

United States Senate

SPECIAL COMMITTEE ON AGING

WASHINGTON, DC 20510-6400

(202) 224-5364

July 13, 2023

Mr. Andrew Parker
Chief Executive Officer
Papa Inc.
66 SW 6th Street
Miami, FL 33130

Dear Mr. Parker:

I write regarding recent reports about Papa Inc. (Papa) that detailed troubling allegations about the company's clients receiving inadequate care and being subject to abuse.¹ With the increasing demand for home care services to enable older adults and people with disabilities to live at home, service providers must ensure they are offering their clients the opportunity to live safely. Similarly, care workers deserve to be treated with dignity. The allegations of abuse by both Papa care workers and clients, as well as the lack of training and oversight to prevent and address future problems, raise deep concerns. I request the company provide assurances that it is taking steps to ensure the safety and dignity of care workers and clients.

As you know, Papa Inc., "focuses on pairing older adults, families, and other underserved people," with someone to assist them, known as a Pal, to provide "companionship and assistance" with tasks including shopping, transportation, and assistance with prescriptions.² These services are facilitated via the company's website, mobile phone application, email exchanges, call-in service, and other means.³ Papa appears to be rapidly expanding—the company reportedly operates in all 50 states;⁴ is recruiting Pals in more than 40 states, including Pennsylvania;⁵ and reportedly generates tens of millions of dollars in revenue

¹ Priya Anand, "Assault Allegations Plague a \$1.4 Billion Home Eldercare Startup," *Bloomberg* (May 30, 2023), <https://www.bloomberg.com/news/features/2023-05-30/papa-eldercare-startup-faces-abuse-claims-by-seniors-caregivers> [hereinafter *Bloomberg Report*].

² Ellen T. Rudy, et al., "A Call for Consistent Measurement Across the Social Determinants of Health Industry Landscape," *Population Health Management* 25, no. 5 (October 2022): 699, https://www.liebertpub.com/doi/10.1089/pop.2022.0079?url_ver=Z39.88-2003&rfr_id=ori:rid:crossref.org&rfr_dat=cr_pub%20%20pubmed.

³ *Pardo v. Papa, Inc.*, 2023 U.S. Dist. LEXIS ; "End User Agreement" End User Agreement, Papa Inc., last modified January 18, 2023, <https://www.papa.com/end-user-agreement> [hereinafter "End User Agreement"].

⁴ Andrew Donlan, "After Layoffs, Papa CEO Lays Out Vision For Company's Future," *Home Health Care News* (August 30, 2022), <https://homehealthcarenews.com/2022/08/after-layoffs-papa-ceo-lays-out-vision-for-companys-future/>.

⁵ "Locations," Papa Inc., <https://www.papa.com/locations>.

annually.⁶ At the same time, Papa has reportedly partnered with more than 100 managed care companies, including Medicare Advantage, Medicaid, and employer health care plans, expanding its footprint to reach millions of beneficiaries.⁷

To become a Pal, the company requires that applicants be 21 years or older and able to pass background checks conducted by the company, although Pals are not required to have health care experience.⁸ Recent reporting by *Bloomberg* raises serious concerns about the adequacy of Papa's vetting process. In one incident, a man with prior convictions for felony drug sales and misdemeanor domestic assault was nonetheless hired by Papa in Minnesota. This individual was subsequently charged with sexual assault and kidnapping for the alleged rape of a female client.⁹ Although the criminal charges were recently dismissed, court documents make clear that a serious breach of professional and ethical standards nonetheless took place.¹⁰

Data collected by *Bloomberg* suggest that problems with Papa are not isolated to this single instance. The company reportedly logged over 1,200 confidential complaints during the past four years.¹¹ These complaints included harassment of both clients and caregivers; dozens of allegations of sexual harassment and assault; as well as reports of theft and unsafe work environments. In some instances, Papa ignored industry practices designed to protect against such abuses by sharing direct phone numbers between clients and service providers rather than anonymizing phone numbers.¹² In addition to the physical dangers in the report, five percent of sampled client complaints included theft.¹³ Furthermore, *Bloomberg's* reporting cites multiple instances of Papa's service providers being put in dangerous situations by clients, who appear not to have been thoroughly vetted, either. Given these clear and repeated lapses, Papa's response disputing *Bloomberg's* reporting that the company's safeguards are lax is alarming.¹⁴

The Senate Special Committee on Aging has jurisdiction over the problems older adults face, including matters of maintaining seniors' health and their ability to obtain care or assistance.¹⁵ Since its formation in the 1960s, the Committee has frequently used its authority to examine

⁶ *Supra*, note 1, *Bloomberg Report*.

⁷ *Id.*; Press Release, Papa Inc., "Papa Continues Rapid Expansion to Counteract Loneliness as a Serious Public Health Risk," PR Newswire (October 29, 2021), <https://www.prnewswire.com/news-releases/papa-continues-rapid-expansion-to-counteract-loneliness-as-a-serious-public-health-risk-301411656.html>.

⁸ "Be a Papa Pal," Papa Inc., <https://www.papa.com/pals>.

⁹ Tom Olsen, "Duluth caregiver accused of raping vulnerable adult," *Duluth News Tribune* (February 7, 2023), https://www.duluthnewstribune.com/news/local/duluth-caregiver-accused-of-raping-vulnerable-adult?utm_source=ground.news&utm_medium=referral.

