximums along with the reimbursement rates set by CCP.[4] A recent study for the Illinois Department of Aging determined that maximum hours per week per CCP client range from 5 to 36.8, for groups with the lowest and then the highest levels of need; actual mean hours for these two groups ranged from 2.4 to 25.7. [5] Over two-thirds of clients (68 percent) receive service hours at the lower end of the range.

In line with the state's service cost restrictions, the majority of CCSI clients receive from two to four hours of service per day, two to five days per week. That means that the vast majority of the company's clients receive between four and twenty hours of care a week. As a result, it is unusual for a caregiver to incur overtime hours based on his or her regular roster of clients.

Workforce

CCSI aides work 26 hours per week on average and serve two to three clients in a typical day. Just over a third (35 percent) of the company's aides work more than 30 hours per week, which for CCSI is considered full-time work in terms of qualifying for benefits.

Illinois is one of 16 states that already extend overtime coverage to at least some groups of home care workers, and CCSI provides services exclusively in the state of Illinois. Illinois' wage and hour laws for home care workers and companions have been in place since 1976 and apply to employers with more than five employees. [6] CCSI's aides are members of SEIU Healthcare Illinois & Indiana, a union that unites 91,000 healthcare, home care, nursing home and child care workers across two states.

Overtime challenges and solutions

Despite the fact that the majority of its cases were low-hour cases, as CCSI grew, managing overtime hours became an increasing challenge. Overtime hours came to account for 10-11 percent of payroll costs. These work hours were primarily incurred when substitute aides picked up additional hours in response to other aides calling out or not showing for a shift.

At the time, CCSI field offices conducted their scheduling using "manual rosters"—that is, paper lists of each worker's schedule for the week. Field staff found it cumbersome to manage these rosters because they required constant rewriting and updating. Furthermore, the roster system was not designed to give managers a snapshot overview of available staffing capacity for picking up additional (non-overtime) hours in a given week. Additionally, none of the company's field offices had a staff person tasked with tracking overtime hours; instead, overtime expenditures were accepted as a normal cost of doing business.

CCSI determined that its overtime expenditures were not sustainable. To control these costs, over the period 2003 to 2005 the company began to implement three new workforce management practices: permanent substitute positions in each office, an electronic roster program, and an office administrator position. CCSI estimates that, within the first two years of implementation, these three innovations reduced annual overtime costs by approximately $50,000. Today, overtime at CCSI accounts for only 0.6 percent of the company's wage costs.

Permanent Substitute Position. CCSI created a new position in each of its 14 field offices—a permanent substitute (or "Perm Sub") position—for filling assignments due to call-outs or no-shows. The Perm Sub position is full-time—in contrast to normal aide positions—and receives a higher hourly wage than the company's general home care aides. An aide filling this position must be available for any assignments totaling a maximum of 40 hours in any given week (driving time included). If replacement hours are less than 40 hours, then the aide is assigned extra quality-control visits or office work.

To apply to be a Perm Sub, an aide must formally interview for the position, and is required to have been with the company for at least two years and to have a good record of dependability. If a Perm Sub wants to become the primary caregiver for a specific client, then she must give up her Perm Sub position.

CCSI's larger offices have between five and six Perm Subs, while smaller offices have two. The Perm Sub position has given CCSI the flexibility it needs to fill call-outs, while keeping overtime hours under control.

Electronic Roster Program. CCSI also adopted a new computer-based information technology system that enables managers and schedulers to receive real-time data regarding how many hours each aide has worked in a given week and which workers are eligible to pick up extra hours under the 40-hour threshold. According to Toni Gerencir, CCSI Director of Operations, the new system "allows managers to push a button and get automatic information" that allows them to more evenly distribute extra hours across their aides. Previously, considerable time was expended in manually searching the paper roster for available workers, and as CCSI offices grew to 130 to 200 aides, manual rosters became a "paperwork nightmare."

The electronic roster program maintains up-to-the-minute information on schedules. Office administrators can systematically search for available workers. The program also enables Perm Subs to call in to find out their assignments for the day. When call-outs are high and all Perm Subs are occupied (for example, during bad weather), the electronic roster program enables schedulers to quickly determine which workers are able to pick up additional hours without incurring overtime.

