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LONG-TERM, RESIDENTIAL CARE PROVIDER ASSOCIATIONS RELEASE SKILLED NURSING, FAMILY CARE FUNDING BUDGET REQUESTS

(MADISON) – Wisconsin’s four long-term and residential care provider associations today issued joint budget requests to address the ongoing long-term care workforce crisis in Wisconsin.

Wisconsin’s long-term care (LTC) providers are in the midst of a workforce shortage crisis that has left skilled nursing and assisted living facilities across the state with fewer frontline caregivers, unfilled staff hours, and an inability to admit new patients or residents. Currently, 1 in 7 caregiver positions remains vacant and 18% of the state’s LTC providers report they have been forced to deny admissions in the past year due to insufficient staffing.¹

The workforce crisis is due in large part to Wisconsin’s nation-worst Medicaid reimbursement system for nursing facilities. Wisconsin nursing facilities experienced a \$331.8 million “Medicaid deficit” in 2014-15. The Medicaid deficit is the difference between the costs facilities incurred caring for their Medicaid residents and the state/federal Medicaid reimbursement they received for providing that care. The average Wisconsin nursing facility in 2014-15 lost \$55.89 per day for each Medicaid resident they served, for an average annual Medicaid loss of more than \$1.1 million.² Insufficient reimbursement results in an inability for LTC providers to compete in the marketplace.

To address the nursing facility workforce crisis, LeadingAge Wisconsin and the Wisconsin Health Care Association/Wisconsin Center for Assisted Living (WHCA/WiCAL) are proposing that the Governor and Legislature invest \$91.2 million GPR in the 2017-19 biennial budget to enable providers to better recruit and retain competent and caring staff.

To address workforce concerns among Family Care providers, the Wisconsin Assisted Living Association (WALA), Residential Services Association of Wisconsin (RSA-WI), WHCA/WiCAL, and LeadingAge Wisconsin are requesting \$40.4 million GPR in the 2017-19 biennial budget.³

LeadingAge Wisconsin and WHCA/WiCAL – provider associations that represent both nursing and assisted living facilities – are promoting both proposals as necessary steps to address the workforce crisis and not only ensure providers are able to continue providing high quality care but also that access to needed services are maintained throughout the state.

“Approving these proposals would be a major step toward alleviating the LTC workforce crisis and ensuring access to needed services,” said John Vander Meer, WHCA/WiCAL Executive Director. “Wisconsin’s frail elderly and persons with a disability deserve the highest quality of care, and this budget request would provide our LTC facilities with the resources needed to continue offering the level of care quality our patients and residents deserve.”

¹ [The Long-Term Care Workforce Crisis: A 2016 Report](#)

² [MA Loss Fact Sheet](#)

³ [2017-19 Medicaid & Family Care Budget Request](#) (Budget Detail)

“This budget request advanced by the LTC provider community presents a significant challenge to the Governor and Legislature,” said John Sauer, President/CEO of LeadingAge Wisconsin. “But that challenge is no greater than the challenges caregivers face every hour of every day to provide high quality and increasingly complex care and services to our state’s most vulnerable citizens.”

WALA and RSA-WI, associations that represent assisted living and residential care facilities across Wisconsin, are promoting the Family Care budget request to help alleviate the workforce crisis among assisted living and residential communities.

“Assisted living facilities are caring for your loved ones - your parents, grandparents, your family,” said Jim Murphy, WALA Executive Director. “More and more of the frail elderly and persons with disabilities we serve rely on Family Care to provide needed funding. The vast majority of our members have experienced reimbursement cuts or flat reimbursement in Family Care, while nearly 80% of our operating budget is focused on workforce. We need to attract quality caregivers to care for the frail elderly and persons with disabilities – it’s hard work and very personal care - and we just can’t compete for responsible and quality employees if they can get paid more for flipping burgers or mowing lawns. Our values as a society and as a state government need to recognize our long-term care providers and caregivers.”

“My association represents the providers caring for persons with cognitive and/or behavioral disabilities, which about 99% rely on state programs like Family Care and Medicaid,” said Dan Drury, Board President of RSA-WI. “So, in essence these programs and our Wisconsin state elected officials determine what we can pay our direct caregivers. Unfortunately, the average direct caregiver for this population is either eligible for or relying on state welfare programs such as food stamps and BadgerCare to feed and care for their own families. This is immoral and outrageous - and if we cannot find quality caregivers, what do you think the outcomes are going to be for this population in the future?”

Wisconsin’s LTC providers remain steadfast in their commitment to providing high quality care to Wisconsin’s elderly and persons with a disability and urge Governor Walker and the Legislature to advance a budget that addresses the LTC workforce crisis and prioritizes the care of our most vulnerable citizens.

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- [See the nursing facility payment reform request here.](#)
- [See the Family Care funding request here.](#)