

Core Member Organizations

- Aging and Disability Professionals Association of Wisconsin (ADPAW)
- Alzheimer's Association SE Wisconsin Chapter
- Wisconsin Adult Day Services Association (WADSA)
- Wisconsin Association of Area Agencies on Aging (W4A)
- Wisconsin Association of Benefit Specialists (WABS)
- Wisconsin Association of Nutrition Directors (WAND)
- Wisconsin Association of Senior Centers (WASC)
- Wisconsin Institute for Healthy Aging (WIHA)
- Wisconsin Senior Corps Association (WISCA)
- Wisconsin Tribal Aging Unit Association

The Wisconsin Aging Advocacy Network is a collaborative group of individuals and associations working with and for Wisconsin's older adults to shape public policy to improve their quality of life.

WAAN State Issue Brief
April 2019

Direct Care Workforce:

Strengthen the workforce to ensure sufficient quality staff to meet our long-term care needs.

WAAN's Position: Strengthen the direct care workforce by increasing Medicaid provider reimbursements to raise wages, expanding affordable health care coverage and paid family and medical leave, and developing and funding a community-based counterpart to the WisCaregiver Careers program for community-based workers.

Who will care for us?

Wisconsin is experiencing a crisis-level shortage of direct care workers (DCWs), leaving older adults and people with disabilities without needed care and families without care options. DCWs help us get out of bed, use the bathroom, get dressed, prepare and eat meals, and other activities necessary for daily living. These workers make it possible for all of us, despite functional limitations, to lead safe and healthy lives in the community, receive needed rehabilitation and recuperative care so we can return home, and/or receive the support and services needed to maintain maximum independence and quality of life in a residential facility.



1. Increase Medicaid provider reimbursements

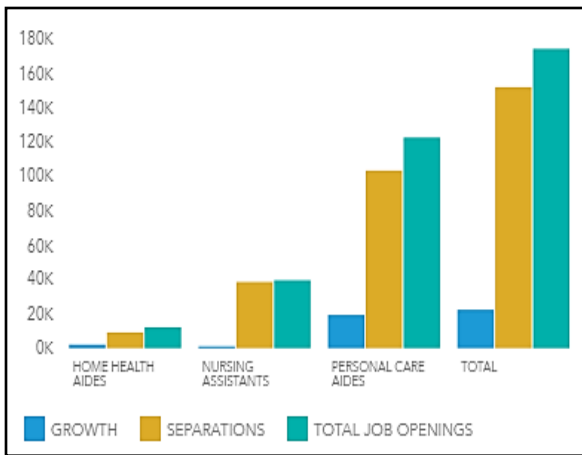
In order to achieve an average DCW wage of \$15/hour (median hourly wage for homecare workers [2017] - including personal care workers and home health aides is \$10.47)¹:

- Increase the Medicaid Personal Care (MAPC) agency rate to \$23/hour,
- Fix the Family Care Managed Care Organization (MCO) funding formula to adequately cover service costs and provide competitive wages and benefits within the provider network, and
- Increase Medicaid reimbursement for long-term and residential care providers.

2. Expand affordable health care coverage and paid family and medical leave

Employer sponsored health care coverage is not available to many DCWs. When it is available, the premiums and other associated costs are often unaffordable. Due to low wages and limited hours (nearly 75% of Wis. home care workers work part-time), the median annual income of these workers is approximately \$12,600 (2017)².

- Create a Medicaid Buy-in waiver for DCWs and family caregivers. The waiver will allow those individuals to purchase health insurance on an income-based sliding fee scale. Higher income and asset limits (300% FPL



Direct Care Workforce Employment Growth 2016-2026, Wisconsin⁴



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and \$15,000 respectively) will provide DCWs an opportunity to contribute more caregiving hours and earn and save more without losing their health insurance coverage. The waiver will provide affordable health insurance coverage to family caregivers so they can continue to provide essential care to their loved ones.

In Wisconsin, unpaid leave under the federal Family and Medical Leave Act (FMLA) is inaccessible to 63% of working people.³ DCWs in the long-term care system often do not have access to paid leave and are forced to choose between losing income or reporting to work sick while providing care to others.

b) Create an employee-funded state insurance fund to provide wage replacement for workers who take a qualifying leave to care for a new child, care for themselves, or provide care to a family member. This will allow DCWs to continue to earn a portion of their wages while on a qualified leave. This proposal is similar to legislation introduced in 2017-18 (SB 215/AB 286) with the addition of in-laws to the definition of "family."

3. Develop and fund training reimbursements for community-based workers

The WisCaregiver Career program launched in spring 2018 by the Wis. Dept. of Health Services has seen early success in recruitment and retention of nursing home caregivers. **We propose creating a similar GPR-funded training reimbursement program to include community DCWs and recommend an appropriation of \$2 million per year to enable this expansion.**

With increased longevity and a growing older adult population, the need for DCWs is expected to continue to rise. The direct care workforce is the fastest growing occupation in the country. The Bureau of Labor Statistics (BLS) projects nearly 8 million job openings for direct care workers from 2016 - 2026 to replace workers who leave and to fill new positions to meet the growing demand. **Wisconsin is projected to need over 22,500 new direct care workers by 2026 (21% increase).** This increase, combined with openings created by job separations (turnover, retirement, etc.), brings the total projected number of DCW job openings in Wisconsin to nearly 174,000 by 2026.⁴

Despite the essential role DCWs play, there are not enough DCWs to meet the current needs of those served by any of the long-term care programs - Medicaid personal care, Family Care programs, IRIS program, or nursing homes. Those covered by insurance or paying privately for services are also affected. According to the Wisconsin Personal Services Association (WPSA), 83% of their agencies have difficulty filling job openings, over 90% of the agencies had to turn away clients due to worker shortages and minimum hour requirements, and 33% of the agencies have turnover rates above 50%. In recent years, an estimated 60 Wisconsin personal care agencies closed or downsized.⁵ A 2018 survey of 756 Wisconsin long-term and residential care providers revealed an average caregiver vacancy rate of 19% (with 20% of providers experiencing vacancy rates of 30% or higher) and 25% have been forced to deny admissions due to a lack of caregivers (DCWs). Over 50% of the providers reported no applicants and 83% reported no qualified applicants for caregiver openings.⁶

Action must be taken now to address recruitment of new workers and improve worker retention to ensure a quality direct care workforce to meet our long-term care needs. These recommendations help move us in the right direction. The direct care workforce shortage affects all of us and it can and must be fixed.

Direct Care Workforce:

References

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4. PHI. "Workforce Data Center." Last modified December 17, 2018. <https://phinational.org/policy-research/workforce-data-center/#states=55&var=Employment+Projections>.
5. Wisconsin Personal Services Association, Inc., WPSA 2018-19 Legislative Priorities, <https://static1.squarespace.com/static/5af1fcb25bf0239ef4c73f7/t/5b632ba82b6a28178680df3f/1533225897388/WPSA+2018+Legislative+Priorities.pdf>
6. Wisconsin Health Care Association/Wisconsin Center for Assisted Living (WHCA/WICAL), [The Long-Term Care Workforce Crisis: A 2018 Report](#).



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