Office Administrator. In addition to the electronic roster, CCSI created an administrator position at each of its 14 field offices. Administrators work side by side with at least one service coordinator (*i.e.*, scheduler) and are responsible for tracking and managing overtime, and monitoring the difference between service hours authorized and actually delivered.[7] Prior to the creation of the administrator position, no staff member had direct responsibility for tracking overtime.

Scheduling Guidelines Regarding Continuity of Care. CCSI informs its clients that, since it does not receive reimbursement from the CCP program for overtime pay, it may assign a second worker to a client in order to ensure that the assigned aides do not work more than 40 hours in a given week. Coordinating consistent care can become challenging when a client who already has a caregiver is allocated additional hours by CCP that would push the aide into overtime given her other assignments. In these cases, aides are asked to choose whether they would like to work the additional hours for their client, giving up other hours, or whether they prefer that the new hours be assigned to a different worker. In other words, the aide decides how to allocate her time.

Case Study II: Addus HealthCare, Inc.

Addus HealthCare is a comprehensive provider of a broad range of social and medical services in the home. Addus services include personal care and assistance with activities of daily living, skilled nursing and rehabilitative therapies, and adult day care. Addus consumers are individuals with special needs who are at risk of hospitalization or institutionalization, such as elders and persons who are chronically ill or disabled. In addition, Addus also provides services to Medicare-eligible beneficiaries who are in need of recuperative care services following an acute medical condition. In 2010, Addus had over 13,000 employees and provided in-home services in 129 locations across 19 states to approximately 27,000 consumers per week.[8]

Addus' corporate headquarters are based in Palatine, Illinois. The company has been in operation since 1979 and it has been publicly traded since 2009. Addus is one of the five largest multi-site, multi-state providers of personal care services in the country as measured by revenue and units (or hours) served. In 2010, the company's net revenues totaled $272 million.

The company has two primary divisions: 1) Home & Community and 2) Home Health. The Home & Community segment provides social and personal care services (81 percent of 2010 revenues) and the Home Health segment provides skilled medical services (19 percent of 2010 revenues). In nine states, Addus provides both personal care and home health services, using an integrated service model. In ten other states, it provides non-medical services exclusively.

Addus' payers include federal, state and local governmental agencies, the Veterans Health Administration, commercial insurers, and individuals. In 2010, 94 percent of the company's non-medical home care business came from state, local, or other governmental programs. Private duty work made up an additional 5 percent of revenues. On the home health side, Medicare made up 64 percent of revenues.

Addus' operations are concentrated in Illinois and California. In 2010, 52 percent of net revenues came from Illinois and 13 percent from California. In Illinois, the largest payer is the Illinois Department on Aging, accounting for 38 percent of net revenues. An additional 14 percent of net revenues came from Washington and Nevada.

Clients

The vast majority of Addus' clients are "low hour" cases. Low hours are typical for Medicaid-funded services, as most Medicaid programs do not authorize high-hour care for recipients of in-home services and supports. Virtually all (98 to 99 percent) of

Addus' clients receive less than 40 hours of care per week, and the average Addus client receives 15 hours of care per week.

Workforce

Approximately 90 percent of Addus' total workforce consists of home care aides, or about 12,000 workers. Addus' workers are represented by unions in 11 of the 19 states in which the company operates. Roughly two-thirds of the company's workforce is covered by collective bargaining agreements.

Home care aide jobs at Addus are largely structured as part-time jobs. About 80 percent of aides work part-time, with the average home care worker at Addus working 23 hours per week. Nearly a third (30 percent) of the company's caregivers work more than 32 hours per week. Aides at Addus serve an average of two to three clients in a day.

Addus operates in seven states that extend minimum wage and overtime protection to agency-employed home care workers (CA, IL, MT, NV, NJ, PA, and WA). But it also operates in another 12 states that follow the federal government in allowing home care companies to use the companionship services exemption, thereby relieving them of the requirement to pay at least the federal minimum wage and to compensate overtime hours at time and a half of the aides' base wage (AL, AR, DE, GA, ID, IN, MS, MO, NM, NC, OR, and SC). In each of these 12 states, however, Addus *chooses* to pay overtime and travel time to its caregivers regardless of state law.

