



of Wisconsin Disability Organizations

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## **LONG TERM CARE WORKFORCE**

### **STATEMENT**

The direct care workforce will face serious challenges over the next decade with demand for direct care workers set to increase dramatically while the field continues to struggle with worker shortages and high turnover rates. Survival Coalition supports policies that strengthen the direct care workforce while maintaining quality, affordable care for individuals with disabilities.

### **BACKGROUND**

In its *Olmstead* decision, the U.S. Supreme Court ruled that individuals with disabilities have a right to live in the community. Many people with disabilities, as well as the elderly, rely on direct care workers, such as Certified Nursing Assistants, Personal Care Workers and Home Health Aides, to live independently and in the setting of their choice. Every day, direct care workers assist hundreds of thousands of people with activities of daily living such as getting out of bed, eating, and bathing, among other important functions.

The direct care workforce now constitutes the largest occupational grouping in the state, totaling nearly 90,000 workers. Furthermore, 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 percent and 34 percent, respectively.

However, people with disabilities struggle to find and retain quality direct care workers due to the high turnover rate within the profession, which is largely the result of low wages and a lack of benefits. 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. Many direct care workers must work more than one job just to make ends meet or eventually leave the profession for better-paying jobs.

Direct Care Provider Agencies are currently reimbursed by the state through Medicaid at a rate of \$16.08 per hour, which makes it nearly impossible for them to provide adequate wages to their workers and meet the other costs of doing business in the state. Current Medicaid reimbursement rates are, on average, 15% below actual provider costs related to worker wages and benefits. The Medicaid Personal Care reimbursement rate has only increased by \$0.24 over the past 10 years, and there have been no rate increases since July 1, 2008. These issues will be compounded when the Affordable Care Act's employer mandate goes into effect in 2015.

Wisconsin's booming demand for direct-care workers cannot be met without making these jobs more competitive and attractive to potential direct care 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 injection 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 Medicaid Personal Care (MAPC) reimbursement rates to specifically address direct-care worker salaries and benefits and provider costs associated with the Affordable Care Act's employer mandate.
- Increase investments in the community-based direct care workforce through the Department of Workforce Development's employment and training initiatives. Examples being: fiscal support of education and training opportunities meant to increase the professionalism of the workforce, and increased representation of the direct care workforce on councils or in other venues in which policy decisions are made.
- Support efforts to enhance the recruitment, retention and access to a competent direct care workforce. This should include attention to efforts related to the impact of Affordable Health Care Act on the workforce as well as public awareness initiatives to promote "caregiving as a career."

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### Contact Survival Coalition Co-Chairs for additional information

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