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The Honorable Mary Whiteford, Chair  
House Appropriations Subcommittee on Health and Human Services  
Michigan House of Representatives  
P.O. Box 30114  
Lansing, MI 48909-7541

March 5, 2020

Re: FY 2020-21 MDHHS Budget

Michigan Assisted Living Association (MALA) appreciates the opportunity to provide testimony on the Michigan Department of Health and Human Services (MDHHS) budget for the 2020-21 fiscal year. MALA represents a broad range of organizations providing residential, vocational and other community-based services which are funded through the behavioral health system.

#### **Staffing Crisis**

MALA remains concerned with the staffing crisis in Michigan's behavioral health system. From our perspective, it is the most urgent issue related to the provision of supports and services for persons with disabilities.

MALA participated in conducting a statewide workforce survey last year regarding direct support staff. The survey findings included the following data.

- Average Starting Wage Rate - \$10.70 per hour
- Average Current Wage Rate - \$11.82 per hour
- Average Annual Turnover Rate – 37.1%
- Percentage of Open Positions for Full-Time Direct Support Staff – 13.5%
- Percentage of Open Positions for Part-Time Direct Support Staff – 14.8%

The lack of sufficient Medicaid funding to providers to provide competitive wage levels is the most critical factor related to the staffing crisis. Such instability in the direct support workforce results in a lack of continuity of services and ultimately has an adverse impact on the quality of life for individuals with disabilities.

MALA recognizes that an increase in wage levels is not the only consideration in strengthening the direct support workforce. We are interested in efforts to provide greater recognition to the vital role that direct support staff perform in the behavioral health system.



***The Leader in Advocacy, Education and Resources for Providers***  
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### **Future of the Behavioral Health System**

As MDHHS proceeds with its vision for the behavioral health system, it is important to maximize the uniformity and consistency among the specialty integrated plans (SIPs) which will be developed. In particular, we need to build upon recent efforts by the PIHPs and CMHSPs to increase uniformity and consistency in the contracting process for behavioral health providers. In addition to the concept of integrating behavioral health and physical health services, we need to develop a new system which is also administratively efficient. Future SIP behavioral health provider standards should be uniform and consistent to the greatest extent possible related to contract terms such as credentialing, quality improvement, training and auditing requirements.

We appreciate the strong commitment of the House Appropriations Subcommittee on Health and Human Services to improving Michigan's behavioral health system. Please feel free to contact our organization for more information on the issues identified above.

Sincerely,

Handwritten signature of Robert L. Stein in black ink.

Robert L. Stein  
General Counsel

Handwritten signature of Kathleen M. Murphy in black ink.

Kathleen M. Murphy  
General Counsel

cc: House Appropriations Subcommittee Members



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