



02/09/2021

Hearing of the Senate Finance Committee: Support SB384

Dear Members of the Senate Finance Committee,

My name is Alex Berezin, and I serve as CEO of Complete Home Care, LLC. As a Residential Services Agency, our goal is to take care of the client with the most comprehensive services and the most compassionate care. But in order to take care of our clients, we need to take care of our staff. The majority of home care staff are not educated enough in the realm of employee/contractor classification and therefore accept whatever financial enticement an agency may offer them. Ultimately this provides no benefit but rather major downsides and risks to the staff member.

Agencies tend to misclassify to avoid paying workers compensation, taxes, unemployment insurance, overtime pay as well as certain General and Professional Liability Insurances. Especially in a time like this where many people are out of work, those benefits and protections are crucial to these individuals. Medicaid is a state funded program, a privilege for business owners to work with. Why should only some be compliant and others not? When RSAs compete for workers solely on what "tax-free" wage rate they offer, it leads to caregivers jumping from agency to agency, which skews the industry due to a lack of understanding in the area of classification.

Most states have requirements in place to avoid the misclassification dilemma. We need to take care of our staff, be compliant and in turn allow them to take care of the vulnerable population that we serve. Requiring that RSAs report, for Medicaid-funded work, workers' classifications and pay rates is not burdensome and would not put RSAs at any competitive disadvantage, but it would help encourage RSAs to do the right thing.

For these reasons, I ask that you support SB384.