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Joint Finance Committee Takes Important Step to Address the Workforce Crisis, but More Work Needs to Be Done

The Wisconsin Personal Services Association (WPSA) -- the longest standing professional organization for personal care and other home care providers in Wisconsin—thanks the Joint Finance Committee for approving a 2% per year increase to the personal care reimbursement rate. This is the first increase to personal care in nearly 10 years.

“The reimbursement rate for personal care services has only increased by \$0.24 over the past 14 years, and there have been no rate increases since 2008,” said WPSA President Darci Knapp. “The 2% per year increase approved by the Joint Finance Committee today is an important first step in addressing the workforce crisis, but additional investments are needed to put 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. Personal care workers help people get out of bed, use the bathroom, get dressed, prepare meals, travel to and from work or school and complete other activities necessary for daily living.

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 approximately 60 personal care agencies have closed or downsized in recent years. Personal care agencies cannot keep up with the increased costs of doing business and pay workers a competitive wage with the current reimbursement rate, which is \$2.50 below the actual cost of providing care.

“We appreciate the investment the Governor and the Joint Finance Committee make in this budget to help address the direct care workforce crisis, but there is more work to be done,” said WPSA Legislative Co-Chair Todd Costello. “Wisconsin must address the direct care workforce crisis to ensure that people with disabilities and complex medical conditions can live safely in the community.”

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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