



The State of America's Direct Support Workforce Crisis

2024



Executive Summary

Direct Support Professionals (DSPs) deliver crucial supports that enable people with intellectual and developmental disabilities (I/DD) to live full and independent lives in their homes and communities.

Unfortunately, long-term underinvestment in home- and community-based services, together with stagnant and insufficient reimbursement rates, have hampered the ability of community providers to offer DSPs competitive wages and benefits. This has led to an exodus of qualified workers from the field, which was deeply exacerbated by the COVID-19 pandemic.

The resulting DSP workforce crisis has had a profound impact on the ability of community providers to deliver essential programs and adequately support people with I/DD in our communities.

For the fifth consecutive year, ANCOR has conducted a survey to measure the impact of this workforce crisis on both providers and the people they support. This year's survey garnered responses from 496 distinct providers, representing 47 states and the District of Columbia. The results of the 2024 survey are a sobering revelation of a system of care in peril.

Of the community providers who responded to this year's survey:

- **90%** experienced moderate or severe staffing challenges in the past year.
- **69%** reported turning away new referrals.
- **39%** were discontinuing programs/services.
- **64%** intended to delay the launch of new programs.
- **34%** were considering further cuts to programs if recruitment and retention challenges failed to subside.
- **45%** were experiencing more frequent reportable incidents.
- **57%** of case managers struggled to connect people with services.
- **57%** reported delivering services in areas where few or no other options exist.

New to this year's survey, we asked respondents to answer which services were most frequently eliminated due to ongoing staffing challenges. The top three responses included:

- Residential habilitation services (37% of respondents).
- Home-based and day habilitation services (29%).
- Employment support services (28%).

Within this grim paradigm, we have seen an unprecedented increase in federal rulemaking activity heralding major system changes and reforms to the way community-based services for people with I/DD are authorized, delivered, and monitored. While these changes aim to enhance equity and access, increasing the cost of service delivery without commensurate funding puts further strain on the community-based provider network to do more with less.

As a result, the system of care remains at further risk of additional closures and diminishing access for people with I/DD.

We intend that the results of this survey serve as a call to action for policymakers. The most meaningful way for this crisis to be addressed is through marked federal and state engagement targeted at strengthening the direct support workforce and a concerted commitment to investing in the Medicaid home- and community-based services system.



Key Findings of the 2024 Survey



Direct support professionals (DSPs) specialize in supporting people with I/DD to build the necessary skills to live and participate in home- and community-based settings. The broad spectrum of habilitation services delivered by DSPs are individualized to the person accepting the service and can range from assistance with intimate activities of daily living to facilitating the establishment of meaningful relationships and career planning for long-term integrated employment.

Simply put, the foundation of America’s service delivery system for individuals with I/DD rests squarely upon the shoulders of our DSPs.

Sadly, this foundation is crumbling, with high rates of turnover and vacancy plaguing the system of I/DD services. This decades-long workforce crisis has pervaded community-based services due to long-term underinvestment in Medicaid and the subsequent inability of community-based providers to offer wages competitive with employers in hourly wage industries like fast food restaurants or retail and convenience stores. The resulting DSP workforce crisis has had a profound impact on the ability of community providers to deliver essential programs and support people with disabilities in their homes and communities.

Community providers do not have the ability to increase the funding they pay their workforce—the rates they get paid are determined by how much states are willing and able to fund. Unfortunately, those rates have failed to keep pace with inflation and rising costs of living. In turn, the amount of funding available to providers has stagnated while the cost of operating has soared. As reflected in this report, our research finds that community providers have been left to make impossible choices in light of this crisis. This often means shuttering programs and terminating any program-related expenses not currently required by statute in an attempt to redirect funding to DSP wages and preserve as many of the remaining services as possible.

Impacts on the Availability of Services

The *State of America's Direct Support Workforce Crisis 2024* survey findings reveal that 90% of providers experienced moderate or severe staffing challenges in the past year, resulting in 69% of providers turning away new referrals. This degree of turnover and vacancy has had a profound impact on the ability of people with I/DD to find and access services. For instance, 39% of providers reported discontinuing programs and services due to their inability to meet required levels of staffing. These survey results are corroborated by the fact that 57% of respondents delivering case management services reported that they were struggling to connect people with services.

These findings are especially alarming considering that 57% of respondents overall also reported that they deliver services in areas where there are few or no other providers delivering those services. Without an adequate network of community providers, states remain at risk of violating federal access standards. Moreover, the safety and well-being of the people relying on those services is jeopardized without the availability of those services to meet their needs.

Elimination of Services

Providers reported that the services most frequently eliminated due to ongoing staffing challenges were:



Residential Habilitation Services (37% of respondents)

These services typically offer around-the-clock support in individually tailored habilitation support that may include personal care and protective oversight.



Home-based and Day Habilitation Services (29% of respondents)

These services generally refer to assistance typically delivered on an hourly basis in acquiring, retaining, and improving self-help, socialization, and/or adaptive skills provided in the person's home and community.



Employment Support Services (28% of respondents)

These services are flexible in nature and can be specifically designed to fund services and supports that assist an individual to obtain or maintain employment.

Habilitation services such as these are designed to assist individuals in acquiring, retaining, and improving the self-help, socialization, and adaptive skills necessary to reside successfully in home and community-based settings. Ninety-five percent of respondents delivered at least one service that meets the federal definition of habilitation services. DSPs who render habilitation services specialize in supporting individuals and range from assistance with hygiene and grocery shopping to advanced job training and employment support.

Habilitation services include adaptive skill development, assistance with activities of daily living, community inclusion, transportation, adult educational supports, social and leisure skill development, and supports that assist the person to reside in the most integrated setting appropriate to their needs. The resulting lack of availability and access to these community-based supports drastically increases the risk of unnecessary and expensive hospitalizations and institutionalizations.



