



The 5% CAMPAIGN

# Legislative Health Care Workforce Commission

November 18, 2015 • Background and Data  
on Home & Community-Based Services

## Services include:

- Four disability waivers: DD, BI, CADI and CAC
- DT&H: Day Training and Habilitation
- ICFs/DD
- Elderly Waiver and Alternative Care
- PCA

## People affected:

- 91,000 people receiving services
- 90,000 workers (most people receiving services require 24 hour staffing)

## Funding facts:

1. \$11.41/hour –average caregiver/direct support professional wage, from 2013 ARRM member survey
2. Turnover rates vary among the services. 40% to 50% is typical
3. Rates – and thus wages – lag behind inflation:
  - In the DD waiver since FY 2006 the cost of living increased 23.3% while rates rose only 10.4%
  - 78% of rate revenue goes to employee compensation – ARRM survey
4. New unfunded costs that impact ability to compensate workforce:
  - a. Minimum wage increases (for sleep-time staff): \$17.9 million cost in 2015
  - b. Meeting Affordable Care Act requirements
  - c. Implementation of new positive supports directives
  - d. Overtime/exempt worker definition from the U.S. Dept. of Labor
5. DWRS (Disability Waiver Rate System) costs that aren't fully addressed in current methodology:
  - a. Workers' compensation
  - b. Day and residential transportation costs
  - c. Full funding for Independent Living Services (ILS) when banding protection ends
  - d. Olmstead implementation

## Critical compounding factors:

- Caregivers typically work long hours in two to three jobs to support their families.
- As the economy improves caregivers increasingly opt for better paying jobs in other industries.
- As we move to increasing person-centered services the job requires an increasing level of professionalism to support people with increasingly independent lives.
- Many innovations are being developed, but they all hinge on a consistent, highly skilled workforce.
- The essence of all we do comes down to human beings caring for human beings.