



Wisconsin Personal Services Association, Inc.

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Proposed State Budget Creates Additional Uncertainty for the Direct Care Workforce

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The Wisconsin Personal Services Association (WPSA) -- the longest standing professional organization for personal care and other home care providers in Wisconsin-- is saddened to learn of GeminiCares's decision to close its doors and layoff over 700 employees due to uncertainty created by the state budget. Unfortunately, stories like this are becoming far too common at a time when demand for direct care workers is set to increase by over 26% between now and 2022.

Thousands of older adults and people with disabilities rely on direct care workers to remain independent. Every day in Wisconsin, direct care workers help our families, friends, and neighbors get dressed, bathe, prepare meals and complete other tasks essential for daily living. Yet the industry is facing significant challenges which threaten the future of this workforce and the people they care for. High turnover, stagnant reimbursement rates and increased regulations make the cost of staying in business and providing care increasingly difficult.

“The reimbursement rate for personal care services has only increased by \$0.24 over the past 10 years, and there have been no rate increases since 2008,” said WPSA Board Member Jean Rumachik. “We have heard from many personal care agencies in the last few months that they are either considering closing or laying off workers due to inadequate state funding.”

The proposed state budget only adds to this uncertainty. Given the drastic changes proposed to Family Care and IRIS in addition to a \$19 million cut to personal care services, many direct care agencies worry that they cannot afford to keep their doors open, jeopardizing thousands of Wisconsin jobs and the care of thousands of vulnerable individuals who need assistance to remain in their own homes.

“Before the state budget was introduced, many agencies were already struggling to stay in business due to the low reimbursement rates,” said WPSA President Amy Weiss. “Now that the entire long-term care system is being dismantled, it is even harder for agencies to justify staying in business when they don’t know what the future holds.”

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