Impacts on Quality of Care

Community providers are required to report certain events, ranging from significant concerns to minor administrative errors, known as reportable incidents. Our survey findings suggest that high turnover and vacancy rates are contributing to an increased frequency of these incidents. As a result of high rates of turnover and vacancy, the staffing challenges currently faced by community providers may redirect funding away from quality assurance programs to hiring and onboarding. As a result, 68% of survey respondents indicated that they were struggling to achieve quality standards and 45% of respondents indicated that they were experiencing more frequent reportable incidents due to staffing shortages.



Why Turnover Matters

Meeting the needs of individuals with I/DD is a highly complex and individualized undertaking. Successfully providing person-centered supports requires a thorough understanding of the individual to include their unique backgrounds, goals, and likes/dislikes as well as their behavioral, medical, and social needs. This type of comprehensive knowledge about a person is not acquired overnight; it requires DSPs to spend a significant amount of time working with that person. High staff turnover takes away those natural on-the-job learning opportunities for DSPs which, in turn, limits their ability to successfully and safely meet the needs of the people they are supporting.

Impacts on Innovation & Program Expansion

The present situation is certainly bleak, and if the workforce crisis is not effectively and expeditiously addressed, the coming months and years will be much worse as 34% of community-based providers are considering even further cuts to programs. Another consequence of the crisis is its impact on the development of new programs designed to support people who reside in underserved areas and/or have highly specialized needs as 64% of providers reported that they intend to delay the launch of new programs.

Struggling to Comply with New Requirements

In recent months, there have been significant federal regulations heralding major system changes to the way community-based services for people with I/DD are authorized, delivered, and tracked, all with the goal of increasing equity and access. While community providers acknowledge the need for new policies that strengthen the system of care, the direct support workforce crisis creates significant challenges in the application of any new federal policymaking, especially those policies that increase the cost of service delivery without commensurate funding. Even those regulations without a direct fiscal impact may require additional training and/or personnel to ensure compliance.

For example, 87% of respondents subject to Medicaid Electronic Visit Verification (EVV) requirements received no additional funding to cover the added costs of EVV compliance. For community providers supporting people with I/DD, EVV often represents a significant added expense to service delivery without the financial resources to support it. While many community providers were required to purchase expensive new software and hardware, few if any states adjusted reimbursement rates to account for the new expenses associated with implementation. In many cases, community providers had to forgo DSP wage increases in order to purchase equipment and hire additional office personnel to handle the significant administrative burden associated with EVV-related billing and reconciliation. Additionally, some DSPs struggled with EVV-related technology, leading to reassignment or resignation, thereby amplifying the direct support workforce crisis.

Without sufficient funding from the outset, these added expenses, challenges, and interruptions to service represent another barrier to stabilizing the direct support workforce.

Approaching the Edge of the ARPA Cliff

In March 2021, the American Rescue Plan Act (ARPA) was signed into law, offering a 10-percentage-point increase in federal matching funds for home- and community-based services. All 50 states and the District of Columbia invested a portion of the funding in workforce recruitment and retention activities. In fact, this was the most common activity addressed within state ARPA spending plans.¹

How States Used ARPA Funding



DSP bonuses & pay increases



Paid leave



Referral bonuses



Child care stipends



Student loan repayments



Staff transportation expenses



Educational scholarships for DSPs



Overtime pay; COVID-19 staffing constraints



Additional training

Although this investment yielded some positive results for community-based services, direct support workforce shortages have yet to return to pre-pandemic turnover and vacancy levels, which were alarmingly high even then. Moreover, the spending deadline for these funds is March 31, 2025. Absent additional federal investment, many states will be forced to abandon these successful initiatives and wage increases, thereby risking a move in the wrong direction.

¹ [American Rescue Plan Act of 2021](#), Section 9817 State Spending Plans and Narratives (as of FY 2024, quarter 1).

Recommendations for Preserving & Supporting the Direct Care Workforce

A healthy and robust direct care workforce is required to ensure the long-term viability of community-based supports for individuals with I/DD. To that end, below are short- and long-term actions that should be taken by federal and state policymakers to alleviate the current workforce crisis:

> Enhance FMAP

Enhance the Federal Medical Assistance Percentage (FMAP) for HCBS.

This would allow states to increase currently inadequate reimbursement rates, offer additional opportunities for DSP training and professionalization, and support innovative approaches to the recruitment, retention, and advancement of the direct support workforce.

> Establish a SOC

Establish a standard occupational classification for DSPs.

This new classification would enable data collection that would be helpful to local, state, and federal governments in identifying employment trends. Such a classification would also help to promote sufficient wages for DSPs within underlying reimbursement rates.

> Establish Systems of Access Monitoring

Establish systems of access monitoring that compel regular review and necessary adjustments to Medicaid reimbursement rates to fully fund service delivery expenses.

Such systems will ensure the adequacy of rates necessary to stay current with increasing costs of service delivery and safeguard access to quality home- and community-based services.

Conclusion

While the situation is dire, it is not without hope for a better and more sustainable future for community-based services supporting people with I/DD.

Shoring up the direct support workforce and, by extension, the network of community-based I/DD services, will undoubtedly require concerted effort and meaningful investments of resources. This is especially true in light of long-term neglect of the system. Not only do people with disabilities deserve such investments—there simply is no other way forward.

ANCOR stands ready to partner with any advocate or lawmaker committed to addressing the workforce challenges that plague the community-based support system. To that end, we invite advocates to get involved by visiting the ANCOR Amplifier at amplifier.ancor.org.

And, if you are a policymaker interested in how you can support the needs of your constituents with disabilities, please contact Lydia Dawson, Vice President of Government Relations, at ldawson@ancor.org.



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