



Michigan Developmental Disabilities Institute



## Without Direct Care Workers, Michigan’s behavioral health system will collapse. In fact, it’s already beginning to do so.

Today, our entire system of supports for people with mental health challenges and developmental disabilities is anchored in a single assumption: that Direct Care Workers (DCWs) will always be available to help provide services.

Unfortunately, that is no longer the case. **And Michigan families are already facing a state of emergency.** Salaries across Michigan are going up for everyone except DCWs. While previous increases helped, the reality is most DCWs earn on average a starting wage of \$15.20 per hour, according to recent survey findings. **This level of compensation is just too low to keep DCWs on the job, leading to a 42 percent turnover rate in the field.**

Long-term, statewide strategies to support DCWs who provide high-quality, person-centered support are long overdue. To best support this essential workforce and the individuals and families that rely on it, we are seeking the following investments in the state budget:

- 1) **Wage increase:** A \$4/hour increase for Michigan’s 50,000 Direct Care Workers in the behavioral health system in the Fiscal Year 2024 budget.
  - Direct supervisors also must receive wage increases that are commensurate to the compensation of the individuals that report to them.
  - DCWs should receive health care benefits and paid time off, as well as a supportive work environment.
  - Annual cost-of-living increases are required to stabilize the DCW job sector.
  - **Cost Estimate: \$105.6 million from the General Fund in FY 23/24** (includes the wage increase for direct supervisors, which allot for 10% of estimations)
- 2) **Retention Bonuses:** Allocate American Rescue Plan dollars to provide retention bonuses for DCWs and supervisors.
  - These one-time bonuses will incentivize DCWs in this constantly evolving workforce.
  - Were included in the Governor’s Supplemental Request 2022-2 but never adopted by the Legislature.
  - **Cost Estimate: \$188 million for Michigan’s 50,000 DCWs.**

*Note: This coalition also supports an increase in funding for long-term care workers, whose essential services and supports are provided to some of Michigan’s most vulnerable residents.*

**Action is needed NOW. Support Michigan’s Direct Care Workers.**

Updated March 2023