

POSITION STATEMENT: Increased Wages for Direct Care Workers

- **Direct care workers provide crucial personal care services and/or community living supports to people with disabilities in both licensed and non-licensed residential settings. These services and supports enable people with disabilities to work, attend school and fully engage with their communities.**
- **Direct care workers receive wages which are clearly inadequate. Based upon recent survey data, their average starting wage state-wide is \$10.46 per hour. By comparison, retail companies and fast-food restaurants generally offer a starting wage of \$11-\$14 per hour.**
- **As a result of low-pay, often coupled with a lack of benefits, a staffing crisis exists, which prevents people with disabilities from living the lives they envision.**
- **This is both an economic and a moral issue.**

In 2016, a report produced by a Michigan Department of Health and Human Services (MDHHS) workgroup, the Section 1009 Report, detailed the recruitment and retention challenges pertaining to direct care service workers and it included the following:

“The Michigan Legislature and Governor need to make additional investments into all the named Medicaid Covered supports and services to assure that: Direct support staff earn a starting wage of at least \$2.00 per hour above the state’s minimum wage. These investments and the starting wage rate should increase as the state’s minimum wage increases.”

The Michigan Legislature passed the minimum wage proposal on September 5, 2018. As a result, the state’s minimum wage will increase to \$10.00 per hour in March 2019 unless further legislative action is taken prior to that date. We ask the legislature to provide additional Medicaid funding such that MDHHS can set Medicaid payment and reimbursement rates which would maintain a starting wage of at least \$2.00 per hour above the \$10.00 per hour figure.

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