Addus management believes a careful reading of the federal Fair Labor Standards Act and the companionship services exemption *requires* the company to pay its workers for overtime incurred in all of the states in which it operates. According to Darby Anderson, Divisional Vice President for Home and Community Services, "our read of the companionship exemption is that the work must be to primarily provide companionship [to qualify for the exemption], rather than personal care, and the majority of the work that our aides do is personal care." Additionally, Anderson notes, state governments do not pay for companionship as the primary service of a consumer's care plan. Therefore, it would be inconsistent for Addus to categorize the aide delivering services under the authorized care plan as a "companion."

Overtime challenges and solutions

Given its large size and corporate policy of paying overtime at time a half—which, management admits, sometimes puts the company at a competitive disadvantage—Addus has an incentive to keep overtime expenditures as low as possible. As described below, the company manages overtime by both carefully coordinating worker schedules using electronic timekeeping and balancing aide workloads by splitting high-hour cases among two aides. Addus also monitors time spent traveling between clients in one day to minimize overtime. In 2010, field staff overtime costs accounted for 0.8 percent of revenue or 1.4 percent of base wages for the company.

Electronic Timekeeping. Since 1986, Addus has used scheduling software that allows it to distribute work hours more evenly among staff. Using real-time data, schedulers keep overtime to low levels by not assigning make-up cases or replacement hours to aides that would be pushed into overtime in a given pay period.

Coordinating Schedules of Aides Assigned to High-Hour Cases. Addus also controls overtime costs by coordinating schedules. High-hour cases—*i.e.,* those requiring more than 40 hours of care per week—are assigned to two aides. If a case calls for care seven days a week, one aide typically works weekends, and the other works weekdays. Alternatively, one aide might work three days of the week, and the other aide the remaining four days.

There is no set formula for splitting high-hour cases, and every effort is made to meet the preferences of the client and the aides. When clients express reluctance at having more than one aide assigned to them, service coordinators explain that aides who work more than 40 hours are more likely to be fatigued and therefore less effective. In addition, coordinators stress that it's in the interest of the client to have more than one aide with whom they are familiar, in the event that the aide is ill, is out on vacation, or leaves her job. Finally, clients are reminded that a 40-hour work week is the definition of a "fair" work week across most industries and that Addus endeavors to create fair jobs for its employees.

Monitoring Travel Time. Addus reimburses aides for their travel time between clients. As a result, the company makes scheduling decisions by factoring in information about travel distance between locations and resulting driving time between clients as well as data about workers' hours. To the extent possible, Addus tries to schedule clients in close proximity to one another since time spent driving can push a worker's hours into overtime.

Case Study III: Cooperative Home Care Associates

Cooperative Home Care Associates (CHCA) is a worker-owned for-profit home care agency, located in the South Bronx in New York City. Founded in 1985 to provide high-quality home care to clients by providing quality jobs for home care aides, CHCA provides in-home services to 1,620 elders and people with disabilities on a weekly basis and employs nearly 2,000 aides. CHCA also runs an employer-based training program that trains hundreds of unemployed women each year. Like the two other companies profiled in this brief, the CHCA workforce is unionized and is represented by SEIU.

CHCA contracts with New York agencies to provide home care services for individuals who are elderly, chronically ill, or living with disabilities. Its largest contracts are with the Visiting Nurse Service of New York, Independence Care System (ICS),[9] and the New York City Human Resources Administration. CHCA's net revenues totaled $48 million in 2011.

Clients

CHCA's clients live in New York City, and nearly all receive Medicaid-funded personal and home care services. Historically, New York City has allowed a significantly higher proportion of "high hour" cases under its publicly financed home care programs compared to other jurisdictions, but this is changing.[10]

On average, CHCA clients require six hours of care per day. An estimated 12 percent of CHCA's clients require more than 10 hours of service per day. Many of these are Priority 1 or 2 clients, meaning that either 24 hours of care or up to 12 hours per visit are required *and* the client does not have family members or significant others who are available, willing, and capable of providing essential care.

