



# Supported Living

*Serving people with developmental disabilities in their home communities*

## 2025-27 Legislative Priority

**Increase provider rates by 4% January 2026 and 4% January 2027 to provide a cost-of-living adjustment and keep pace with the state-operated program negotiated increases (\$41.3M GF-S)**

### Financial pressures on providers increased drastically over the last several years

- Current nursing rates allow for a starting wage 25% below the average RN salary in our state
- Washington’s overtime exempt salary threshold for 2025 is 48% above funded provider rates
- Transportation rates are now over 56% below the IRS mileage rate
- Health care insurance costs up 40.3% over last 5 years
- 22.6% inflation over last 4 years



### Despite ongoing funding shortfalls, recent rate increases have resulted in gains

- 74% DSP turnover in 2021 reduced to 37% in 2023 with the 2022 rate investment
- Over 130 more clients are served now compared to 18 months ago
- Providers have been able to hire new employees, cutting the open positions nearly in half

At the Legislature’s request, Milliman conducted a rate study and found the following rate insufficiencies:

- ★ Only 68% of Administrative Expenses were covered by funded Administrative Rates
- ★ Only 93% of Direct Care Expenses were covered by funded Direct Care Rates
- ★ Overall, funded rates only covered 90% of current expenses, resulting in 57% turnover!
  - As noted in the Rate Study, the 10% underfunding was based on 2022 Cost Report data, so did not include an estimate of cost increases, rate adjustments or inflation. Since that time, an additional 6% has been lost and a cost-of-living adjustment will be needed in 2027, as well.

| Year | Underfunding | Rate Increase | Prior year inflation | Difference |
|------|--------------|---------------|----------------------|------------|
| 2022 | 10%          |               |                      |            |
| 2023 | 14.5%        | 2.0%          | 6.5%                 | 4.5%       |
| 2024 | 15.4%        | 2.5%          | 3.4%                 | 0.9%       |
| 2025 | 16%          | 2.5%          | 3.1%                 | 0.6%       |
| 2026 | 19%          | -             | 3.0%                 | 3.0%       |

- ★ Recommended rate structure for range of supports to serve clients with high behavioral support needs

## Other Legislative Priorities

- ★ Fund a standard add-on payment rate to support individuals with complex behavior support needs
- ★ \$50M Capital Budget investment in the Housing Trust Fund DD Set-Aside to purchase and develop affordable housing for people with developmental disabilities



**Washington ranks in bottom 10% of states for average DSP wages as a percentage of minimum wage!**

**Washington DSP Turnover is in highest 25% of states!**

- National average is 43.6%

**State-Operated programs are funded 2-3 times higher**  
**Per Client Day: Supported Living \$585, SOLA \$1,417, RHC \$1,614**

## What is Supported Living?

Supported Living services individuals with developmental disabilities by providing residential and community services that maximize each person’s quality of life.

Each client lives in their own home and receives personalized behavioral, social, and mental health supports.

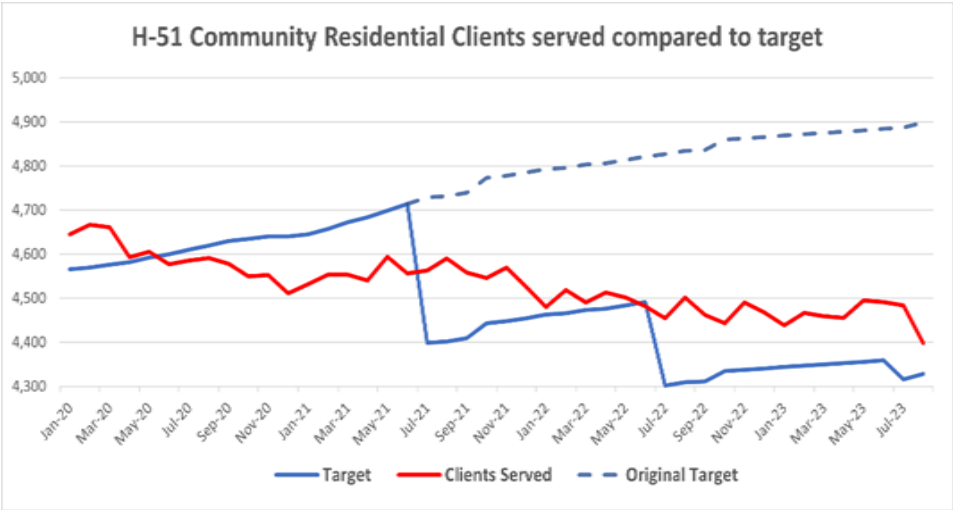
**15 years ago, DSPs were paid almost 11% above a self-sufficient wage and are now paid 21.5% below a self-sufficient wage.**

| Date | DSP Wage | Self-Sufficient Wage | Difference % |
|------|----------|----------------------|--------------|
| 2024 | \$19.51  | \$23.70              | (21.5%)      |
| 2020 | \$13.89  | \$17.42              | (25.4%)      |
| 2017 | \$11.34  | \$14.06              | (24%)        |
| 2014 | \$10.26  | \$11.06              | (7.8%)       |
| 2011 | \$9.90   | \$10.09              | (10.1%)      |
| 2009 | \$9.98   | \$8.91               | 10.7%        |

**Now Hiring!**

Chick-fil-A: \$22/hr to start  
 Starbucks: \$20.81/hr to start  
 Fred Meyer: \$20.06/hr to start

As a result of the long-standing funding shortfalls, workforce issues and the high turnover, fewer clients are being served, while some of our most vulnerable citizens wait for much-needed services.



**For more information, please contact:**  
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