

PCA Rate Framework

- Minnesota's Personal Care Assistance (PCA) program— accessed by 43,000 people—is one of the most cost-effective Medicaid programs in our state, helping older adults and people with disabilities live and work as independently as possible in their communities.
- 61% of PCA participants are people of color or Native Americans, and 37% are non-English speaking – making the PCA program the most diverse long term community-based service in our state.
- Over the last 11 years, the program's reimbursement rate has only been increased by \$1.26 per hour—an average increase of less than 12 cents per year.
- PCAs are the lowest paid workers in the Home community Based Services workforce.
- The ultimate goal would be for a data driven formula for reimbursement for PCA services that is reflective of the true cost of providing quality PCA services to be passed into law during the 2020 session.
- The framework would use Bureau of Labor Statistic (BLS) information to establish a wage, add a competitive work force factor, as well as percentages that reflect the costs for administering the PCA service and have the framework built into the state budget forecast.
- The competitive workforce factor would be used to bring wages more in line with other jobs in the economy that require similar education, training, and experience as PCA staff. The framework would be rebased every two years through inflationary adjustments by updating the BLS coded every two years starting in 2024, as well as by updating the competitive work force factor every two years.
- The Competitive Workforce Factor is a new component factor that increases the wage component based on the wages of comparable occupations in the same market. The factor was first passed during the 2019 legislative session and was approved by CMS in December 2019. It is applied to most DWRS service beginning in 2020.
- There is a substantial fiscal impact of implementing a personal care assistance rate framework that is equitable to other home and community-based services and that provides a reasonable rate to cover the service. The cost of this investment points to the stark funding disparity between personal care assistance services and other home and community-based services over the past decade. Inflation and shifting workforce demographics, mean that addressing the disparate rate for this service becomes more costly the longer it is delayed.

Table 1: PCA Rate Changes

Date	Hourly Rate	Percent Rate Change
10/1/2008	\$16.24	2.00%
7/1/2009	\$15.84	-2.58%
9/1/2011	\$15.60	-1.50%
7/1/2013	\$15.68	0.50%
4/1/2014	\$15.84	1.00%
7/1/2014	\$16.64	5.00%
7/1/2015	\$17.08	2.63%
7/1/2016	\$17.12	0.20%
8/1/2017	\$17.40	1.64%
7/1/2019	\$17.80	2.63%

Table 2: PCA Service Types

Service	Rate Methodology	Hourly Rate
PCA (1:1)	Flat	\$17.80
Chore Services	Flat	\$15.04
Homemaker	Flat	\$18.44
Home Health Aide, extended (disability waivers)	Flat	\$21.96
Respite Care Services	DWRS	\$25.16
Personal Support, Adult Companion	DWRS	\$27.56
Night Supervision	DWRS	\$30.16
Home Health Aide (EW/AC)	Flat	\$32.04
Supportive Living Services	DWRS	\$38.52
In-Home Family Support	DWRS	\$41.44
Individualized Home Supports (1:1)	DWRS	\$43.44