



February 28, 2021.

That's the date on which an essential state appropriation runs out, resulting in a significant pay cut for Michigan's Direct Care Workers.

These Direct Care Workers provide much-needed personal care, training, emotional support and respite to an estimated 100,000 of Michigan residents with mental illness or developmental disabilities.

DCWs have a singular mission: to ensure the people in their care can live their best lives in their own homes and communities, no matter how great the obstacles are.

That is why the Michigan Legislature acted to approve a temporary \$2.00 per hour increase for Direct Care Workers. The temporary increase has been renewed through Feb. 28, 2021, but after that, these workers will essentially receive a **significant reduction in pay.**

This outcome would be disastrous for our state.

Nearly a million Michigan residents rely on the value Direct Care Workers provide. **When there is a mass exodus from the profession on March 1, 2021, however, the consequences for our state as a whole will be unprecedented.**

And every dollar spent on worker replacement is a dollar that's not being allocated to services for people in need of support. **Just when we need them most, our Direct Care Workers are leaving the profession.**

When they're gone, what will happen to the Michigan families who rely on them for essential support? And, taking another step back, what will happen to the employers who rely on those family members for work? This isn't just a personal matter—it's an economic one.

An Immediate Solution is Needed

Direct Care Worker salaries in Michigan's mental health system are directly tied to Medicaid funding, which has historically been lower than needed. Many do not receive any medical or other benefits. The average starting wage for a Direct Care Worker in Michigan is \$11.44 per hour. That's well below the average starting wage at a retail company or fast-food restaurant, which typically offer starting wages of \$12-15 per hour with additional benefits.

Perhaps that is why the turnover rate among Direct Care Workers is a staggering 37 percent and growing.

What Michigan Needs Today

We urge Michigan leaders to sustain this funding, at minimum, and consider other options for providing compensation that reinforces the value of Direct Care Workers and represents a more competitive wage in today's job market.

What Michigan Needs Tomorrow

In addition to providing adequate compensation to Michigan's Direct Care Workers through the state budget, our state's policy leaders can do more to **stabilize and advance the profession** by introducing a Direct Care Worker statute that includes:

- Mandatory spending that is annually earmarked and tied to inflation;
 - A special fund to support direct worker training programs, ongoing professional development and the annual expense of mandated Direct Care Worker certifications;
 - Career pathways that can help workers grow and advance in the profession; and
 - A DCW Commission to support and grow the profession over time.
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How Federal Policy Leaders Can Help

There also is a series of actions Congressional leaders can take to support Michigan's Direct Care Workers. These include:

- Ensure that any new federal COVID-19 relief package contains funding for states to extend the Direct Care Worker premium pay increase;
- Promote a Medicaid funding model that provides sufficient and sustainable support to Michigan's Community Mental Health System; and
- Explore federal legislation, such as the Recognizing the Role of Direct Support Professionals Act (S. 3369), which would require the Office of Management and Budget to revise the Standard Occupational Classification system to establish a separate code for Direct Care Workers.