INVESTING IN A STRONG HUMAN SERVICES WORKFORCE

Every Iowan deserves access to high quality human services. But staffing at human services agencies across the state is at a critical low.

Due to Iowa’s historic low unemployment rate, along with reimbursement rates from the state that have been stagnant for more than five years, human services agencies face extreme challenges in recruiting and retaining qualified workers to provide the care Iowa children, adults, and families need. As a result, many vulnerable neighbors are being forced to go without care or receive substandard care.

Lutheran Services in Iowa (LSI) asks the Iowa legislature to invest in the human services workforce by supporting the following four opportunities:

1. **Direct Support Professionals (DSP) Wage Increase**

   Direct Support Professionals provide care to more than 160,000 Iowans in need of mental health and disability services, often 365 days per year.

   But 99 percent of Iowa disability service providers – including LSI – have devastating DSP vacancies and high turnover due to insufficient employee wages.

   In collaboration with the Iowa Association of Community Providers, we support the request for a 10% rate increase with a 75% pass-through for wages and 25% at the employer discretion to cover benefits and overhead costs.

   A $4/hour increase would raise the average DSP wage by $3/hour.

   — Kristen, a Service Coordinator at LSI’s Beloit Youth Residential Treatment Center in Ames
**Increased Investment in Foster Group Care Services (FGCS)**

FGCS provide temporary residential treatment for children in foster care, who are in Iowa’s DHS and Juvenile Court systems and are unable to receive necessary mental and behavioral healthcare in a home environment.

- **$89** amount per day, per child services statewide are losing
- **$113/day** per diem daily rate
- **$202/day** daily average cost of service

We support an $8.8 million investment, with a rate increase to $195/day in fiscal year 2021 and $218/day by fiscal year 2022. (In collaboration with the Coalition for Family and Children’s Services in Iowa)

**Psychiatric Medical Institute for Children (PMIC) Rate Increase**

Iowa’s PMICs provide critical care for children in need of intensive, out-of-home mental health treatment. But inadequate reimbursement by the Medicaid program is putting PMICs at risk, as the cost to provide this service exceeds the reimbursement rate.

- **$207/day** statewide average current PMIC rate today
- **$247/day** statewide average cost to provide PMIC in the prior fiscal year
- **$275/day** required for PMICs to effectively serve Iowa children

Iowa’s PMIC providers are requesting a $3 million increased investment from the state, which would carry a $4.5 million federal match.

**Sufficient Rates for Family Centered Services (FCS)**

As Iowa moves forward with requirements from the federal Family First Prevention Services Act legislation, we must sufficiently fund the new services designed to keep children safely in their homes through the use of prevention and early intervention programming. This will require a $13.2 million investment to fill two major funding gaps that will otherwise prevent the success of this service.

- **$5.1 million** to accommodate the transportation needed for separated families to maintain healthy relationships as they work on reunification
- **$8.1 million** to provide sufficient wages for an equipped, high-quality workforce capable of providing this challenging service

The creation of a new children’s mental health system is imminent, as is a new child welfare environment under Family First. These services will not be successful if the existing funding and staffing gaps are not swiftly and appropriately addressed.