



# Wisconsin Personal Services Association, Inc.

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FOR IMMEDIATE RELEASE

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## **Governor Walker Approves First Personal Care Rate Increase in a Decade, Additional Investments Needed**

The Wisconsin Personal Services Association (WPSA) thanks Governor Walker for signing the first personal care rate increase in nearly 10 years into law Thursday as part of the 2017-19 state budget. Personal care rates, which help support wages for personal care workers who provide home care services to older adults and people with disabilities, will increase by 2% per year in Governor Walker's budget.

"We applaud Governor Walker for acknowledging the seriousness of Wisconsin's direct care workforce crisis," said WPSA President Darci Knapp. "We hope to work with him on developing additional solutions to the crisis and putting personal care rates on a sustainable path."

Wisconsin is currently experiencing a crisis-level shortage of personal care workers that is leaving families without options and people with disabilities and older adults without needed care. 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 to meet their needs, and roughly 60 personal care agencies have closed or downsized in recent years.

One of the biggest contributing factors to the workforce crisis is that state funding for personal care has not kept pace with inflation or demand. The cost for agencies to provide care is currently \$2.50 above the hourly rate of \$16.08. This rate has only increased by \$0.24 over the past 14 years. The Governor's budget provides for a \$0.65 hourly increase by the end of the biennium.

"We appreciate the investment the Governor and the Legislature make in this budget to help address the direct care workforce crisis, but more work needs to be done to end the crisis," said WPSA Legislative Co-Chair Todd Costello. "Agencies will continue to struggle to meet the rising cost of doing business and to retain a quality workforce without the necessary resources to provide adequate training and competitive wages that truly recognize the demanding nature of home care work."

Consistent funding and workforce development initiatives are needed to ensure the provision of high-quality personal care services. Demand is set to increase dramatically as Wisconsin's population ages and Family Care/IRIS become available statewide.

The personal care program is cost-effective and essential to supporting people with disabilities and older adults in the community. If personal care services are not

available, many people will be forced to turn to more expensive institutional care, such as nursing homes or institutions, which pose a significant cost to state taxpayers.

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