



DATE: 5-23-17

TO: Co-Chairs Darling and Nygren and Joint Finance Committee Members
FROM: Wisconsin Long Term Care Stakeholder Organizations

RE: Support for a 15% Increase to the Personal Care Rate

We, the 18 undersigned Wisconsin long-term care stakeholder organizations, are writing to ask that you make a motion to increase the personal care rate by 15% when the Joint Finance Committee votes on Legislative Fiscal Bureau Paper #325 on May 25, 2017.

Wisconsin is currently experiencing a crisis-level shortage of direct care workers that is leaving families without options and people with disabilities and older adults without needed care. Personal care workers help people get out of bed, use the bathroom, get dressed, prepare meals, travel to and from work or school and complete other activities necessary for daily living.

More than 85% of Wisconsinites who rely on direct care workers for some or all of their support needs say they cannot find enough workers. As a result, people with disabilities and older adults are going without needed assistance—putting them in danger of serious illness, harm and a loss of independence.

We have heard from people who have been left in their wheelchair overnight or in their bed all day because there were no workers available. Families, concerned about the health and safety of their loved ones, are thinking about quitting their jobs to become full-time caregivers or moving their family member into a nursing home or institutional setting, which are also struggling to find care workers.

Wisconsin has long been a national leader in supporting people with disabilities and older adults in the community instead of institutions, but the workforce crisis threatens to undo this progress. The community is not only where people prefer to live, it is also the most cost-effective setting for taxpayers. The Department of Health Services' Community Relocation Initiative found that moving people from nursing facilities to the community reduced costs by 26%. Yet people across the state are now being forced to choose between living in the community without the necessary supports or moving to a nursing home or institution.

The direct care workforce crisis is being driven by high worker turnover rates and growing job vacancies. Personal care agencies cannot keep up with the increased costs of doing business and pay workers a competitive wage with the current reimbursement rate, which has not had an

adequate increase in over 14 years. Provider agencies, struggling to keep their doors open, are reporting turnover rates as high as 67% because they cannot increase workers' wages. Unable to make ends meet, many workers leave direct care jobs for better-paying work at fast food restaurants or gas stations.

Legislative Fiscal Bureau Paper #325 states that "demand for personal care workers will exceed 80,000 workers by 2024, representing an annual growth rate of approximately 2.5%." If turnover rates remain at current levels and jobs continue to go unfilled, the number of people living without assistance will only grow.

Wisconsin must take action now to address the direct care workforce crisis so that it can continue to keep its community promise.

Please support a 15% increase to the personal care rate in LFB Paper #325 because there's no place like HOME.

Sincerely,

AARP-Wisconsin

The Arc Wisconsin

Disability Rights Wisconsin

Family Voices of Wisconsin

Greater Wisconsin Agency on Aging Resources

KPI, Inc. Home Health Care Services

League of Women Voters of Wisconsin

Lori Knapp Companies

Milwaukee County Department on Aging

Save IRIS

Smart Choice Personal Care

Survival Coalition of Wisconsin Disability Organizations

Wisconsin Aging Advocacy Network

Wisconsin Board for People with Developmental Disabilities

Wisconsin Council of Churches

Wisconsin Family Ties

Wisconsin Long Term Care Coalition

Wisconsin Personal Services Association