SUPPORTED LIVING WORKFORCE ISSUES AND SOLUTIONS

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COMMUNITY RESIDENTIAL SERVICES

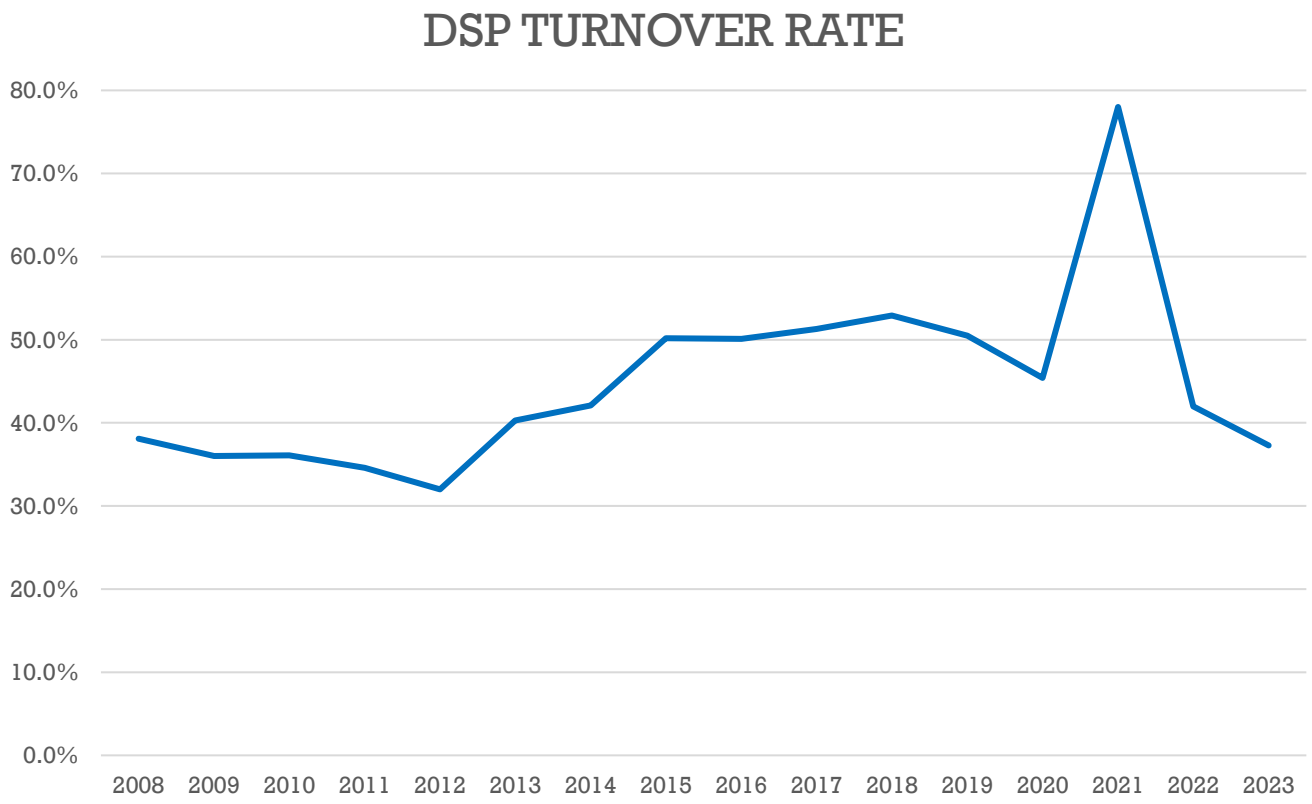
- *SUPPORTED LIVING*

- The individual client owns or rents own home, and the agency provides services in the client's home
  - *The individual pays their own rent, groceries, utilities, and other bills*
- Full range of support services provided by contracted agencies
- Groups of 2-4 people living together and sharing services in their own or rented home
  - *Growing number of single-person homes – typically due to complex behaviors*
- Over 4,600 people are supported in all of the Community Residential programs in Washington (Supported Living, Group Homes, Children's OHS etc.)
- Wide range of supports, including personal care, home living, community integration, medical & medication support, financial management, health & safety, and behavior support
- Level of care and acuity is similar to those services in state institutions and state-operated programs

PRIMARY CHALLENGES IN SUPPORTED LIVING

- Employee turnover challenges
- Workforce shortage
- Low reimbursement rates equal low wages
- Increasing complexity of those being served

