

NEWS RELEASE

January 28, 2015



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

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Disability/senior coalition disappointed by Governor's budget

Today a coalition of 131 disability, senior, and community organizations expressed disappointment in Governor Dayton's latest budget proposal for failing to include a rate increase for programs that support people with disabilities and older adults in the community.

Even with the 5 percent rate increase Home and Community-Based Services (HCBS) received last session, its funding continues to lag far behind the pace of inflation. "Between 2006-2015 provider rates that pay for caregiver wages increased 10.4% while inflation rose by 23.3%*. Including a rate increase in the state's next budget is the right thing to do. It is a commitment to quality care that will help close the gap", stated Bruce Nelson, CEO of disability association ARRM.

The 5% Campaign maintains that consistent staff with low turnover is the foundation for quality care. Due to past years of underfunding, caregiver wages and benefits remain low, causing high turnover and unfilled positions that continue pose a serious challenge. HCBS funding is determined by state reimbursement rates, so service providers cannot increase caregiver pay unless it is funded by the state.

"With a projected surplus in Minnesota's budget, now is the time to ensure that quality community services for people with disabilities and older adults continue to be available, stable, and sustainable," stated Steve Larson, Senior Policy Director at The Arc of Minnesota. "We look forward to discussions with the Governor about including this critical funding in his supplemental budget."

Home and Community-Based Services ensure quality of life and independence in the community for 93,000 older adults and people with disabilities in Minnesota. The estimated \$170 million rate increase the coalition seeks would be implemented as 5% rate increases in 2015 and 2016, with the bulk of the money going to wage and benefit increases for 91,000 caregivers and staff. Chief authors of the coalition's bills are Sen. Kent Eken (DFL-Twin Valley), and Rep. Rod Hamilton (R – Mountain Lake).

For more information please visit [The 5% Campaign online](#), follow us on Twitter [@5PercentMN](#), and find us on [Facebook](#).

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*Calculations based on DD rate adjustments and change in CPI-U aligned to state fiscal year.