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FOR IMMEDIATE RELEASE

Senator Baddour Votes to Professionalize Contracts for Human Service Providers

Rate adjustments play catch up to inflation and operating costs

(Boston, MA) – Senator Baddour voted on Tuesday to phase in long overdue rate adjustments for human service providers who contract with the state to deliver health and social services to the Commonwealth’s most vulnerable citizens, from the elderly and chronically ill to the physically and mentally impaired.

The bill, passed unanimously by the Senate, requires the Division of Health Care and Policy to establish a predictable and adequate rate-setting schedule that will help providers mitigate operating costs and retain employees.

Senator Steven A. Baddour (D-Methuen) said the rate adjustment is critical to keeping community-based services in place and securing a significant employment base for the Commonwealth.

“Human service providers are being forced to let employees go and cut back on services because of skyrocketing costs in utilities, insurance and other operating expenses,” Senator Baddour said. “These rate adjustments come at a crucial time and will help stabilize this essential sector of our economy.”

Massachusetts has a network of 1,100 community-based provider agencies, employing approximately 185,000 workers who deliver a wide-range of services to more than one million residents. State funding for the system has remained relatively stagnant during the last 20 years despite rapidly increasing operating costs and a growing population of people who need services.

“Our direct caregivers provide some of the most critical services in the Commonwealth,” said Senator Gale D. Candaras (D-Wilbraham), lead sponsor of the bill. “With today's vote, the Senate has made an important commitment to fostering the development of a stable and adequately compensated workforce, which will continue to serve Massachusetts residents and families for years to come.”

The bill phases in the rate adjustment process over three years, with 10 percent of the state contracts affected in the first year, 50 percent the second year, and full implementation in the third year. The bill adjusts multi-year contracts for annual inflation and allows contract amendments for services or program requirements added by the state.

“This bill is recognition of the fact that, as a state, we cannot outsource these jobs,” said Senator Karen Spilka (D-Ashland), senate chairwoman of the Joint Committee on Children, Families and Persons with Disabilities. “Without enough qualified workers in this critical field, the programs and services available to people like my sister with Down syndrome will disappear. Rate reform benefits all of us – not only because it provides a much-deserved raise to those who care for our loved ones, but because it puts an end to the severe crisis in care that is being felt throughout the system today.”

Senate Majority Leader, Senator Frederick E. Berry (D-Peabody), said: “Today, I am proud to stand with the Commonwealth’s human service workers. This bill is a realistic first step to determining the real costs of providing essential human services. Under-funded nonprofit agencies and human service providers do some of the most thankless work in Massachusetts and it is time we start to recognize their true value.”

This bill will now go the House of Representatives.

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