



**FOR IMMEDIATE RELEASE**  
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### **Wisconsin Assisted Living Association (WALA) Commends Wisconsin Governor Evers**

Governor & Legislature Seek to Address Long-Term Caregiver Shortage Crisis

*“On behalf of the 1,500 members of the Wisconsin Assisted Living Association (WALA), we are truly grateful of Governor Evers’ actions today on the state biennial budget,” stated Michael Pochowski, CEO. “The Governor has signed into law the budget provision that the state legislature added on to more than double the investment in Wisconsin’s long-term caregivers – the most important factor in providing quality care. We very much appreciate the support from Governor Evers, members of the Joint Committee on Finance, Assembly and Senate leadership, and the many state legislators who made this happen.”*

**Legislative Fiscal Bureau  
Comparative Summary of Budget - Governor & Joint Committee on Finance  
Page 231: Health Services – Medical Assistance: Family Care Direct Care Reimbursement**

The Family Care Direct Care Reimbursement initiative funds increases for the direct care and services component of the Family Care program capitation rates to provide much needed wage increases for long-term care caregivers. Family Care is a state Medicaid waiver program that provides and pays for long-term care services for Wisconsin’s most vulnerable populations of frail elderly and individuals with disabilities. This action will target critically needed increases to address the long-term care workforce crisis.

Family Care is a long-term care program that helps frail elders and adults with disabilities. As of March 1, 2019, there were nearly 50,000 individuals who rely on Family Care for care and services.  
(<https://www.dhs.wisconsin.gov/publications/p02370-19mar.pdf>)

### **About the Wisconsin Assisted Living Association (WALA)**

WALA – Wisconsin Assisted Living Association is the premier statewide association for Wisconsin’s assisted living industry. WALA represents the majority of Wisconsin’s assisted living providers and their residents, with over 1,500 members. WALA promotes standards of quality care and provides valuable member services to organizations providing assisted living services. WALA leads the profession with educational programs, professional products and tools, and other member quality resources.

Wisconsin Assisted Living Association's mission is to support providers in enhancing the best quality of life for residents in assisted living in Wisconsin through advocacy, education, communication, and quality initiatives.

## Background

Family Care is a long-term care program that helps frail elders and adults with disabilities. As of March 1, 2019, there were nearly 50,000 individuals who rely on Family Care for care and services.

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Wisconsin continues to face a crisis in the shortage of available frontline caregivers. This serious shortage directly impacts all Wisconsin care and service organizations serving Family Care members. Some of the factors causing this serious shortage are:

- Wisconsin continues to experience high levels of caregiver vacancy rates in long-term care programs: average caregiver vacancy rates are 19%, with 1 in 5 providers experiencing vacancy rates of 30% and higher. There are an estimated 16,500 vacant caregiver positions in Wisconsin assisted living and nursing facilities.
- On average, nearly 80% of a long-term care provider's operating budget is focused on workforce expenses. Providers have limited options to absorb reimbursement reductions and/or the lack of reimbursement increases.
- While providers are thankful for the Direct Care Workforce funding increases included in the 2017- 19 state budget, those increases do not offset the rate cuts or freezes that providers have experienced over the past five years. According to findings of a survey of Wisconsin providers, 95.3% of respondents reported receiving either Family Care rate freezes (84%) and/or cuts (11.3%) over the past five years. A 2018 survey of long-term care providers confirmed our members' plight and provided a sense of how grave the caregiver worker crisis is. The report found that the **workforce crisis has worsened** since a similar survey was conducted in 2016. *The Long-Term Care Workforce Crisis: A 2018 Report* included the following key findings:
  - Approximately 91,000 Wisconsin residents live in 4,440 long-term care facilities. Residents living in these facilities rely on an estimated 84,000 caregivers. The number of Wisconsin residents living in long-term care facilities has grown 23% in the past 15 years.
  - In addition to finding that facility vacancy rates have reached 19% and there are more than 16,500 vacant caregiver positions, the same report found that 1 in 7 respondents said their employees had to go on BadgerCare Plus, the state's Medicaid health insurance program for low-income persons.
  - Wisconsin's providers are facing major problems finding applicants and qualified caregivers: more than 50% of providers felt they were unable to compete with other employers; 54% had no applicants for vacant caregiver positions; 83% said there were no qualified applicants for caregiver openings; and 25% have been forced to deny admissions due to the lack of caregivers. The crisis is not a few years away – it is here... now. Current caregivers are feeling the brunt – with overtime, stagnant wages, benefits reductions, and greater burnout. We hear too often from our provider members that many are having to take drastic actions of accepting fewer residents, suspending admissions or closing facilities and programs because they cannot find the caregivers to provide the hands-on care.