

Michigan's Direct Care Crisis

Direct Care Workers:



Up to **45,000** direct care workers support over **100,000** people with developmental and/or mental health disabilities in Michigan.



Must have complex skills and knowledge. Not a low-skill job!



Help people develop skills for employment and independent living, respond to behavioral crises, and provide personal care.

Hard Work, Low Pay



A 2016 report to the MI legislature urged a starting wage of at least \$2/hr above minimum wage (currently \$9.65/hr) to address high turnover and vacancies in the direct care workforce.



Employers cannot pay direct care workers more to compete in a tight labor market. Wages depend on Medicaid funding set by the legislature and managed by MDHHS.



Direct care worker wages lag behind similar jobs. The 2018 average wage for direct care workers in Michigan was **\$11.82/hr**, compared to **\$14.49/hr** for nursing assistants.

Now Hiring



In 2019, provider agencies in Michigan reported a **37.1%** turnover rate.



Providers estimate that new staff need **75-120 hours** of initial training. Money that should be spent on care is instead spent training a revolving door of new hires.



People with developmental and/or mental health disabilities need direct care workers they know and trust. Workforce stability is vital for **health, safety, and quality of life**.

Action Needed!!



Increasing direct care worker wages by **\$1/hr** will raise the average starting wage to \$11.70/hr, in line with the 2016 report.



The increase will require a State General Fund appropriation of approximately \$43.3 million, which will generate federal Medicaid matching funds for a total of \$130 million.



It is vital that the legislature work with MDHHS to ensure the funds translate to higher pay for direct care workers.

Sources: Workgroup on the Direct Support Workforce (2016). *Section 1009 Report: Recruitment and Retention Challenges Delivering the Most Frequently Used Supports and Services*.

Incompass Michigan and Michigan Assisted Living Association (June 2019). *Workforce Survey Report*.

United States Department of Labor, Bureau of Labor Statistics. (2018). Occupational Employment Statistics.