¹⁰ Billue Interview, 64-101, February 3, 2023, *State of Minnesota vs Martin Jermaine Billue, Sr.*, No. 69DU-CR-23-335, St. Louis County District Court – Duluth (June 22, 2023).

¹¹ *Supra*, note 1, *Bloomberg Report*.

¹² *Id.*

¹³ *Id.*

¹⁴ *Id.*

¹⁵ "Rules: United States Senate Special Committee on Aging," Senate Special Committee on Aging, <https://www.aging.senate.gov/about/rules>.

private companies when concerns arise about potential health and safety, as well as financial risks posed to older adults.¹⁶ As Chairman, I have an interest in ensuring that older adults and people with disabilities are receiving high-quality care, are free from fraud and abuse, and that federal health programs are receiving good value for taxpayer dollars. I request the company provide the following information and documents no later than August 14, 2023:

1. Please provide the following information regarding Papa's business:
 - a. The number of clients that Papa has served during each of the last three calendar years.
 - b. The number of hours of (i) in-person and (ii) virtual visits that Papa has facilitated for each of the last three calendar years. Please provide the respective billing rates for in-person and virtual visits.
 - c. Papa's revenue for each of the last three calendar years. For each calendar year, please also provide the percentage of revenue derived from (i) traditional Medicare, (ii) Medicare Advantage, and (iii) Medicaid payments. Please also provide the percentage of revenue derived from other categories of payers, categorized by type of payer (e.g., commercial, Veterans Affairs, etc.).
 - d. A list of any pilot programs or expansion plans the company is currently undertaking to test its services among payers beyond traditional Medicare or Medicare Advantage.
2. Please provide a detailed explanation of Papa's process for conducting background and motor vehicle record checks, as outlined in the company's end user agreement for contract employees.¹⁷ In addition, please provide the following information and documents:
 - a. As detailed above, one of Papa's independent service contractors was arraigned in Minnesota for the alleged rape of a client. This person had been convicted of multiple prior felony drug convictions, as well as misdemeanor domestic assault. Why did these convictions not trigger any flags during Papa's screening process? What changes, if any, has the company made to its screening process to better ensure client safety in the future?

¹⁶ For example, see Senate Special Committee on Aging, *Nursing Homes: Pat I, Portland, OR*, 87th Cong., November 6, 1961; Senate Special Committee on Aging, *Sudden Price Spikes in Decades-Old Rx Drugs: Inside the Monopoly Business Model*, 114th Cong., March 17, 2016; Senate Special Committee on Aging, *Chairman Casey to Andrew Witty UnitedHealth Reimbursement for COVID-19 Vaccines*, October 20, 2021, <https://www.aging.senate.gov/imo/media/doc/10.20.2021%20-%20Chairman%20Casey%20to%20Andrew%20Witty%20re%20UnitedHealth%20Reimbursement%20for%20COVID-19%20Vaccines.pdf>.

¹⁷ *Supra*, note 3, End User Agreement.

- b. Please provide the number of applications that Papa has received for independent service provider positions for each of the last three calendar years. Please also provide the number of applications that were denied based on findings from Papa's background and motor vehicle record checks for each of the last three calendar years. Please also provide the number of independent service providers who were dismissed for cause in each of the last three calendar years.
 - c. Please provide all policies, guidance and procedures used in Papa's background and motor vehicle record checks process.
 - d. How many full-time equivalent (FTE) employees are responsible for conducting Papa's background and motor vehicle record checks process? How many of these FTEs work solely on background and motor vehicle record checks? Please describe the training that Papa provides these employees to conduct their vetting work.
 - e. Papa reportedly sought an evaluation of its vetting processes. Please provide a copy of that evaluation and describe the steps the company has taken to address any problems or recommendations that the evaluation identified.
3. Please provide a copy of every complaint that Papa has received so far in 2023 from clients and independent service providers. Please also provide an Excel document that provides for each complaint (a) the date each complaint was filed, (b) the city and state where the complaint originated, (c) the type of plan (e.g., Medicare Advantage, Medicaid, private pay) that paid for the service, (d) whether the complaint was submitted by a client or provider, and (e) the type of complaint (e.g. theft, harassment, abuse, etc.). In addition, for each of the last three calendar years, please provide aggregate data regarding the number of complaints Papa has received from clients and providers; please categorize these complaints by type.
4. What mandatory training does Papa require independent service providers to perform before interacting with a client? Specifically, how does Papa train providers to comply with medical privacy laws, including but not limited to the Health Information Portability and Accountability Act of 1996 and the Health Information Technology for Economic and Clinical Health? How does Papa evaluate the competency of its independent service providers to render services, including their ability to maintain adequate client privacy?
5. Given that Papa was reportedly aware of the dangers of sharing direct contact information between clients and contractors in 2019, please describe the company's plans to anonymize phone numbers in the future. In addition, please provide the company's policy of how it responds to instances of user complaints of harassment

that include misuse of users' phone numbers.

Thank you for your attention to this issue. I appreciate the company's commitment to fully cooperate with this request and intention to be fully transparent. If you or your staff has questions, please contact Peter Gartrell, Chief Investigator for Chairman Casey, at (202) 224-5364.

Sincerely,



Robert P. Casey, Jr.
Chairman
Senate Special Committee on Aging