Workforce

CHCA has a "quality care through quality jobs" mission. Unlike most home care employers, it structures its jobs as full-time employment and emphasizes employment practices such as profit sharing, required in-depth training,[11] employer-provided health insurance, and paid leave and sick days. Consistent with its emphasis on quality jobs and creating a culture of retention, CHCA chooses to pay its aides overtime at 150 percent of their *hourly* wages, whereas New York State law requires overtime paid at the reduced rate of 150 percent of the *minimum* wage.[12]

One of the most important payoffs of these positive workforce practices, and the steadier, more predictable income they create, is the company's relatively low annual turnover rate of 20 to 25 percent. This compares to an annual turnover rate for the industry of 40 to 60 percent.

Over 20 years ago, CHCA implemented an innovative guaranteed hours program in order to provide its workers with reliable hours and stable, predictable income.[13] This program offers employees 30 guaranteed hours of work each week, provided they meet certain requirements, including a commitment to accept all assignments[14] and to be on call every other weekend.[15] Aides can participate after they log 5,460 hours of work, the equivalent of three years of full-time (35 hours per week) employment. Workers who meet the requirements of the guaranteed hours program are paid for 30 hours a week, even if the total number of hours actually worked in a particular week is less. Currently, about 63 percent of CHCA's workforce is enrolled in the guaranteed hours program.

Overtime challenges and solutions

Compared to CCSI and Addus, CHCA faces greater pressures related to overtime. First, eight hours of care seven days a week historically has been common practice for publicly funded home care services in New York City. As a result, in order to maintain consistent caregivers for its clients, it is not uncommon for CHCA aides to work between 40 and 56 hours per week. In 2011, for example, 35 percent of the company's aides worked between 40 and 56 hours a week. Another 37 percent worked between 30 to 40 hours weekly. Furthermore, about half of the company's cases require services on the weekend.

A second factor underscoring the importance of managing overtime is that CHCA supports a full-time work model through its guaranteed work program. As a result, a sizeable portion of the company's workforce is eligible to be compensated for 30 hours of work per week. Finally, because of the priority that CHCA places on providing quality jobs, roughly 80 percent of its revenues are devoted to wages and benefits for staff, paying workers the highest possible wages, providing good benefits, and paying overtime at a higher rate than its competitors. This leaves a margin of 20 cents on the dollar to run the business, so any increase in overtime costs stresses operating expenses.

As a result of these pressures, CHCA's President, Michael Elsas, emphasizes that "CHCA has always strived to control overtime costs because otherwise we would go out of business." To manage overtime, CHCA has developed scheduling guidelines for high-hour cases and uses an electronic timekeeping system along with weekly scorecard reporting that allows it to evaluate overtime hours and costs. Together, these innovations allow the company to proactively "spread the work" among as many caregivers as possible, while also maintaining its standards for continuity of care for its clients.

According to Elsas, proactively managing the company's workforce in order to control overtime costs requires focused attention to several factors, which in turn requires easy access to good data on the company's workforce. Through the following measures, CHCA has successfully maintained overtime at less than 10 percent of total annual hours despite serving a caseload that contains a significant number of high-hour cases:

Scheduling Guidelines. CHCA has pioneered scheduling guidelines that enable the company to manage overtime for "high-hour" cases. These guidelines have become an industry model in New York City, and have been adopted by the Visiting Nurse Service of New York—the largest home care company in the country. Cases requiring more than 10 hours a day, 7 days a week are split between two aides, each working a 3.5 day shift as well as one weekend day. One shift runs from Sunday to Wednesday, and the other from Wednesday to Saturday. On Wednesday, as one shift ends and another begins, aides have a scheduled "cross-over" where they exchange helpful information about the client.

Live-in cases, for which an aide is allowed sleep time, are split between two aides, each working 3.5 days per week. Currently these cases receive a flat daily rate, as determined by industry practice. Cases requiring 24-hours-a-day service, 7 days a week (with no sleep time) are split among four workers. The daytime aides each work 12 hour shifts for 3.5 days, while the night shift aides each work either 3 or 4 days.

Electronic Timekeeping and Scheduling. In 2009, CHCA made a strategic investment in two software systems that, together, enable it to track the hours of its large workforce.

The first system tracks each aide's time and attendance with her client via company-issued GPS-tracked cell phones. Using her phone, the aide "checks in" at the beginning of a shift at her client's residence and "checks out" at the end of the shift. She also enters information about the tasks performed. Throughout the day, especially following the most frequent start-times, the company receives reports that enable service coordinators to see which aides have not checked in. At this point, the company sends replacement aides to those clients with Priority 1 (high acuity) status.

