



POSITION STATEMENT

We, the undersigned, are engaged in supporting Michigan residents with mental illnesses and developmental disabilities. These individuals and their families are reliant upon Direct Care Workers (DCWs) for their daily support and independence.

Unfortunately, DCW wages in Michigan’s mental health system are directly tied to Medicaid funding, which has not kept pace with the needs of our state. **As a result, Michigan DCWs bring home very small paychecks, and often have no medical or other benefits.**

Consequently, thousands of DCWs are making a natural decision to leave the profession for jobs that allow them to better support themselves and their families.

This leaves tens of thousands of Michigan residents facing:

- Emergency situations in which care is not available,
- Chronic or extended hospitalizations (we’re talking months, not weeks),
- Reliance on aging parents for ongoing care and, most important of all,
- A loss of the independence they enjoyed when DCWs were available.

The natural outcome of these changes? The continued collapse of Michigan’s behavioral health system, and a worsening state of emergency for families.

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. **This level of compensation is just too low to keep DCWs on the job, leading to a 42 percent turnover rate in the field.**

During the past three years, the Legislature has been working to increase DCW compensation, and we are grateful for its efforts. However, long-term, statewide strategies to support DCWs who provide high-quality, person-centered support are yet overdue. To best support this essential workforce and the individuals and families that rely on it, we are seeking the following state policy changes and investments:

- 1) Boost DCW Compensation:** A \$20/hour starting wage for Michigan’s 50,000 Direct Care Workers in the behavioral health system in the Fiscal Year 2025 state 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: \$110 million from the General Fund in FY 25 (includes the wage increase for direct supervisors, which allot for 10% of estimations)

- 2) Simplify Administration:** Streamline and standardize reporting and documentation requirements, particularly with respect to Electronic Visit Verification and progress notes. This outcome will help the remaining pool of available DCWs to provide supports more effectively, including higher levels of service, rather than unnecessarily spending time on paperwork.
- 3) Partner with Local Economic and Workforce Agencies:** Build better routes to DCW jobs, and use data about the availability of local DCWs as a selling point for communities looking to attract new jobs and employers.
- Build linkages with Michigan Works! agencies statewide as part of an effort to elevate the DCW profession (see next bullet).
 - Seek opportunities to collaborate with economic and business attraction efforts.
- 4) Elevate the DCW Profession:** Work to boost opportunity and growth within the DCW profession by investing in other critical aspects of the field, including:
- Accessible, competency-based training
 - Tiered certification promoting a career pathway
 - Consistent, portable, recognized credentials
 - Professional associations
 - Ethical standards
 - Research and innovation
 - Mentorship and leadership development
 - Advocacy and public awareness
 - Recognition and awards
 - Stakeholder collaboration
 - Diversity and inclusion
 - Continuous improvement

Action is needed NOW. Support Michigan's Direct Care Workers.