



of Wisconsin Disability Organizations

101 East Wilson Street, Room 219, Madison, Wisconsin 53703
Voice: 608/266-7826 Fax: 608/267-3906

LONG TERM CARE WORKFORCE BUDGET PRIORITIES

STATEMENT

Direct-care workers, otherwise referred to as personal care aides; home health aides, nursing aides, orderlies and attendants, are the backbone of the community long term care system. This workforce now constitutes the largest occupational grouping in the state. Totalling nearly 90,000, the number of direct-care workers exceeds the state's core manufacturing employment (metal and plastic workers and machinists), RNs and LPNs, and teachers from kindergarten through high school.

In addition, direct-care workers have assumed a pivotal role in Wisconsin's health care workforce, accounting for nearly a third of the state's health care workforce and far outnumbering doctors, nurses, and other health care occupations. A strong long term care workforce aligns with the overall sustainability initiatives currently being pursued by the Department of Health Services.

BACKGROUND

Home health aides and personal care aides are projected to be the fastest and third fastest-growing occupations in the state through 2018, increasing by 38% and 34%, respectively.

Professional Healthcare Institute (PHI) and other nationally recognized workforce experts report at least 40 percent of direct-care workers in Wisconsin and surrounding states rely on some form of public assistance such as food stamps or Medicaid. The estimated fiscal cost of providing these benefits in 2009 was upwards of \$180 million. The current funding available in the long term care industry make it fiscally impossible for service providers to provide employer sponsored health care to this workforce. Thus many workers are relying on Badger Care and other publicly funded programs.

At the same time, low wages hamper direct care worker recruitment and retention. Wisconsin's booming demand for direct care workers cannot be met without making these jobs more competitive so that they attract enough qualified workers, especially at a time when the state has set goals to offer more long-term supports and services options to elders, their families, and persons living with disabilities.

Careful increases of public and private investment can help re-shape the structure and quality of these vital occupations so that they can reflect the importance of this work and these jobs to Wisconsin families and communities.

Notation: Information in this paper was generated using the PHI State Facts: Wisconsin's Direct-Care Workforce fact sheet, issued by PHI in December 2011. More information is available at <http://phinational.org/policy/states/wisconsin>

RECOMMENDATIONS

- Increase the Medicaid reimbursement rate for personal care. Current reimbursement rates are on average 15% below actual provider costs related to worker wages and benefits, which directly impacts providers' ability to provide fair wages and benefits for direct care workers. The industry's last reimbursement rate increase was 1.5% in 2008.
- Increase investments in the community-based direct care worker through Department of Workforce Development employment and training initiatives, such as the Wisconsin Fast Forward Grants. Specifically address education and training initiatives to increase the professionalism of the workforce and increase the representation of the long term care workforce on workforce development councils or other venues in which policy decisions are made.
- Address the unintended consequence of the Affordable Care Act (ACA) on home care providers. Providers who are primarily funded by Medicaid are expected to comply with the requirement to provide health insurance to fulltime employees by 2016. The current Medicaid reimbursement rate structure will not cover the expense incurred by providers to comply with the ACA requirement and could result in a reduction of the long term care workforce and compromise the continuity of care for people with disabilities who rely on these services.

Contact Survival Coalition Co-Chairs for additional information

Maureen Ryan
Wisconsin Coalition of
Independent Living Centers, Inc.
608-444-3842
moryan@charter.net

Beth Swedeen
Wisconsin Board for People with
Developmental Disabilities
(608) 266-1166
beth.swedeen@wisconsin.gov

Kristin M. Kerschensteiner
Disability Rights Wisconsin
608-267-0214
kitk@drwi.org