The second software system interfaces with the cell-phone tracking system, and is used by coordinators to schedule aides, assign replacement aides if necessary, and monitor the number of aides on assignments and hours worked.

Weekly Scorecard. CHCA's management team developed a comprehensive scorecard tool that it uses to track hours worked and overtime on a weekly basis. Automatically generated by the scheduling system, the scorecard presents information on indicators such as: weekly hours worked by contractor, average hours worked per aide, active aides as a percent of available aides, and the number of overtime hours between 40 and 56 hours, and over 56. The scorecard benchmarks current weekly performance against the corresponding weekly performance in each of the prior two years, and allows managers to assess, for example, whether current overtime levels indicate that the company should expand its workforce or whether an emergency event such as a hurricane had a significant impact on overtime.

Analysis

The companies profiled in this report have devised systems that enable them to keep overtime costs to a minimum while better managing their workers' hours and spreading work hours more evenly. And each of these employers pays overtime at time and a half even in states that do not require it.

Of note, the three profiled companies represent a range of characteristics: one is a large, publicly traded company with offices in 19 states and over 13,000 employees; another operates in the central region of one large state and employs 1,700 aides; and the third operates solely in New York City and employs nearly 2,000 aides. One of these providers (CHCA) provides full-time employment to its aides whereas the other two employers (CCSI and Addus) hire their aides largely on a part-time basis. Finally, the caseloads of two of the companies are dominated by low-hour cases while the third company, CHCA, has a relatively higher number of high-hour cases.

While differing in their case loads, service areas, and business models, the three companies have implemented remarkably similar staffing and scheduling practices to manage overtime. Notable among these practices are:

- Electronic timekeeping and scheduling that enable "real-time" monitoring of aide availability, workloads, and overtime.
- Designation of new aide positions specifically designed to pick up incidental hours due to call-outs, worker absences, or emergencies.
- Proactive scheduling to spread work hours more evenly across the agency's available aides.
- Splitting high-hour cases into multiple shifts shared by two or three aides.

All three companies have moved from a paper-based tracking system to electronic timekeeping and scheduling solutions that allow for more accurate tracking of employee time and for making staffing adjustments when necessary. Instead of relying on outdated paper schedules, these employers distribute replacement hours (generated from call-outs or no-shows) based on up-to-the-minute information regarding which workers can take on extra hours without incurring overtime.

In addition, both CHCA and CCSI have created positions that are specifically designed to fill replacement hours—the Perm Sub position at CCSI and aides participating in

CHCA's guaranteed hours program, which blends regular hours with replacement and on-call hours.

When high-hour cases arise, as in the case at CHCA and sometimes Addus, scheduling guidelines are used to divide these cases into more than one shift so that two or more aides work the case. Both companies strive to maintain continuity of care and believe that provider continuity that results in overtime work has drawbacks—including aide fatigue and burn-out—that can affect the quality of care received by the client.

Proactive scheduling and the use of real-time data has enabled all three employers to distribute work hours more efficiently and equitably—whether they are scheduled hours or incidental or replacement hours. As the "before and after" experience of Community Care Systems, Inc., indicates, more efficient scheduling can result in significant reductions in overtime costs.

Conclusion

Critics of the Department of Labor's proposed revisions to the companionship services exemption argue that the reform will significantly raise the cost of overtime, thereby raising the cost of non-medical in-home services and supports to unaffordable levels. This argument assumes that employers will make no adjustments to their staffing and scheduling practices and instead will choose to simply pay overtime premiums for all hours worked in excess of 40 hours. The three company case studies profiled in this report show that this assumption is unrealistic—employers in a highly competitive business environment with players vying for market share and business efficiencies are unlikely to exhibit such static and uncompetitive behavior.

If adopted, the revised companionship services regulations would create an incentive for home care agencies to manage overtime. As the Department of Labor notes, "[c]urrently, agencies have little incentive to manage overtime because hours worked in excess of 40 per week are paid at the same rate as hours less than 40 per week."[16] Exactly how home care agencies will respond is of course not known.