WORKFORCE CHALLENGE #1 IN SUPPORTED LIVING - TURNOVER

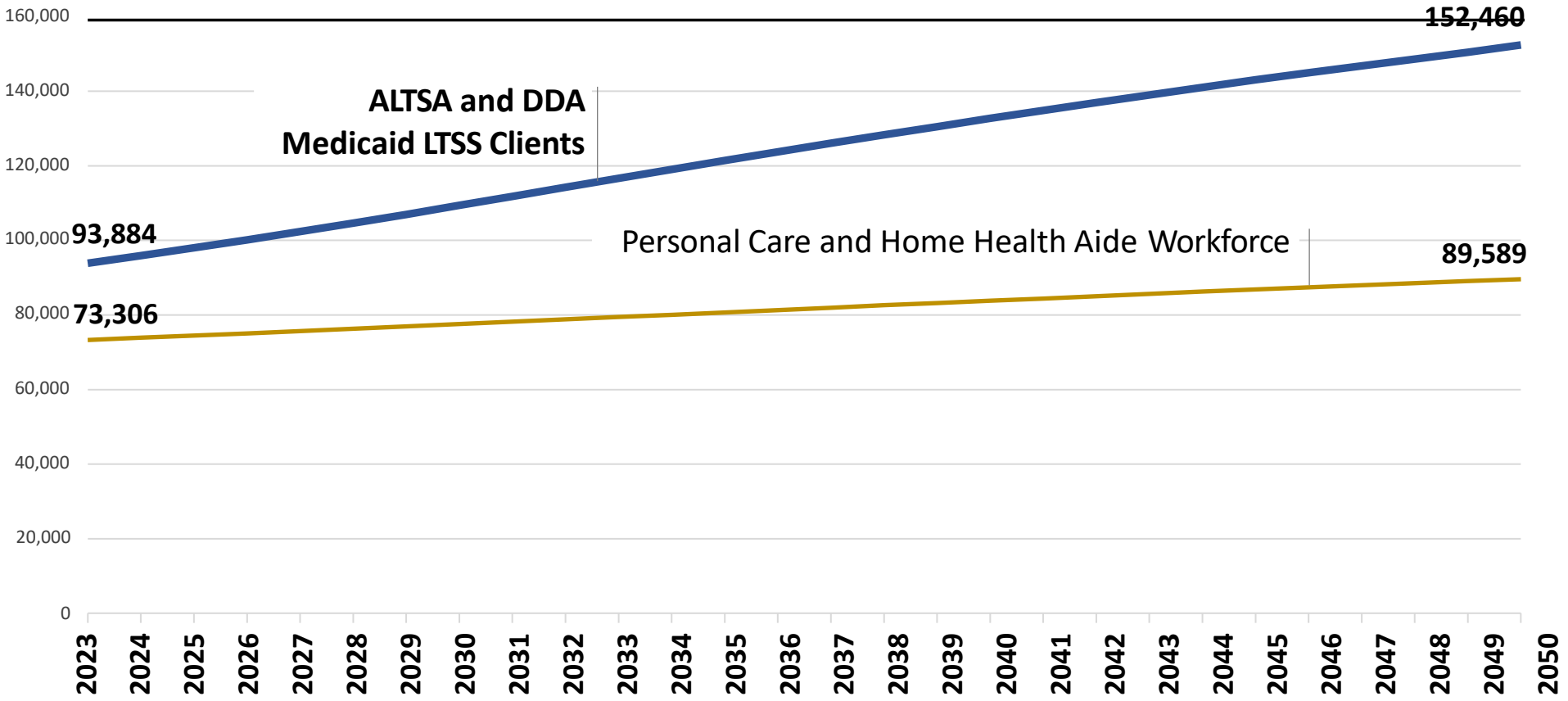


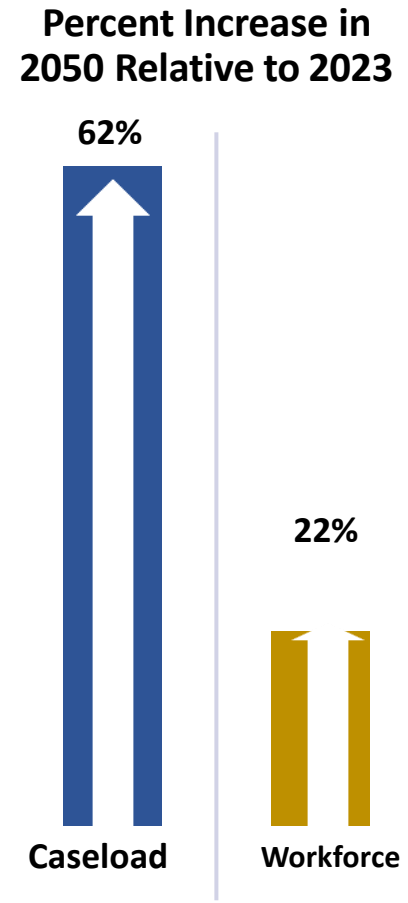
SUPPORTED LIVING – A LOOK INSIDE THE TURNOVER DATA

- There are approximately 14,000 Direct Support Professionals working in Supported Living in Washington
- Annual turnover has been 45% or higher in 6 of the last 8 years in Supported Living
  - ✓ Even though the "average" turnover in Supported Living decreased to 37% in 2023, the average provider-level turnover was 49%
    - Highlighting higher turnover being experienced by smaller agencies
    - Turnover also varied across the state, including
      - Snohomish 30%
      - King 31%
      - Whatcom 46%
      - Spokane 60%
      - Kittitas 88%
      - Benton 109%

