



## For Your Action

### Joint Finance Committee Begins Voting on State Budget Items in May

**Contact Your Legislators and Members of the Joint Finance Committee Today and Let Them Know That Wisconsin's Family Care Providers are Seeking Their Continued Commitment to Investing in the Long-Term Care Workforce!**

Wisconsin's long-term care (LTC) provider community is asking the Legislature to invest **\$61.7 million GPR in the 2019-21 biennial budget** for a fixed amount increase to direct care and services for Family Care Managed Care Organizations (MCOs). We ask that these funds be allocated directly to care and service providers to allow them to increase caregiver wages.

To reflect the state's continuing commitment to the Family Care program, the \$61.7 million would build on the direct care workforce funding provided in the last state budget.

#### WHAT TO DO:

We encourage members to contact your [legislator](#) and/or [JFC member](#) ASAP and ask for their support for additional LTC funding in the state budget.

To contact your legislator, you can call **1-800-362-9472** or you can find your legislator's email address by visiting the LeadingAge Wisconsin Public Policy page at [www.leadingagewi.org/public-policy/elected-officials-contacts](http://www.leadingagewi.org/public-policy/elected-officials-contacts)

#### THE REQUEST:

LeadingAge Wisconsin members along with the state's three other long-term care associations URGE the Joint Finance Committee members and the full Legislature to **invest \$61.7 million GPR in the 2019-21 biennial budget to support the direct care and services component of the Family Care program** – which targets much needed wage increases to address the long-term care workforce crisis.



## **Recruit, Retain, Reform: Addressing the Long-Term Care Workforce Crisis**

### **Budget Request for Wisconsin's Family Care Long-Term Care Providers**

Family Care is a long-term care program which serves frail elders and adults with disabilities. With the expansion of Family Care into Dane County in early 2018, there was a total of 47,586 Family Care enrollees in the Family Care Program as of April 1, 2018.<sup>1</sup>

**Wisconsin's Family Care providers thank Wisconsin policymakers for their continued commitment to investing in the long-term care workforce.** As you know, Wisconsin continues to face a crisis in the shortage of available frontline caregivers, with 1 in 5 caregiver staff positions remaining vacant.<sup>2</sup> 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.<sup>3</sup>

### **The Solution**

**REQUEST:** To address these alarming facts, Wisconsin's long-term care provider community is asking the Legislature to invest **\$61.7 million GPR in the 2019-21 biennial budget** for a fixed-amount increase to *direct care and services* for Family Care managed care organizations (MCOs). We ask that these funds be allocated directly to care and service providers which will allow providers to increase caregiver wages. **To reflect the state's continuing commitment to the Family Care program, the \$61.7 million GPR would build on the direct care workforce funding provided in the last budget that we are asking to be included in the base of 2019-21 biennial budget.** The portion of the MCOs' monthly capitation rate would be increased by an estimated \$81.93 per enrollee and would require MCOs to increase reimbursement payments for all home and community-based care and service providers within the Family Care program by, on average, 3% in each year of the 2019-21 biennium. This investment should not be funded by reallocating dollars that would otherwise be available to Medicaid/Family Care LTC providers.

<sup>1</sup> <https://www.dhs.wisconsin.gov/familycare/reports/enrollmentdata.pdf>

<sup>2</sup> The Long-Term Care Workforce Crisis: a 2018 Report

<sup>3</sup> Survey Findings, Joint Association Provider Survey, 2015