

OASIS · AT A GLANCE

Illinois Built the Wage Into the Rate. Michigan Stacked Add-Ons.

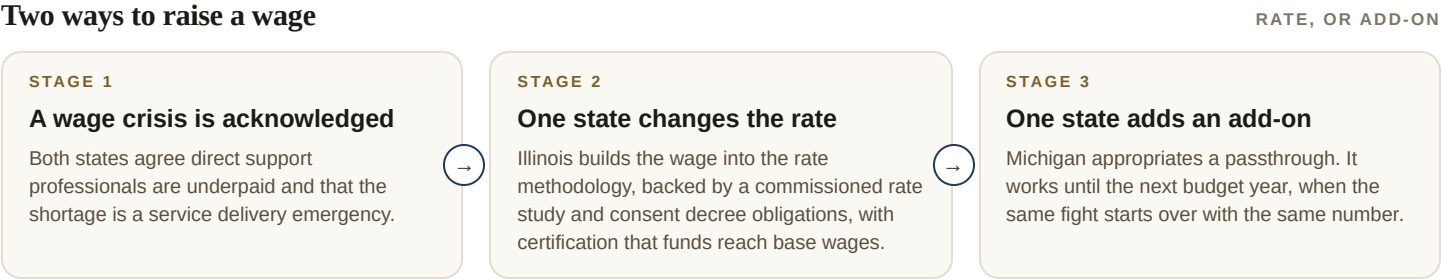
Both states raised direct care wages. Only one made the raise permanent. Michigan's entire increase sits on top of a base rate that never moved, and has to be re-funded every year.

PILLAR: WHERE, WHY | COMPANION TO BLOG POST B169 | 2-PAGE BRIEF

\$3.40

ON BORROWED TIME

Michigan's entire direct care raise, sitting on top of the base rate.



How Michigan's \$3.40 was assembled

THREE APPROPRIATIONS, FOUR YEARS

Michigan's wage increases, by fiscal year

Each increase is a separate appropriation that had to be argued from zero.

FY22	\$2.35 per hour	Gross cost \$414.5 million, about \$146.1 million General Fund.
FY24	\$0.85 per hour	Gross cost \$120.2 million. The second increase is a third the size of the first.
FY25	\$0.20 per hour	Gross cost \$28.7 million. The third is smaller again.
Cumulative	\$3.40 per hour	Total gross cost \$563.4 million, about \$198.8 million General Fund.
Jan 1, 2026	Required total \$17.13	A \$13.73 base rate plus the \$3.40 passthrough on top of it.
Jan 1, 2027	\$1.27 requested	Requires \$182.2 million in gross Medicaid funding. Not scheduled. Requested.

\$13.73

Michigan base rate

The base in the rate. Everything above it exists only because a legislature appropriated it again.

\$20.50

Illinois, statewide

The DSP wage rate effective January 1, 2025, with a Chicago Metro rate of \$23.58.

\$18

Ohio's benchmark

The statewide average DSP wage expected once the 2024 provider rate increases were fully implemented.

WHAT TEMPORARY FEELS LIKE TO THE PERSON DOING THE WORK

“

I got the raise. Then my supervisor told me it was funded through September and she genuinely did not know what happened after that.

A MICHIGAN DIRECT SUPPORT PROFESSIONAL, 2026.

THE TAKEAWAY

In Illinois the wage is what the rate pays. In Michigan the wage is what the rate pays plus whatever the legislature added this year. The second one gets smaller.

TURN THE PAGE

How to ask for permanence instead of another add-on, and how to check whether the money reached a paycheck.

Asking for permanence

STRUCTURE, NOT ANOTHER NUMBER

VERIFY

Did the money arrive?

☐ Ask your provider whether the passthrough arrived

☐ Ask which period it covered

☐ Ask for the answer in writing

☐ Report a failure at your CMHSP board meeting

☐ Name the amount and the period on the record

WRITE

What the letter must say

☐ Name the FY27 increase and the \$182.2 million figure

☐ Ask whether any bill builds the wage into the rate methodology

☐ Ask for a fiscal analysis comparing both approaches

☐ Point out the increases shrink each cycle

☐ Request a written response by a date you name

COMPARE

What Illinois has that Michigan lacks

☐ A legal obligation forcing the question

☐ A commissioned rate study establishing adequacy

☐ Budget language directing funds to base wages

☐ Employer certification of compliance

☐ A wage inside the rate rather than on top of it

TESTIFY

At the appropriations hearing

☐ Speak during the spring subcommittee hearings

☐ Bring the \$563.4 million cumulative figure

☐ Bring one direct support professional's story

☐ Name your county

☐ Submit a written copy for the record

BRING ONE PAGE, NOT A BINDER

The wage structure sheet

01

Base

\$13.73 per hour, the rate that never moved.

02

Add-on

\$3.40 per hour, assembled from three appropriations.

03

Total

\$17.13 required as of January 1, 2026.

04

Ask

Build it into the rate methodology, not another passthrough.

YOUR MOVE

When you are told Michigan already raised the wage

1

Separate the questions

Was it appropriated, and did it arrive?

2

Show the shrinkage

\$2.35, then \$0.85, then \$0.20.

3

Name the total cost

\$563.4 million gross, and it still has to be redone.

4

Point at Illinois

\$20.50 statewide, inside the rate methodology.

5

Ask for the score

A fiscal analysis of permanence versus annual add-ons.

A raise you can lose is not a wage. It is a grant, and workers cannot plan a life around a grant.

SOURCES

Direct Care Worker Wage Coalition, Michigan. The Direct Care Worker Wage Math Problem, April 2026. Source of the base rate, the FY22, FY24 and FY25 increases, cumulative cost, and the FY26 and FY27 figures.

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AFSCME Council 31. Progress made on fairer wages for DSPs, describing the Guidehouse rate study and the Ligas consent decree obligations.

Hamilton County Developmental Disabilities Services, Ohio. DSP Wage Increases in 2024, including the \$18 statewide average wage expectation.

Michigan Department of Health and Human Services. Direct care worker wage increase guidance and clarification bulletins.

ABOUT THE AUTHOR

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