- A WORKFORCE SHORTAGE CRISIS -

MEDICAID LTSS CASELOAD AND STATEWIDE WORKFORCE FORECASTS

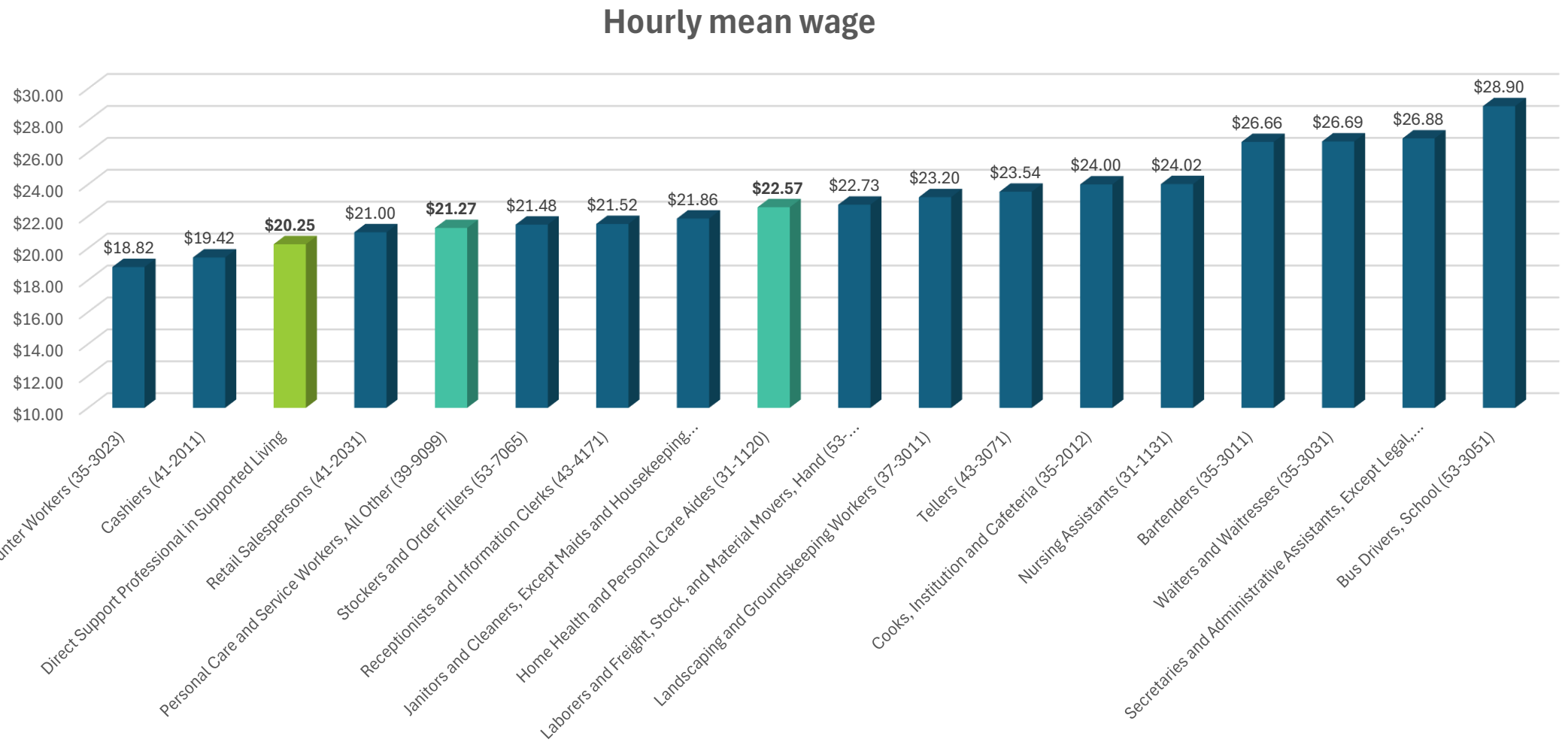




SOURCE: Washington State Department of Social and Health Services, Facilities, Finance, and Analytics Administration, Research and Data Analysis Division, April 2024.

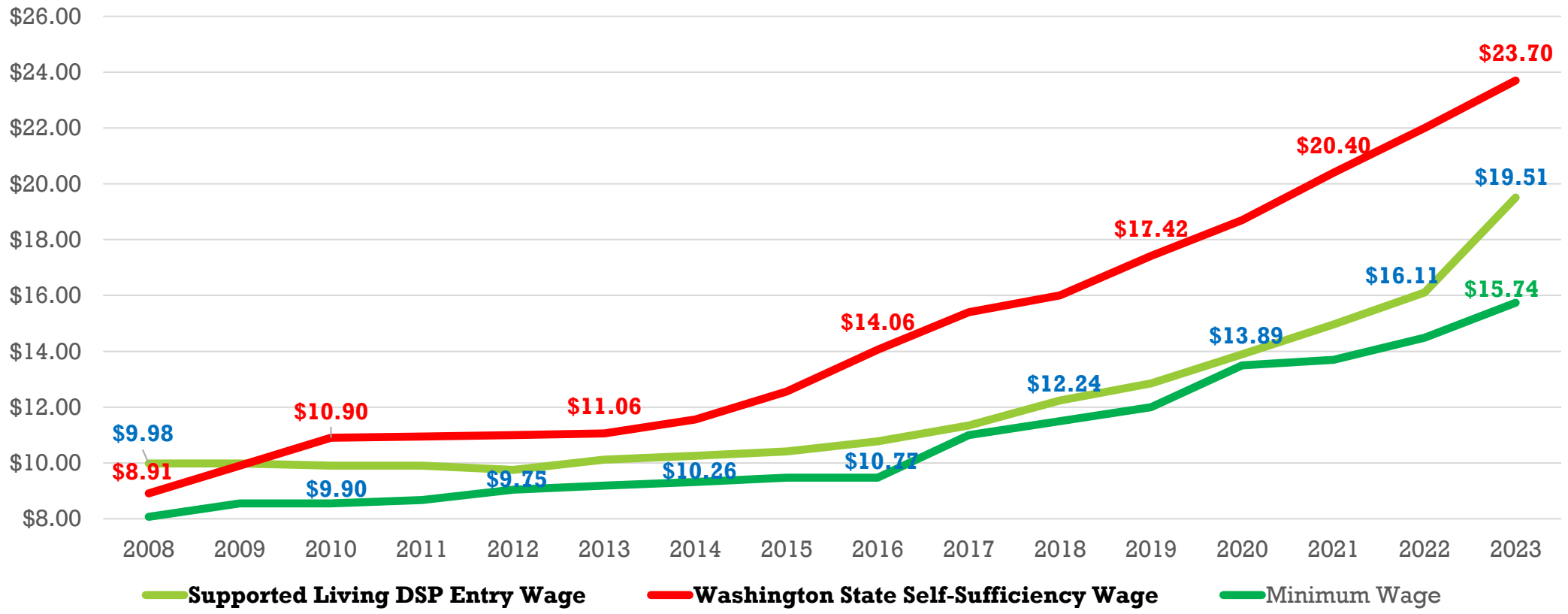
MARKET PLACE COMPETITORS – WASHINGTON OCCUPATIONS WITH SIMILAR AVERAGE HOURLY WAGES

Data Source: Bureau of Labor Statistics, Department of Labor, May 2024 Occupational Employment and Wage Statistics (OEWS) Survey
Note: Wages for PCAs and HH include medical providers. Supported Living wages are $1 to $3 lower than these.



EVEN THOUGH WASHINGTON STATE HAS HIGHER DSP ENTRY WAGES, ECONOMIC FACTORS MUST BE CONSIDERED

- Comparison to Statewide Minimum Wage and Self-Sufficiency Standard (Livable Wage)

