



The 5% CAMPAIGN  
Committing to Life in the Community for  
People with Disabilities & Older Adults

# Advocating for a 5% rate increase for Home & Community-Based Services in 2015 and 2016

 5PercentCampaign  @5PercentMN [http://bit.ly/5\\_percent](http://bit.ly/5_percent)

## The Need

- A 5% rate increase for Home and Community-Based Services (HCBS) in 2014 helped address a crisis in Minnesota.
- Looking ahead, funding to support people with disabilities and older adults must continue to be prioritized.
- Even with the recent increase, rates for HCBS are far behind the pace of inflation. Between SFY 2006 and 2015, provider rates that pay for caregiver wages increased only 10.4% while inflation rose 23.3%.<sup>1</sup>
- Past budget cuts, freezes, and economic stagnation have produced significant challenges. These reductions have resulted in high turnover and difficulty retaining consistent, trusted staff - crucial to quality of care.

## Specifics of the proposal

- Bill language includes a 5% rate increase for HCBS and Intermediate Care Facilities for Developmental Disabilities (ICF/DD), effective 2015 and 2016.
- 75% of the new revenue must be used to increase compensation-related costs for employees, and not persons employed in the central office, owners, or persons paid under a management contract.
- Senate— [SF 646](#), chief author Sen. Eken, and clone [SF 647](#). House — [HF 564](#), chief author Rep. Hamilton.

## The Benefits

### Improves the Quality of Life for more than 90,000 Individuals and their Families

- This critical funding will ensure that high quality services for people with disabilities and older adults across the state of Minnesota are available, stable, and sustainable.
- Quality services allow people with disabilities and older adults to live as independently as possible in the community, develop strong job skills, gain professional experience, and find employment opportunities.
- The growing number of individuals with disabilities and older adults in Minnesota is fueling a growing demand for quality care in the community.

### Values Quality Direct Support Professionals (DSPs) and Caregivers

- An increase will provide opportunities to boost wages and benefits for these essential care workers and ensure a more stable, quality work force for older adults and people with disabilities.

### Strengthens Minnesota's Economy and State Budget

- Wage and benefit increases support local economies as DSPs and caregivers remain in their communities, hold jobs, purchase goods and pay taxes.
- An increase will promote stability for service providers, and allow them to continue offering quality care. It will decrease staff turnover that requires significant financial investments in recruitment and training.

*For questions, please contact 5% Campaign Communications Chair Amy Wartick at [awartick@arrm.org](mailto:awartick@arrm.org) or 651-291-1086 x4.*

<sup>1</sup> Calculation based on history of DD rate adjustments, and change in CPI-U aligned to state fiscal year.