

**From:** Tim Fortune [mailto:tim@tlcnursing.com]

**Sent:** Thursday, April 12, 2018 3:19 PM

**Subject:** Re: S.40 - Min Wage in House General

Thank you for this opportunity

My name is Tim Fortune

I represent not only my organization which I am the Vice President of but also Vice President of VERG Vermont Elder Resource Group and the President of VAHP Vermont Association of Homecare Providers

We are made up of 12 Strong both for profit and also non profits business. Setting what we believe are best practices and standards to protect the population we serve.

I will say we do want to support paying employees a higher wage liveable wage.

How ever there have already been consequences in our industry for some of the changes that have already occurred in government.

Such as over time laws, this has reduce the work force as it now takes more people to cover the hours requested by our clients. as Our clients ultimately are on fixed incomes can't afford these additional cost.

Ultimately across the board this has caused a huge strain on our already limited workforce

Again we would like to see higher wages, but at what cost.

In preparation for this wage change we looked at getting ahead of the curve

We wanted to bring on new employees at a higher rate

In order to do this we also needed to raise the wages of our already existing employees.

THIS IS WHAT I HAVE BEEN TOLD TO BE THE COMPRESSION AFFECT

Much to our surprise we found that

1. Employees accepted the wage increase, however in turn decreased the number of hour they would work
2. Employees also Turned down the increase?

I asked the question why would you do this?

The answer I got they would lose their subsidies.

These wage increases offered were not enough to cover the value of the benefits they would be loosing.

THIS IS WHAT I NOW KNOW AS THE BENEFIT CLIFF

These are some of the associated negative cost associated with action S.40

Ultimately our organizations in VAHP rely on Self Paying Seniors, Medicare, Medicaid and Veterans funding.

Last I knew non of these payers are due for a salary increase.

In addition to this increase our already soaring over time cost will just increase that much more

I know there is a compromise somewhere inbetween

Raise the benefit limits to enable employees to receive this wage increase so they don't shorten their hours.

Revisit what over time has done. Ie. Having to pay employees the same rate at night while sleeping as you would during the day while awake.

I share all of this as I am concerned for the Seniors who voted for many of you all to be here and I have vowed to advocate for.

I witness calls everyday from people asking for services that we can not provide partly because decisions that were made in the past make them unaffordable and secondary there are not resource in our work force to cover them.

I also witness calls from other members of our association for this same cry for help as they to can not meet the massive needs we are all seeing.

We have been and continue to co-care as many families as we can and still we are turning away families with grave needs that are being unmet.

We have entered into contracts with one another to share employees in a pilot program in which DAIL is monitoring. Daily And Independent Living

Just increasing the minimum wage alone will hurt! Not help Vermont's already weak workforce. but also the many people we serve all across Vermont

I ask please take a comprehensive look and be sure that today's decisions wont have to negative effect in the years to follow.

Thank you.

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