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3 **A RESOLUTION / ORDINANCE**  
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5 Amending Chapter 111 of the Milwaukee County Code of General Ordinances by  
6 creating an alternate standard for annual living wage increases for employees  
7 contracted to provide personal care and supportive home care to persons with  
8 disabilities and frail elderly through agencies that exclusively contract with Milwaukee  
9 County

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11 WHEREAS, on March 20, 2014, the Milwaukee County Board of Supervisors  
12 adopted Resolution File No. 13-955 (Vote 12-6), a living wage ordinance requiring many  
13 businesses contracting with Milwaukee County to pay a minimum hourly wage of  
14 approximately \$11.47 an hour, which will be updated annually to account for the annual  
15 average increase in the poverty tables; and

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17 WHEREAS, the Milwaukee County Department of Family Care Managed Care  
18 Organization (MCDFC MCO) pays its supportive home care workers \$10.27 an hour,  
19 which is more than the federal minimum wage, and in the past three years it has given  
20 workers either a wage increase or bonus payment every year; and

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22 WHEREAS, twice in the past three years, the State of Wisconsin has decreased  
23 the capitation rate (a fixed amount of Medicaid dollars MCDFC MCO receives per family  
24 care enrollee per month) of the MCDFC MCO; and

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26 WHEREAS the funds from the State of Wisconsin are the only monies MCDFC  
27 MCO receives to pay for member services and administrative costs; and

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29 WHEREAS, based on the 2014 capitation rate decrease, the MCDFC MCO will  
30 need to draw a minimum of \$2.5 million from the required operating reserve next year to  
31 cover shortfalls; and

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33 WHEREAS, if the MCDFC MCO exhausts its reserves, the State of Wisconsin  
34 may terminate its Family Care contract with Milwaukee County; and

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36 WHEREAS, it is the intention of the Director of Family Care to annually assess  
37 the financial status of Family Care and provide raises or bonuses to the supportive care  
38 workers if feasible and sustainable based on the capitation rate; and

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40 WHEREAS, the Office of the Comptroller estimated, as part of the minimum  
41 wage ordinance fiscal note, that requiring the MCDFC MCO to increase its base hourly  
42 rate to the required County minimum wage set forth in Chapter 111 will cause the  
43 reserves to be depleted by 2019; and

44 WHEREAS, if the State terminates its contract with MCDFC MCO, 84  
45 Department of Family Care employees and nearly 500 care managers and nurses may  
46 be adversely impacted; and  
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48 WHEREAS, any private organization that replaces MCDFC MCO will be under  
49 no obligation to hire displaced workers, nor to pay supportive home care workers more  
50 than the federal minimum wage; now, therefore,  
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52 BE IT RESOLVED, the Milwaukee County Board of Supervisors hereby amends  
53 Chapter 111 of the Milwaukee County Code of General Ordinances as follows:  
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### 55 AN ORDINANCE

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57 The Milwaukee County Board of Supervisors ordains the following:  
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#### 59 **111.03. Standards requirement.**

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61 (1) All employees performing part or full time work for a contractor,  
62 subcontractor, lessee or recipient of economic development financial assistance  
63 covered under this chapter and all direct employees of the county, shall be paid  
64 the minimum wage rate defined in chapter 111.02(e), except as provided in  
65 subsection (c) and (d) of this section.  
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- 67 (a) Tipped employees, employees paid on commission, or employees  
68 whose compensation consists of more than hourly wages shall be  
69 paid an hourly wage, when coupled with the other compensation,  
70 that will at least equal the minimum wage rate. The value of meals  
71 or lodging shall be calculated pursuant to Chapter DWD 272,  
72 Wisconsin Administrative Code.  
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  - 74 (b) Contractors and subcontractors as defined in chapter 111.02(g)(1)  
75 and (2) shall be subject to the requirements of this chapter for the  
76 duration of the agreement with the county. Employees of  
77 contractors and subcontractors shall be covered under the  
78 requirements of this chapter for the hours worked in performance of  
79 covered agreements.  
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  - 81 (c) Recipients of economic development financial assistance and  
82 subcontractors as defined in chapter shall:  
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    - 84 i. Be subject to the requirements of this chapter for a period  
85 equal to one (1) year for every one hundred thousand dollars  
86 (\$100,000.00) provided in economic development financial  
87 assistance, rounded to the nearest whole year; and  
88 employees of such recipients and subcontractors shall be  
89 covered under the requirements of this chapter for work

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performed on the premises of a project benefiting from financial assistance.

- (d) Minimum wage rate requirement will be updated annually on the last business day of February, except for employees covered under agreements to provide personal care and supportive home care to persons with disabilities and frail elderly through agencies that exclusively contract with Milwaukee County. Post-2014, these employees' wage increases from the 2014 minimum wage requirement will be at the discretion of the Director of Family Care and will be based on multiple factors, including, but not limited to, the annual capitation rate, ongoing expenditures, the ability of the organization to serve all family care members, and the necessity to maintain reserve requirements.