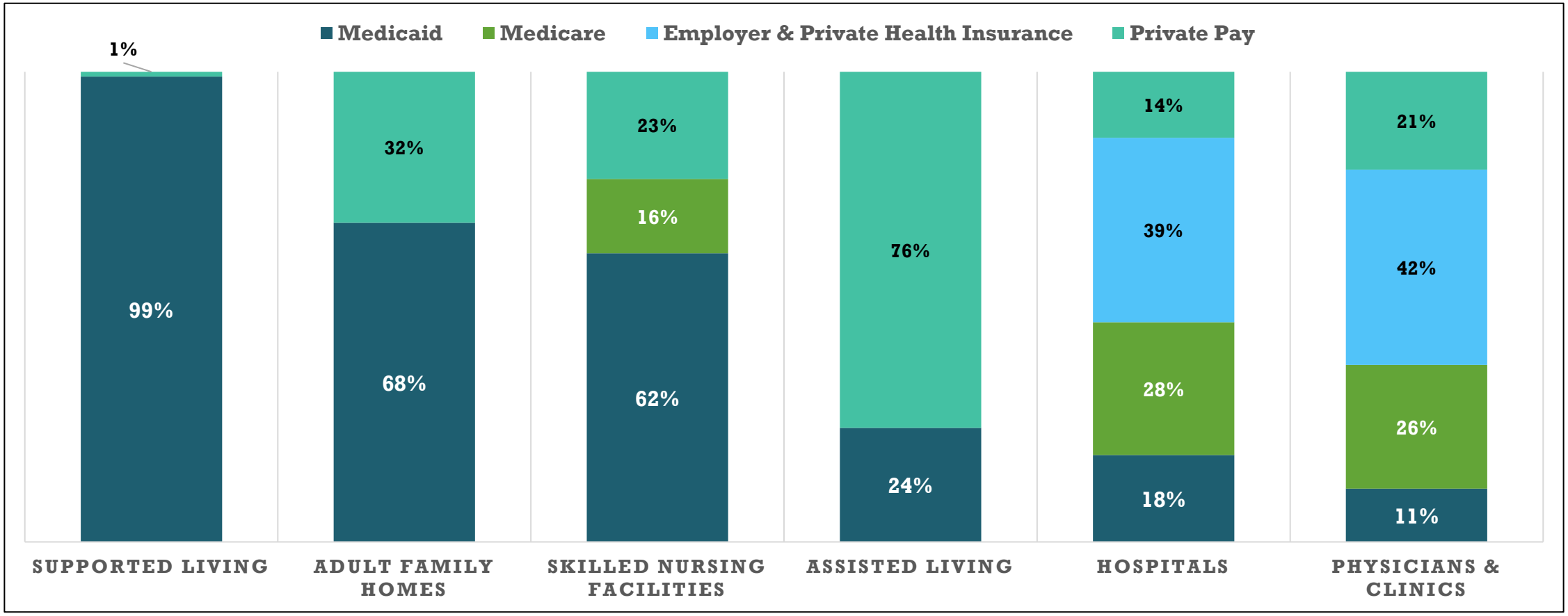


Washington ranks in bottom 10% of states for average DSP wages as a percentage of minimum wage!

The Self-Sufficiency Standard for Washington State 2023 by Diana M Pearce, PhD, Director of Center for Women's Welfare at the University of Washington School of Social Work in collaboration with the Workforce Development Council of Seattle-King County

REVENUE STREAMS DETERMINE THE ABILITY TO COMPETE ON STAFF WAGES

Supported Living is reliant on Medicaid investments for funding



SUPPORTED LIVING, RHC'S & SOLA – HOW DO NUMBERS COMPARE ACROSS SETTINGS?

- Community Residential (Supported Living)
  - 4,622 served (87.3%)
  - Average daily cost per client = $614
- SOLA (State-Operated Living Alternatives)
  - 223 served (4.2%)
  - Average daily cost per client = $1,391
- RHC (State Institutions)
  - 448 served (8.5%)
  - Average daily cost per client = $1,688

SOLA programs are over twice as expensive, and RHC's are over 2 ½ times more expensive than Supported Living, resulting in turnover that is 63% lower!

BENEFITS OF COMMUNITY RESIDENTIAL SERVICES

- Inclusion in home communities
- Status of having one's own home
- Often brings individuals closer to family and friends
- Smaller settings decrease some interpersonal challenges
- Cost savings for the state compared to institutional or hospital settings
- Improved independence
- Increased quality of life!

TIER LEVEL DATA -
DRAMATIC INCREASE IN SUPPORTS OVER THE LAST TWO YEARS

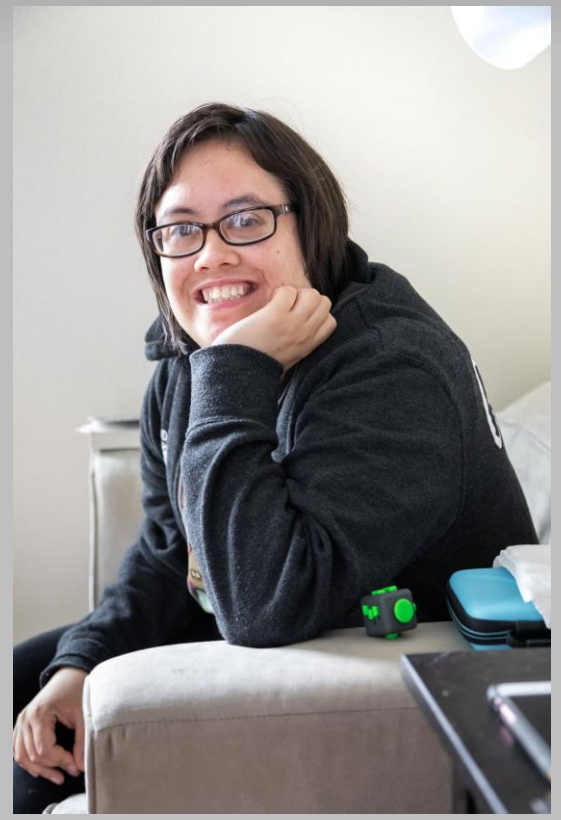
Number of clients by Tier

Tier Level	6/30/2022	6/27/2024
1	278	236
2	317	301
3	488	361
4	925	782
5	1163	1294
6	351	423
7	447	528
8	53	83
9	91	143
Total	4113	4151

Percentage of clients by Tier

Tier Level	6/30/2022	6/27/2024
1	6.8%	5.7%
2	7.7%	7.3%
3	11.9%	8.7%
4	22.5%	18.8%
5	28.3%	31.2%
6	8.5%	10.2%
7	10.9%	12.7%
8	1.3%	2.0%
9	2.2%	3.4%
Total	100.0%	100.0%

Source: Rate Capacity Reports



The landscape of the complexity of individuals coming into service have changed dramatically in recent years.

TIER LEVEL DATA

If you look back over the last 8 years, the change in the level of care of those served in Supported Living is even more dramatic!

