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Date: February 21, 2019

To: The Honorable Sean Tarwater, Chair Commerce, Labor and Economic Development Committee

FROM: Judy Davis-Cole, Executive Council Member, AARP Kansas

RE: HB 2186, Concerning granting employees who earn sick leave use for caregiving

Good afternoon Chairman and Committee Members. My name is Judy Davis-Cole and I am a retired Master's-prepared nurse and a member or the AARP Kansas Executive Council. Thank you for this opportunity to present my testimony in support of HB 2186. AARP is a nonprofit, nonpartisan organization with more than 318,000 members living in Kansas. AARP is dedicated to enhancing the quality of life for all as we age. We advocate for legislation to protect services and options available to Kansans who are age 50 and older. Caregiving and financial security for not only those 50 plus but for all Kansans are top priorities for AARP Kansas.

The demand for long-term services will continue to increase as our population ages. It is estimated that 53 percent of adults who turned 65 in 2016 will need some form of long-term care services during their lifetime. For many, Long Term Services and Supports (LTSS) cost more than they can afford. Family caregivers can help. According to Census Bureau projections, the population of Kansas will increase by approximately 252,000 people by 2030. Most of the increase (237,000 people) will occur in the 65+ age category. In other words, out of every ten people Kansas gains in the next 25 years, nine will be 65 or above.

Since 2011, the AARP Public Policy Institute, with support from The Commonwealth Fund and The SCAN Foundation, has been publishing the **Long-Term Services and Supports**

State Scorecard (LTSS), an interactive tool that assesses system performance in states across the nation. In doing so, the Scorecard can spark policy change, while providing tools and resources so that states and other stakeholders can deliver a higher level of performance. The 2017 Long-Term Care Services and Support Scorecard - Picking Up the Pace of Change ranked Kansas number 30 overall but number 45 in support of caregivers. Kansas also ranked number 22 under Quality of Life and Quality of Care, which included support for working caregivers.

In Kansas, it is estimated that there are 345,000 caregivers who provide more than three million hours of unpaid care valued at \$3.8 billion each year. To better understand the wants and needs of these Kansas caregivers, AARP Kansas commissioned a survey of 1,000 registered Kansas voters age 45-plus to learn about their experiences with family caregiving: "Caregiving in Kansas: Experiences and Opinions of Registered Voters Age 45 Plus". Key findings show that:

- Forty-two percent of voters age 45-plus in Kansas, have experience as family caregivers, either by currently caring for an adult loved one or previously doing so.
- About nine in ten help their loved ones by providing companionship (93%), transportation (90%), and shopping (89%). Others provide more complex care by managing medications (62%), medical or nursing tasks (55%), or bathing and dressing (49%).
 - Nearly seven in ten (68%) current and former caregivers have worked while they
 provided care, and six in ten have used their own money, up to 20% of income, to
 provide care.
- 66% of Kansas caregivers are currently working but more had worked at some point in time when caregiving.
- Three in four working caregivers adjusted their work schedule going into work early
 or late or taking time off, 35% took a leave of absence, 20% went from working full
 time to part time and 18%, or around 180 working caregivers of those surveyed,
 stopped working to provide care.
- Nearly two in three (64%) current and former caregivers say they feel stressed emotionally due to their caregiving responsibilities while 63% felt stressed to balance job and family.

- Voters 45-plus in Kansas overwhelmingly support workplace flexibility for working family caregivers in terms of ensuring employers cannot fire an employee for taking time off for caregiving (84%) and requiring employers to provide a limited amount of unpaid leave (79%) for family caregiving.
- Support for workplace flexibility is high across all political parties. (77%-84%)
- Most registered voters 45-plus in Kansas (75%) would prefer to be cared for at home by a caregiver versus costly nursing home care if they or a family member needed help.

Much can be done in support of caregivers and their employers to keep those whom Kansas caregivers care for in their homes and out of costly institutional settings and keep Kansas businesses vibrant with supported employees. Kansas caregivers need to continue working and Kansas employers need a well-trained workforce.

AARP Kansas continues our work to support family caregivers and their loved ones by advancing laws and policies such as the Eligible Leave for Employee Caregiver Time (ELECT) bill. This bill concerns caregivers and employment relating to sick leave benefits and the care of family members, by granting employees who earn sick leave the right to use it to care for their family members on the same terms upon which the employee is able to use sick leave benefits. It is important to remember that the bill does not mandate additional paid or unpaid leave time provided by employer.

The cost of care in Kansas:

- Kansas Caregivers spend up to 20% of their income to care for loved ones.
- Current Kansas nursing home costs are \$206 to as high as \$405 per day.
- 180 caregivers who left the workforce equals \$6,509,160 dollars that left the Kansas economy (Calculated on median wage of \$36,162 X180).
- Replacing 180 Kansas caregivers in the workplace according to Society of Human Resources Management (SHRM) on average costs 6-9 months of an employee's salary.
- Also according to SHRM the average time it takes to fill a given position is 42 days.

Workplace Flexibility Employer Impact:

Workplace flexibility minimizes employee struggles with balancing work and family pressures. Numerous studies have found that flexible workplace policies:

- Enhance employee productivity;
- Lower absenteeism;
- Reduce costs; and
- Appear to positively affect profits.

Workplace flexibility also aids in recruitment and retention efforts, allowing employers to maintain a talented and knowledgeable workforce and save money and time that would otherwise have been spent recruiting, interviewing, selecting, and training new employees. Passage of HB 2186 will provide caregivers with the work flexibility and protections they need to continue working while caring for a loved one and assist Kansas business in retention of valuable trained and tenured employees.

Thank you and I will stand for questions.

Resources:

- AARP Financial Toll of Family Caregiving, accessed at www.aarp.org/caregivercosts.
- Mitzi McFatrich, Director, Kansas Advocates for Better Care (mitzim@kabc.org).
- Kansas Women and the Wage Gap: APRIL 2016, accessed at http://www.nationalpartnership.org/our-work/resources/workplace/fair-pay/4-2016-ks-wage-gap.pdf.
- Financial Wellness: Is it worth the work? by iGrad Author in Employers Organizations, <u>The Society for Human Resource Management (SHRM)</u>.
- Employee Retention The Real Cost of Losing an Employee, accessed at https://www.peoplekeep.com/.../employee-retention-the-real-cost-of-losing-an-employee.