



The 5% CAMPAIGN

Committing to Life in the Community for
People with Disabilities & Older Adults

The 5% Campaign is committed to making life in the community the first and best option for people with disabilities and older Minnesotans, as well as their families, workers and our state. A decade of deep cuts and stagnation has produced significant challenges – a 5% increase to community-based services is critical to move Minnesota back on track.

A 5% Increase Improves the Lives of Individuals and Families

- Community-based services provide people with disabilities and older adults an opportunity to be more independent in the community and build strong relationships.
- Community-based services that support people with disabilities to develop strong job skills and gain professional experience provide greater opportunity to gain employment.
- Community-based services allow individuals with disabilities and their families to create the lives they choose.

Community living is a priority for the State of Minnesota. In 2000, 55% of individuals received community-based services and 45% were served in a facility. By 2014, 83% will receive community-based services and 17% will be served in a facility^{III}.

A 5% Increase Values Direct Support Professionals' (DSPs) and Caregivers' Work

- DSPs and Caregivers are the backbone of the field; retaining consistent, trusted staff is crucial to quality care.
- Despite performing such valuable, demanding and crucial work, the average DSP and Caregiver wage is still near the Federal poverty line. DSPs and Caregivers receive poverty pay for professional work.
- DSPs and Caregivers perform many critical roles: counselor, medical and mental health personnel, advocate, translator, chauffer, and many more.

In 2013, the average DSP and Caregiver hourly wage is \$11.55^{VI} and the yearly earnings exceed the Federal Poverty Guideline by only \$500 for a family of four^{VII}. The median wage for these workers decreased 5% from 2002-2012; while inflation increased 28% over the same period^{VIII}.

A 5% Increase Strengthens Minnesota's Economy and State Budget

- DSPs, Caregivers and their employers are significant economic engines in Greater Minnesota; Pay increases for DSPs and Caregivers will support local economies as they are able to purchase more goods in the community.
- Community-based services, as opposed to institutional care, result in long-term cost savings for the state. Further investments in reform and innovation will generate even greater cost savings for Minnesota.
- Supporting people to stay in the community allows individuals to hold jobs, purchase goods, and pay taxes.
- *In 2012, there were roughly 112,620 jobs in Minnesota providing direct care services, the most recent year with complete data^I.*

By utilizing community-based services instead of institutional care, the state saves significant dollars each month: an average of \$1,000 per person on services for people with developmental disabilities; \$24,500+ per person on services for those with high mental health needs; and \$2,600 per person when serving older Minnesotans in their community^I.

A 5% Increase Ensures the Future of Quality Services

- The growing number of people with disabilities and older Minnesotans fuels the demand for quality direct care professionals.
- Low wages lead to higher staff turnover, creating more stress, less stability and lower quality care.
- Stagnant funding limits providers' ability to explore new and innovative ways to support individuals.

The number of people receiving disability services is expected to increase to roughly 83,000 in 2017 – up from just over 41,000 (101 percent) in 2005^{IV}. The number of older Minnesotans receiving services (excluding nursing homes) is expected to exceed 26,000 – up from roughly 18,000 (49 percent) in 2005^V.

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References

ⁱ Calculations based on figures from DHS 2013 End of Session Forecast; DHS Bulletin #13-77-01 State Operated Services Cost of Care Rates as of July 1, 2013

ⁱⁱ MN Department of Employment & Economic Development OES Data, Updated to 2nd Quarter, 2013.

ⁱⁱⁱ DHS End of Session Forecast; Population for home & community include: all waiver programs, alternative care, home health agencies, PDN, PCA, K waiver, and I waiver. Populations for facilities include: nursing facilities, ICF/DD, and RTC/METO.

^{iv} DHS 2013 End of Session forecast document; monthly population totals for the following programs: RTC/METO, DD Waiver, CADI Waiver, CAC Waiver, BI Waiver, ICF/DD, Home Health Agencies, PDN, PCA, K Waiver, I Waiver

^v DHS 2013 End of Session forecast document; monthly population totals for the following programs: EW fee for service, EW managed care, Alternative Care

^{vi} \$11.55 is weighted average wage across 3 job categories [Home Health Aide (SOC 31-1011), Personal & Home Care Aide (SOC 39-9021), and Nursing Assistant (SOC 31-1014); data retrieved from MN Department of Employment & Economic Development OES Data, Updated to 2nd Quarter, 2013

^{vii} Calculation based on average hourly wage multiplied by 2088 hours per year for all direct care workers, and by individual job classification. 2013 FPG for Lower 48 States, retrieved from <http://aspe.hhs.gov/poverty/13poverty.cfm>

^{viii} Wage Data Retrieved from Paraprofessional Healthcare Institute Website:
<http://phinational.org/policy/states/minnesota/>; Inflation Calculation Based on CPI-U Data