Number of clients by Tier

Tier Level	12/1/2016	6/27/2024
1	423	236
2	450	301
3	940	361
4	1236	782
5	727	1294
6	166	423
7	229	528
8	14	83
9	30	143
Total	4215	4151

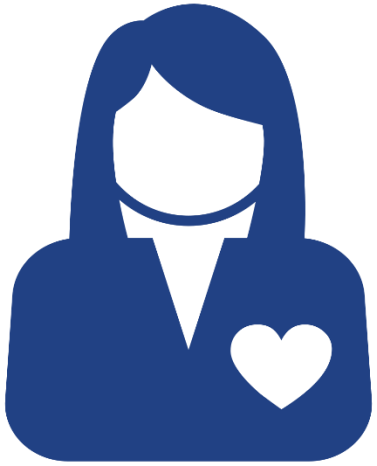
Percentage of clients by Tier

Tier Level	12/1/2016	6/27/2024	Change since 2016
1	10.04%	5.70%	-44.21%
2	10.68%	7.30%	-33.11%
3	22.30%	8.70%	-61.60%
4	29.32%	18.80%	-36.73%
5	17.25%	31.20%	77.99%
6	3.94%	10.20%	154.82%
7	5.43%	12.70%	130.57%
8	0.33%	2.00%	492.86%
9	0.71%	3.40%	376.67%
Total	100.00%	100.00%	

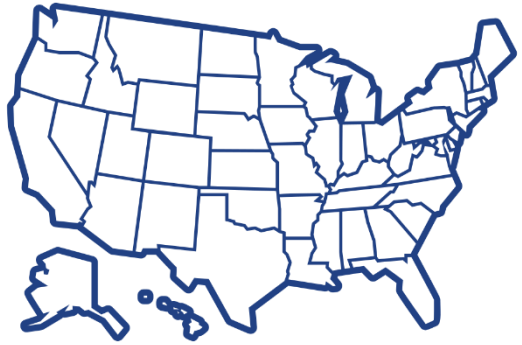
Eight years ago, clients at Tiers 5 through 9 accounted for 27.66% of those served while now clients at Tiers 5 through 9 account for nearly 60% of those in Supported Living!


CANADA
UNITED STATES
MEXICO
PACIFIC OCEAN
ATLANTIC OCEAN
Gulf of Mexico
WASHINGTON
OREGON
CALIFORNIA
NEVADA
IDAHO
MONTANA
WYOMING
UTAH
ARIZONA
COLORADO
NEW MEXICO
NORTH DAKOTA
SOUTH DAKOTA
NEBRASKA
KANSAS
OKLAHOMA
TEXAS
MINNESOTA
IOWA
MISSOURI
ARKANSAS
LOUISIANA
WISCONSIN
ILLINOIS
MICHIGAN
INDIANA
OHIO
KENTUCKY
TENNESSEE
MISSISSIPPI
ALABAMA
GEORGIA
FLORIDA
SOUTH CAROLINA
NORTH CAROLINA
VIRGINIA
WEST VIRGINIA
PENNSYLVANIA
NEW YORK
MAINE
VERMONT
NEW HAMPSHIRE
MASSACHUSETTS
RHODE ISLAND
CONNECTICUT
NEW JERSEY
DELAWARE
MARYLAND
Seattle
Olympia
Portland
Salem
Helena
Bismarck
Boise
Pierre
Minneapolis
St. Paul
Madison
Milwaukee
Lansing
Detroit
Chicago
Cleveland
Carson City
Sacramento
San Francisco
Salt Lake City
Cheyenne
Des Moines
Lincoln
Denver
Springfield
Indianapolis
Columbus
Topeka
Jefferson City
St. Louis
Frankfort
Lexington
Charleston
Washington, D.C.
Annapolis
Dover
Harrisburg
Trenton
New York City
Hartford
Providence
Albany
Boston
Concord
Montpelier
Augusta
Las Vegas
Los Angeles
San Diego
Phoenix
Albuquerque
Santa Fe
Oklahoma City
Little Rock
Memphis
Nashville
Raleigh
Columbia
Atlanta
Jackson
Montgomery
Dallas
Austin
San Antonio
Houston
Baton Rouge
New Orleans
Tallahassee
Jacksonville
Orlando
Miami
Richmond
40°
30°
HAWAII
PACIFIC OCEAN
Honolulu
22°
20°
0 100 mi
0 160 km
RUSSIA
ALASKA
CANADA
170°
150°
70°

ANCOR BY THE NUMBERS



2,500
private providers
of I/DD services



59
state provider
associations

19
100% provider
associations

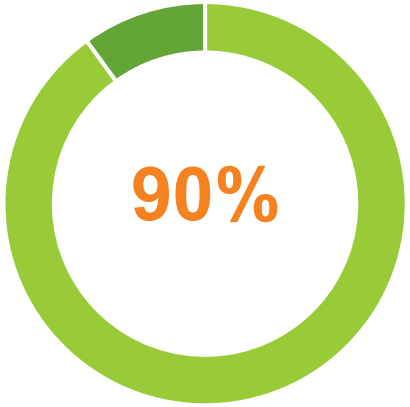
ANCOR'S PURPOSE

Advancing the future

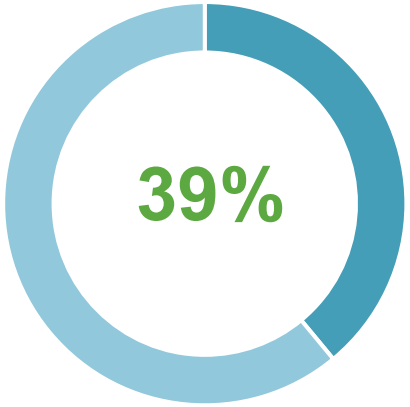
of supports and services for people

with intellectual and developmental disabilities

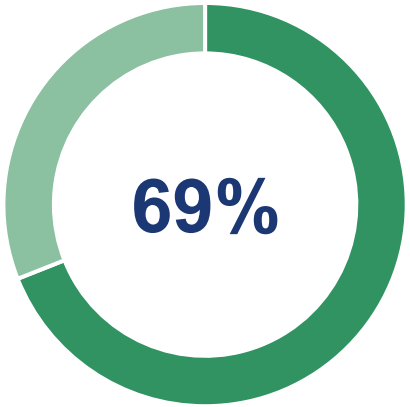
THE STATE OF AMERICA'S DIRECT SUPPORT WORKFORCE CRISIS 2024



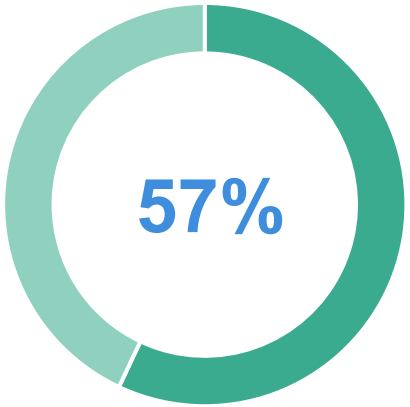
Providers experiencing moderate or severe staffing challenges in the past year



