

Long-term care workforce: Recruiting and retaining workers

Historic investments in programs and multiple initiatives adopted this year will support Minnesota's long-term care workforce. Rates will go up for an array of services, including waiver services that support over 95,000 older Minnesotans and people with disabilities, personal care assistance services, home care services, and other supportive services. Minnesota will step up efforts to attract people to long-term care careers, particularly those who can provide culturally specific services and serve people in rural or underserved areas. Other measures will make it easier for people with disabilities to join the workforce and obtain competitive, integrated employment. The state will take steps to improve access to care for children and adults with complex disability and behavioral health needs, relieving pressure on hospitals and health systems.

2023 legislation

Addressing the workforce crisis in home and community-based services for older adults. Rates will increase for home and community-based services delivered to about 40,000 older Minnesotans under the Elderly Waiver, Alternative Care and Essential Community Supports programs. The increases will help hundreds of long-term care service providers recruit and retain direct support professionals. The state will also leverage informal support networks by increasing monthly budgets for people using Consumer Directed Community Supports under Elderly Waiver or Alternative Care. Increasing the budgets allowed under this option is a unique way to augment the direct support workforce, while also promoting participants' choice and supporting caregivers to increase the use of in-home services. *FY 2024-25: \$168.6 million; FY 2026-27: \$364.9 million*

Strengthening the caregiver workforce for Minnesotans with disabilities who live in their own homes. Rates will increase for Medical Assistance disability waiver services, personal care assistance, home care nursing, homemaker and autism services for people who live in their own home or a family home. Historic investments for the personal care assistance program will have a life-changing impact on workers and people they support. In addition to rate increases ranging from 21.3% to 26.6%, rates will be individualized to create career ladders based on years of experience. Hourly limits will go up for paid parents and spouses who provide care through Community First Services and Supports and Consumer-Directed Services and Supports. *FY 2024-25: \$341.6 million; FY 2026-27: \$547.9 million*

Bolstering the workforce for disability services. Rate increases for waiver services delivered to people with disabilities will occur sooner and utilizing newer data to ensure that service rates are more reflective of current economic conditions. Ongoing rate increases will occur for intermediate care facilities for people with developmental disabilities (ICF-DD). Rates will also increase for customized living services under the disability waivers. *FY 2024-25: \$133 million; FY 2026-27: \$325.3 million*

Increasing wages and workforce participation for Minnesotans with disabilities. The state authorized funding to support employment capacity-building, more employment training for case managers and a statewide technical assistance center for disability employment. MnCHOICES will add employment resources, and the informed choice process for people with disabilities benefits will add planning assistance. The state will improve

supports for transition-age youth and study employment supports. *FY2024-25: \$7.8 million; FY 2026-27: \$11.1 million*

Attracting workers to expand capacity in rural and underserved communities. Grants to build provider capacity for rural and underserved communities are extended. The program helps entities become a Home and Community Based provider, expand to a new service, or build capacity to increase access to community-based services in rural and underserved areas. Goals include more providers serving rural and underserved communities and more culturally specific providers serving people who share their history, language and cultures and norms. *FY 2024-25: \$18.8 million*

Recruiting and retaining new Americans to long-term care work. A new grant program will focus on recruiting and retaining immigrants, refugees and New Americans to long-term care work. The program will award funds to organizations supporting immigrants, refugees and other individuals born abroad and their children to obtain or maintain employment in the long-term care workforce. Grant recipients will identify people interested in becoming long-term care support professionals and connect them with hiring organizations. They will also provide wrap-around supports to workers to encourage retention, ranging from career counseling and mentoring to assistance with transportation, housing and child care. *FY 2024-25: \$30 million*

Expanding capacity for children and adults with complex behavioral health needs. A statewide advisory council will support collaboration across acute and long-term care systems, including people with lived experience, to assist in implementing a statewide vision for acute care transitions. *FY2024-25: \$350,000*

Supporting critical access nursing. Rural nursing facilities designated as critical access facilities will receive supplemental payments, preserving access to nursing care within reasonable distances for rural Minnesotans. A restructured program for nursing facilities, designated facilities will receive a temporary, supplemental payment above a nursing facility's operating payment rate for purposes of maintaining access to nursing facility services in geographically isolated areas of the state. *FY 2024-25: \$1.9 million; FY 2026-27: \$2 million*

Offering loans to financially distressed nursing facilities. The state will establish a competitive loan program for financially distressed nursing facilities to apply for interest-free operating loans. Facilities may determine a repayment plan of up to six years. The application process will be open at least once a year. The program requires applicants demonstrate financial distress and allows for third-party administration of loans. It also allows for audits of the loans. *FY 2024-25: \$100 million*

Investing in adult protection services. Initial investments in a multi-year redesign will help update Minnesota's adult protection law, which protects approximately 55,000 vulnerable adults. Changes will improve statewide service consistency and equity in outcomes by providing resources for over 32,000 older adults and adults with disabilities who are referred to county agencies for protective services. For the first time, the state will fund Tribal adult protection programs so that adult members of Tribal Nations who experience maltreatment receive culturally appropriate assessments and service supports. *FY 2024-25: \$23.1 million; FY 2026-27: \$7.6 million*

Supporting the Workforce Incentive Fund. The fund assists providers of long-term services and support to recruit and retain direct support professionals. Eligible workers making \$30 per hour or less may receive payments up to \$1,000 per year. Grantees may use funds for retention, recruitment and incentive payments, postsecondary loan and tuition payments, child care costs, transportation-related costs and other costs associated with retaining and recruiting workers. *FY2024-25: \$90 million*

Investing in nursing facility workforce incentives. The Workforce Incentive fund provides grants for nursing facilities to recruit and retain eligible workers. Eligible workers making \$30 per hour or less may receive payments of up to \$3,000 per year. Grantees may use funds for retention, recruitment and incentive payments, postsecondary loan and tuition payments, child care costs, transportation-related costs and other costs associated with retaining and recruiting workers. *FY2024-25: \$75 million*

Providing essential support for nursing facilities. The state will deliver two payments to nursing facilities in August 2023 and August 2024, in addition to routine Medicaid payments. Funds must cover specific costs such as debt restructuring, rent or debt payments, closing lines of credit and physical plant improvements or maintenance. *FY2024-25: \$173.5 million*

Temporarily increasing nursing facility rates. A temporary daily rate add-on for all nursing facilities will increase reimbursements under Medical Assistance of \$12.35 per resident. The temporary add-on will last for 18 months and expire on Dec. 31, 2024. The rate add-on leverages federal share and private pay contributions, amounting to \$51 million in state share and additional revenue of approximately \$134 million. *FY2024-25: \$36.5 million; FY2026-27: \$15 million*

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