However, the experiences of CCSI, Addus, and CHCA offer strong evidence that—in 20 states around the country—it is possible to grow and run successful home care agencies that have reputations for high-quality care and pay overtime to their aides even in states that do not require it. By spreading hours more evenly across their workers, these companies manage their overtime so that it does not become a costly business expense that undermines business profitability.

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[1] PHI (February 2012) Home Care Jobs: The Straight Facts on Hours Worked, Value the Care #6, available at: http://www.PHInational.org/fairpay. Also see in-depth information presented in D. Seavey and A. Marquand (December 2011) *Caring in America*, Bronx, NY: Paraprofessional Healthcare Institute, available at: http://www.phinational.org/homecarefacts.

[2] *Ibid*. More than half of personal care aides report working part-time; of those, 40 percent would like to work more hours and are therefore involuntary part-time workers.

[3] IL Older Adult Services Advisory Committee, Finance Workgroup (June 2007) *How Long-Term Care Services for Seniors Are Currently Financed in Illinois*, IL Department on Aging. Available at: http://www.state.il.us/aging/1athome/oasa/resources/finance.pdf

[4] A Service Cost Maximum is defined for a specific interval level of unmet need for assistance in performing an activity, as defined by the Definition of Need (DON) scale.

[5] Health and Medicine Policy Research Group, Center for Long-Term Care Reform and Center for Research on Health and Aging, University of Illinois at Chicago (2009) *Determination of Need, Service Cost Maximum Study*, Prepared for IL Department of Aging, Table 12, p. 32. Available at: http://www.state.il.us/aging/1athome/oasa/resources/DON.pdf .

[6] 820 Ill. Comp. Stat. § 105/3(d) and Ill. Adm. Code § 210.110. Note that an exemption may apply for home care workers employed solely by private households.

[7] The electronic roster system allows administrators to generate bi-monthly "60 percent reports" that alert the office as to whether a client has received 60 percent or less of their approved monthly services.
[8] Addus Homecare Corporation, *2010 Annual Report*, Form 10-K, U.S. Securities and Exchange Commission, Palatine, IL: Addus.
[9] ICS is a nonprofit Medicaid managed long-term care program based in the New York City area that currently coordinates services for 1,800 individuals living with physical disabilities.
[10] Starting in 2012, certain individuals covered by Medicaid—specifically, those 21 years old or older, who need 120 days or more of home care services per year—will be *required* to enroll in a Managed Long-Term Care (MLTC) plan or care coordination model. This will provide the state with a more streamlined and cost-effective system to care for its most vulnerable citizens, and one which is expected to require fewer high-hour cases. Over the next three years, once New York receives approval from the federal government, at least 70,000 Medicaid beneficiaries in New York City will transition from fee-for-service plans into MLTC plans; also, new entrants into the system will be enrolled in MLTC plans.
[11] CHCA only employs aides who have completed the company's own five-week training program, a program enabled in part by philanthropic funding.
[12] New York State law extends minimum wage coverage for all companions as defined by FLSA. Aides employed by third parties (*e.g*., home care agencies) must also receive overtime but at the reduced rate of 150 percent of the *minimum wage*, rather than their regular rate of pay. See: NY Labor Law § 651 (5); N.Y. Labor Law§§ 2(16), 170; N.Y. Comp. Codes R. & Regs. tit. 12, § 142_2.2.
[13] For more information on CHCA's Guaranteed Hours Program, see: PHI (2007) *The Guaranteed Hours Program*, Workforce Strategies No. 4, Bronx, NY: Paraprofessional Healthcare Institute. Available at: http://www.directcareclearinghouse.org/download/WorkforceStrategiesNo4.pdf
[14] Assignments can include: permanent case assignments, replacement hours covering call-outs, and assignments from the weekday on-call worker pool (for the latter, aides must phone the office between 7:45 a.m. and 8:15 a.m. daily and be ready to leave immediately for a client's home).
[15] In general, aides at CHCA are expected to work every other weekend.
[16] U.S. Department of Labor, Wage and Hour Division, Economic Impact Analysis, Application of the Fair Labor Standards Act to Domestic Services, December 2011, p. 55. Available at: http://www.dol.gov/whd/flsa/EconomicAnalysis.pdf.