Providers discontinuing programs or services due to staffing challenges



Providers turning away new referrals due to staffing challenges



Case managers reporting difficulty connecting people with available services

ADDRESSING A WORKFORCE IN CRISIS

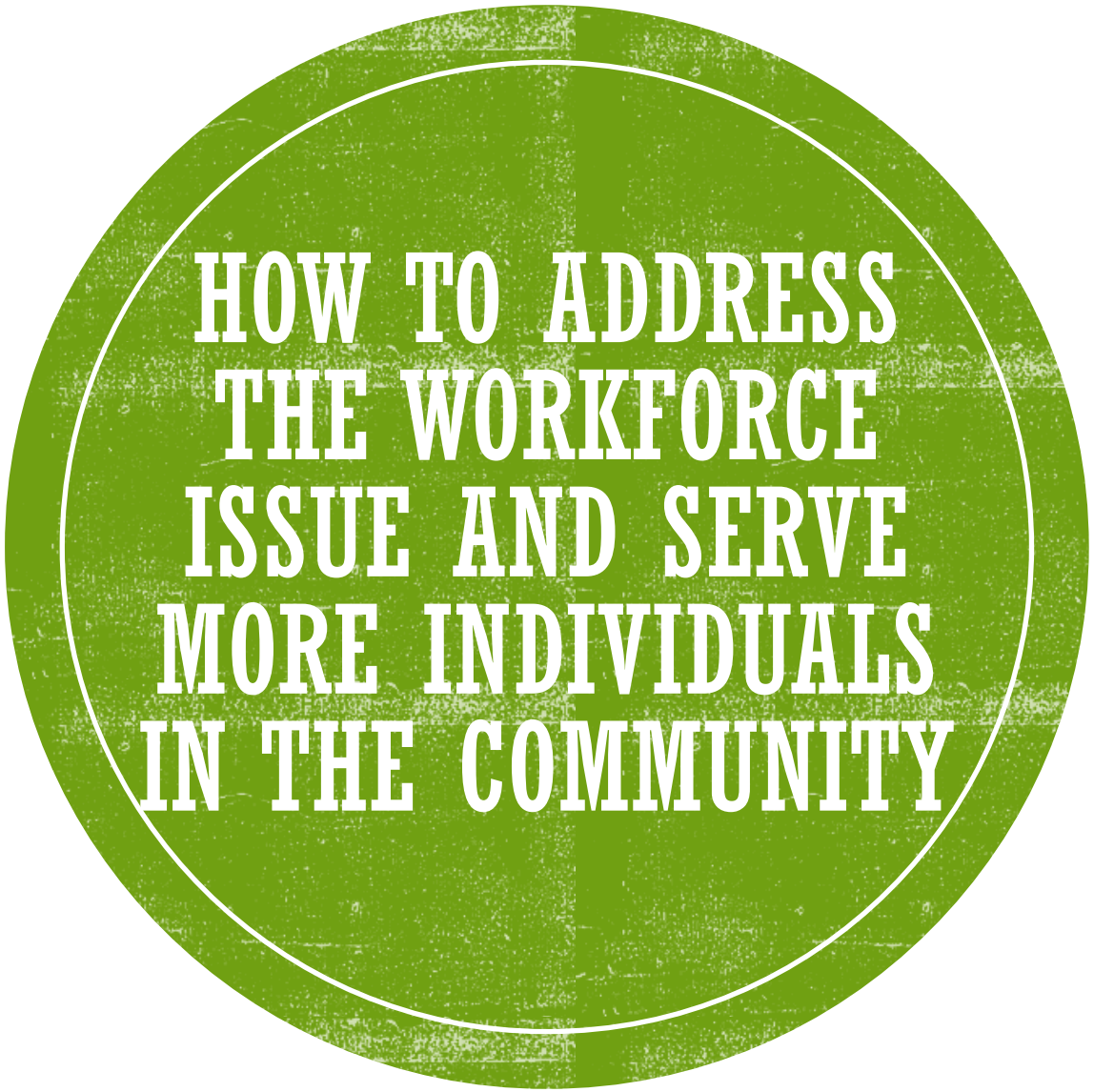
$17.20 The **median hourly wage** nationally for direct support professionals as of 12.31.23

39.7% The **turnover ratio** among direct support professionals nationally in 2023

12.2% The **full-time vacancy rate** among direct support professionals as of 12.31.23

WE HAVE SEEN PROMISING SIGNS OF PROGRESS

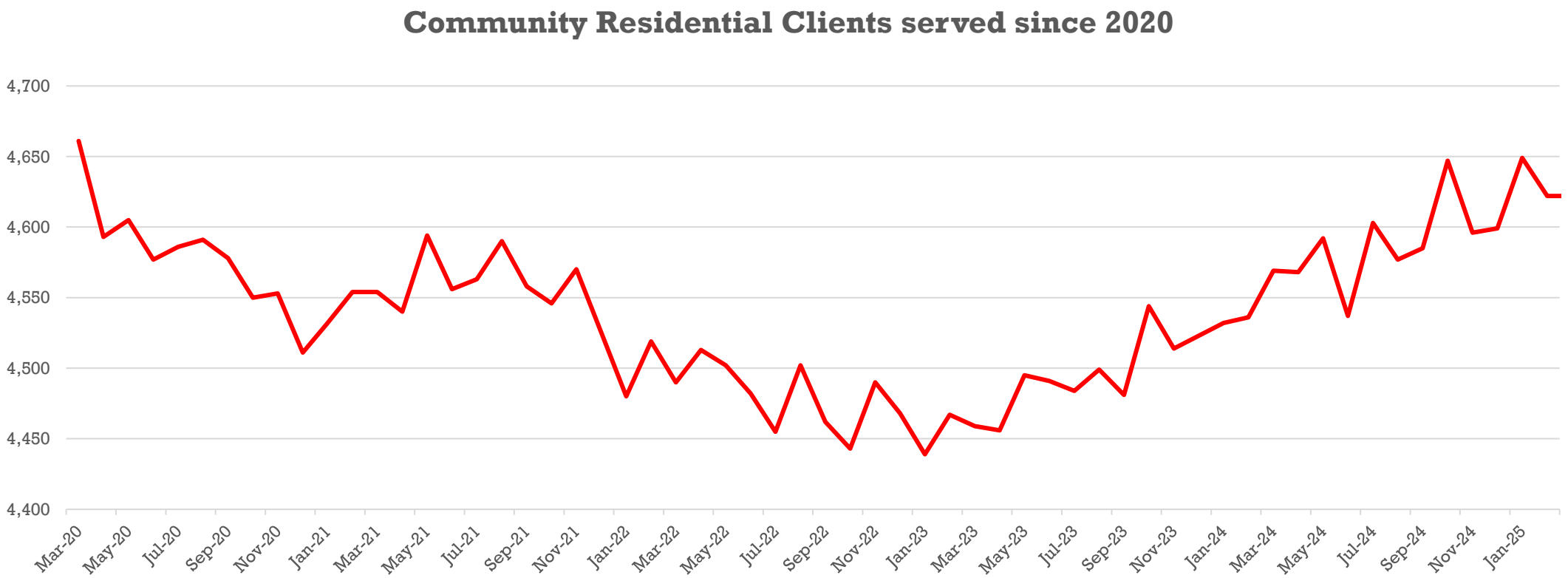
- Median hourly **DSP wages increased by 29%** (+$3.84/hour) between 2020-2023.
- The direct support **turnover ratio dipped below 40%** for the first time in 2023.
- 18 states + DC **no longer operate large, state-run institutions.**
- The **share of providers turning away new referrals** fell 17% (from 83% to 69%) between 2022-2024.
- In that same timeframe, the **share of providers discontinuing programs and services** fell 38% (from 63% to 39%).



