

Serving people with developmental disabilities in their home communities

## 2026 Legislative Priority #1: Protect and preserve Supported Living funding stable funding = stable lives

Supported living keeps people with developmental disabilities safe, connected, and independent – and saves the state money long term.

- Services are delivered **24/7**, tailored to each person's needs.
- Between the three models of residential services for people with I/DD at the highest level of care (RHCs, SOLAs, Supported Living), Supported Living serves the overwhelming majority at **over 87%**.
- Providers help with daily living, health, safety, employment, and community inclusion.
- The goal: independence, stability, and quality of life—not institutional care.
- Supported Living is already **funded at less than half the cost of state-operated programs**, so reductions of this vital program would destabilize the critical support system serving 4,700 clients.

Protecting and sustaining current supported living funding will ensure stability, dignity, and independence for people with developmental disabilities.

## 2026 Legislative Priority #2: Reduce red tape to strengthen services for people with developmental disabilities

Supported living providers play a vital role in helping Washingtonians with developmental disabilities live safely and independently in their own homes. Yet these providers are weighed down by excessive, redundant, and conflicting state requirements. Multiple divisions within the Department of Social and Health Services (DSHS) and the Department of Health (DOH) often request the same information in different formats and timelines.

- This administrative overload diverts staff time from direct support, drives up costs, and worsens workforce shortages.
- Providers spend hundreds of hours annually responding to duplicative audits, reporting the same data in multiple systems, and navigating unclear or inconsistent guidance. Every hour on paperwork is an hour away from people.

The solution: **Streamline the state's oversight structure.** This will improve accountability *and* efficiency. The goal is not to reduce quality or oversight—it's to focus oversight where it matters most.

## 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 2026 is 50% 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
  - 15% increase in Health Insurance for 2026
- 25.7% inflation over last 5 years



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	16.5%	2.0%	8.5%	6.5%
2024	17.9%	2.5%	3.8%	1.3%
2025	16.2%	4.5%	2.9%	(1.6%)
2026	19.3%	-	3.0%	3.0%

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



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 \$642, SOLA \$1,438, RHC \$1,702

## For more information, please contact:

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