



UNITED HOME CARE WORKERS MINNESOTA

On Saturday January 11th, after months of negotiations, the home care workers and clients serving on the union bargaining team with SEIU Healthcare Minnesota & Iowa announced they had reached a Tentative Agreement for a new two-year contract with officials from the State. This agreement would cover approximately 35,000 caregivers providing support to people with disabilities and seniors in consumer-directed programs. The full agreement has been mailed to members of the union to review and vote on. Assuming it is ratified by union members, it will then be up to state lawmakers to decide whether to fund the agreement. Governor Walz has included that funding request in his budget proposals, labeled Investments in Community First Services and Supports (AD-54).

Highlights of the Tentative Agreement

TIERED WAGE SCALE INCREASES

The union's current contract established a tiered wage scale, rewarding experienced caregivers in the PCA Choice and CFSS Budget Model programs with higher pay floors based on that experience, for the first time. This new structure went into effect on January 1, 2025.

January 1, 2026

Increase to all experience tiers above the base wage

Cumulative hours worked in PCA Choice or Traditional, CFSS Agency or Budget Model since 7/1/2017	Wage Floor (in PCA Choice and CFSS Budget Model)
0 - 1,000 (~6 months full-time)	\$20.00
1,001 – 2,000	\$20.90 (up from \$20.50)
2,001 – 6,000	\$21.40 (up from \$21.00)
6,001 – 10,000	\$22.10 (up from \$21.70)
10,001+ (~5 years full-time)	\$22.90 (up from \$22.50)

January 1, 2027

Additional wage increase for CFSS Budget Model and PCA Choice workers who complete a workforce orientation session (covering consumer direction, fraud prevention, emergency preparedness, how to sign up for additional training, and other topics)

Cumulative hours worked in PCA Choice or Traditional, CFSS Agency or Budget Model since 7/1/2017	Wage Floor (PCA Choice and CFSS Budget Model)	Wage Floor with Orientation Completion (PCA Choice and CFSS Budget Model)
0 - 1,000 <i>(~6 months full-time)</i>	\$20.00	\$20.40 (up from \$20.00)
1,001 – 2,000	\$20.90	\$21.30 (up from \$20.90)
2,001 – 6,000	\$21.40	\$21.80 (up from \$21.40)
6,001 – 10,000	\$22.10	\$22.50 (up from \$22.10)
10,001+ <i>(~5 years full-time)</i>	\$22.90	\$23.30 (up from \$22.90)

RETIREMENT

- Agreement to build a Defined-Contribution retirement program for caregivers, to be jointly governed by the State and the Union, which would operate like a 401(k)/403(b) with employer-contributions
- One-time funds of \$350,000 to establish this new retirement program and its policies over the two years of the contract, with funding for retirement benefits needing to be won in future negotiations

HEALTHCARE

- \$1,200 stipends that can be used to cover out-of-pocket healthcare costs
 - Available to anyone who has worked at least 6 months in the Bargaining Unit (in the PCA Choice, CDCS, CSG, or CFSS Budget Model programs), up to a maximum of 25,000 stipends
- State will create new info sessions to help caregivers navigate MNsure, MinnesotaCare, and Medical

ASSISTANCE ENROLLMENT

- Agreement to begin our next round of negotiations in 2026 with a collaborative process to identify healthcare options for caregivers

ENHANCED RATE/BUDGET INCREASE

- The Enhanced Rate currently available to anyone caring for the highest-need clients (defined as those assessed for 10+ hours per day) in any covered program (CDCS, CFSS Budget Model, PCA Choice or CSG) will increase from 7.5% to 12.5%
- Agreement to work together to identify and collect data that would be needed to consider extending the Enhanced Rate/Budget in the future to those with complex behavioral and other needs

ONLINE MATCHING SERVICE

- Agreement to create a new online matching service to help clients find caregivers (and vice versa), through an RFP process that will be conducted by DHS
- One-time funding of \$1.5 million to establish this new program

TRAINING

- Increased funding (an additional \$250,000) for workforce training programs, to be able to offer new training options and to expand language access to trainings
- \$750 stipends made available to workers who choose to complete a set of voluntary trainings

HOLIDAYS

- Christmas will be added to the list of Holidays for which caregivers receive time-and-a-half pay for any hours they work