Strategies that have worked in Washington

IMPACT OF FUNDING ON NUMBER OF INDIVIDUALS SERVED

- Due to **workforce issues**, the number of individuals served in Supported Living had decreased. With a larger rate increase in 2022, we have seen the number of individuals served increase by 160 individuals and turnover more than cut in half (from 78% in 2021 to 37% in 2023). **Investments prove effective!**



WHAT IS NEEDED?

Securing the community provider base is job one in transforming lives!!

In order to serve new clients waiting for services, discontinue the trend of decreasing capacity and lower staff turnover, the following is needed:

- Stabilize the Support Living workforce and provider network with consistent and predictable Medicaid investments for provider wages, operations and administration
  - Rate study funded by the legislature and completed by Milliman in 2023. The study reviewed all provider Cost Reports for 2022 and found the following 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 2026, 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%

Recognition of the Complexity of Individuals Served

- The rate study also noted that the number of clients being referred for services and currently served are complex, with approximately 50% also having an accompanying mental health diagnoses.
  - Recommendation that a standard add-on payment rate should be funded to support individuals with complex behavior support needs.
  - Similar to recent Complex Needs Pilot Project to serve 30 individuals with extensive behavior support needs

LIVING WAGE DATA

- Even with a rate increase in 2022, the average starting wage is just over $20 per hour
  - This is still 27% below a livable wage for a single adult and 99% below for a family with one child.
  - This results in most DSP's working two or more jobs to make ends meet

Despite this data and the legislatively mandated rate study, the recommendations from the report have yet to be funded.

Further investments are needed to reduce the turnover, allow for a livable wage and recognize the complex supports provided by Direct Support Professionals

SERVING THOSE WITH MORE COMPLEX SUPPORT NEEDS

- With rate investments, turnover decreasing and those with more complex support needs being referred for services, the legislature is looking at specialized programs to serve individuals with more complex behavioral support needs

- Complex Needs Pilot Project
  - ✓ Funding to serve 30 clients with two or more "extensive behavior supports" in their PBSP
  - ✓ Moving from a hospital, out of state placement, or state mental health facility
  - ✓ Six providers were selected for the pilot
    - Must be a contracted provider for three years or more
    - No current enforcement actions
    - Currently serve a minimum of 30 clients
    - Currently provide physical intervention training for staff
  - ✓ Clients were selected by DDA for the pilot
    - Referrals started going out in January 2024

COMPLEX NEEDS PILOT

- Additional funding and requirements
  - ✓ Up to an additional $450 per day
  - ✓ Higher compensation for staff working in these programs
- Agency must also have a BCBA to provide additional support
- Additional training and certification required of the Direct Support Professionals, including:
  - ✓ Trauma-informed practices;
  - ✓ Physical intervention and de-escalation training;
  - ✓ Dual diagnosis core competency training;
  - ✓ Additional 6 hours of client-specific training; and
  - ✓ Professional certification or registered or certified behavior tech
- By November 1st, all 30 clients were successfully placed in Supported Living!
- With higher funding, providers saw **lower turnover** and **increased retention**
- The success of the Complex Needs Pilot Project showed that with additional specialized training and higher compensation, the supports can be provided.

COMPLEX NEEDS PILOT – LESSONS LEARNED

With the state looking to replicate this pilot with clients moving out of Rainier School, as well as the Enhanced Behavioral Support Project, some additional thoughts for success:

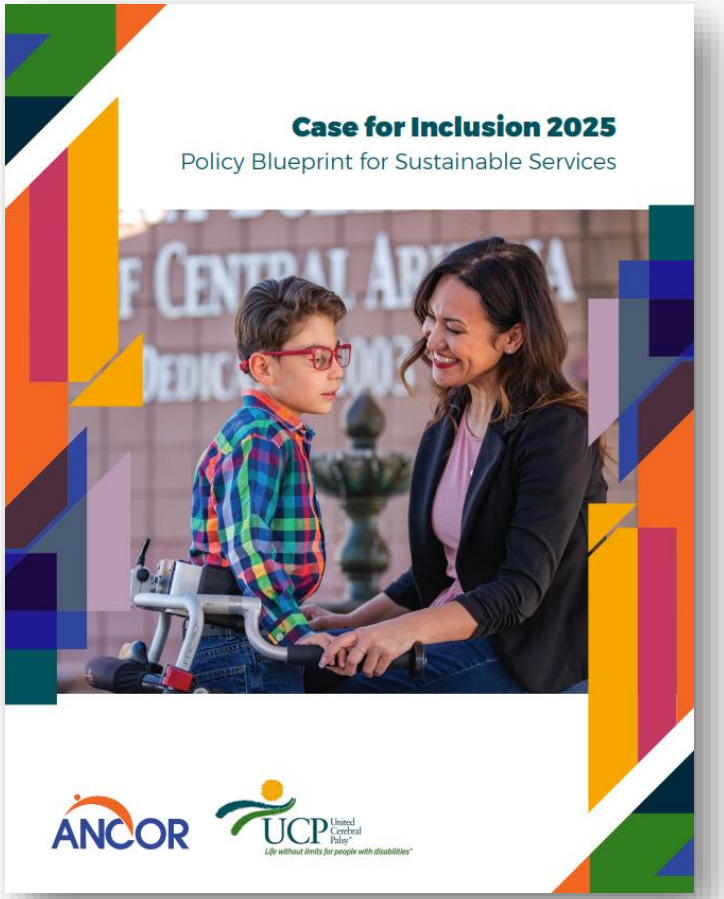
- Look at statewide credentialing rather than the national certification required by Complex Needs
  - Extremely low success rate of getting DSP's through the testing module, as well as lack of response from the organization
- Referrals should be fully vetted by the state for readiness for referral (*delays encountered by providers*) and obstacles for placement (*not ready for discharge or out-of-state placements*)
- Housing – capital funding to go along with the appropriation or provide start-up funding for housing
- Funding should be equitable across community residential and state-operated programs for the same level of care and clients referred.

With the necessary supports, program structure and adequate funding, programs to support those with Complex Needs will be successful and will help people live full lives in their home community!

OTHER STRATEGIES TO ADDRESS WORKFORCE ISSUES

- High School Home Care Aide Training program
  - 90-hour high school course
- Staff mental health & well-being resources
- Benefit programs
  - Student Debt Reduction Program
- Marketing efforts
  - Washington Care Careers Website
- Workforce engagement in what is needed
- Development opportunities
  - Improved and specific training
  - Org structure to support work of DSPs

MORE RESOURCES: *CASE FOR INCLUSION*



- Published annually by UCP since 2006; ANCOR has partnered with UCP since 2019
- Assesses how well states are supporting people with IDD to be included across 80 distinct measures
- Includes **Data Snapshots** to tell the story of our challenges and **Policy Blueprints** to illustrate pathways toward solutions.

FROM THE CASE FOR INCLUSION 2025 POLICY BLUEPRINT:

State governments should:

- Apply for federal and philanthropic funding opportunities focused on stabilizing the direct support workforce.
- Establish systems for monitoring access to services.
- Encourage the Trump administration to establish a Standard Occupational Classification (SOC) for DSPs.
- Participate in National Core Indicators' *State of the Workforce* surveys.
- Collect and publish data on workforce volume, stability and compensation.

ANCOR MEDICAID RESOURCE CENTER:

Fact Sheets

FAQs: Medicaid Cuts & Community Services

Get the answers to some of the questions we hear most frequently regarding how cuts to Medicaid will harm disability services.

Browse FAQs

Cuts to Medicaid Harm Disability Services

Federal Medicaid cuts shift costs to states and harm disability services, forcing people with I/DD to struggle to meet their most basic needs.

Get the Facts

Community-Based Services for People with I/DD

These critical services help people with I/DD to live full and independent lives in their communities, but access is at risk.

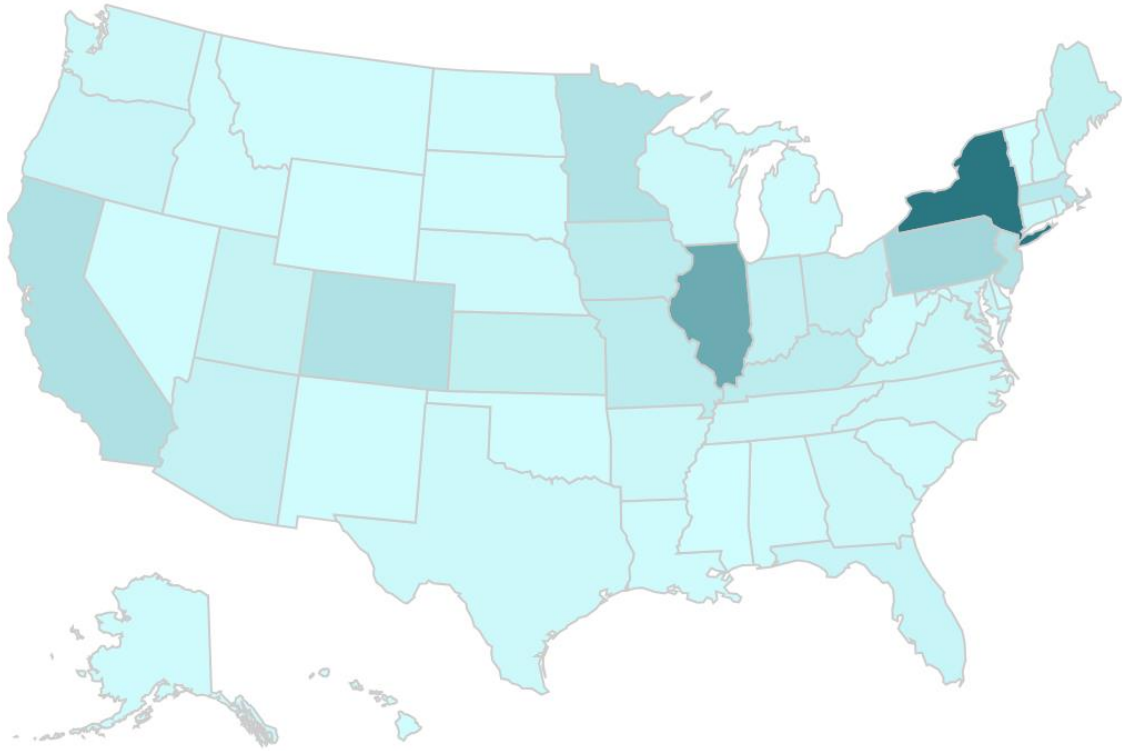
Learn More

America's Direct Support Workforce Crisis

A longstanding shortage of direct support professionals has led to closures of critically needed services and a denial of access to community.

Dive Deeper

WE HAVE ADVOCATES WHO ARE FIRED UP (& READY TO HELP)



115,196

The number of messages sent by ANCOR advocates this year

86,478

The number of advocates mobilized by ANCOR this year

QUICK RESOURCES: SCAN + KEEP HANDY

Case for Inclusion 2025
Advocacy Blueprint

State of America's Direct Support Workforce Crisis 2024

ANCOR's 2025 Policy Summit & Hill Day

ANCOR

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Questions?