

***Improving Financial Outcomes | Wage Pass-Through Policies
Retain Workforce for Long-Term Care Providers***



Who are Direct Care Workers?



Nearly 5.4 million direct care workers assist older adults and people with disabilities with essential daily tasks and activities across a range of care settings.

- **Home Care Workers** are the more than 3.1 million personal care aides and home health aides (and in some cases, nursing assistants) who support individuals in private homes and community settings.
- **Residential Care Aides** are the 687,000 personal care aides, home health aides, and nursing assistants who assist individuals in group homes, assisted living communities, and other residential care settings.
- **Nursing Assistants** in Nursing Homes are the 492,000 workers who provide services to individuals living in skilled nursing homes.

Rising Demand Amid a Recruitment and Retention Crisis



1.9 million jobs added over the last decade, primarily in HCBS

More new jobs are expected this decade (772,000) than any other single occupation in the country

An estimated **9.7 million total job openings** from 2024 to 2034



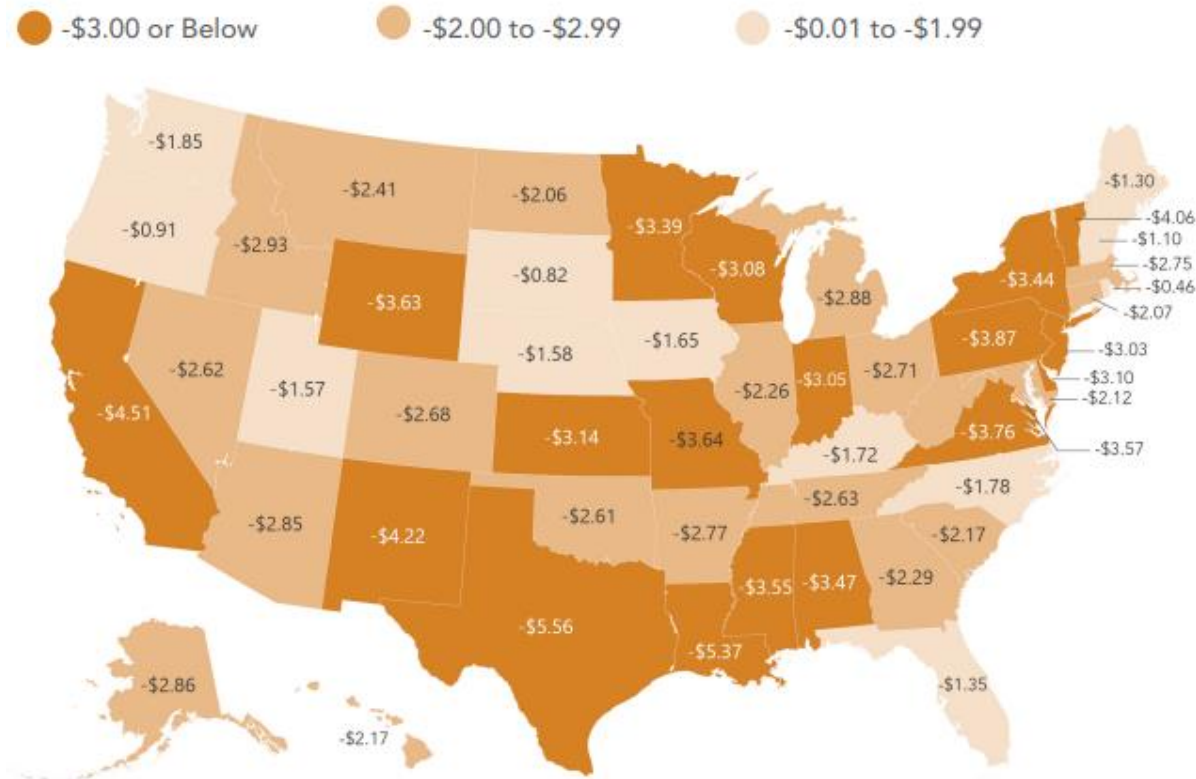
Challenges Stemming from Poor Job Quality



- Lack of recognition and respect
- Low pay; uncompetitive wages
- Unstable scheduling and work hours
- Limited benefits
- Unsafe workplaces, high rates of injury, and poor access to care
- Few recognized career development opportunities
- Inconsistent or low-quality training and support

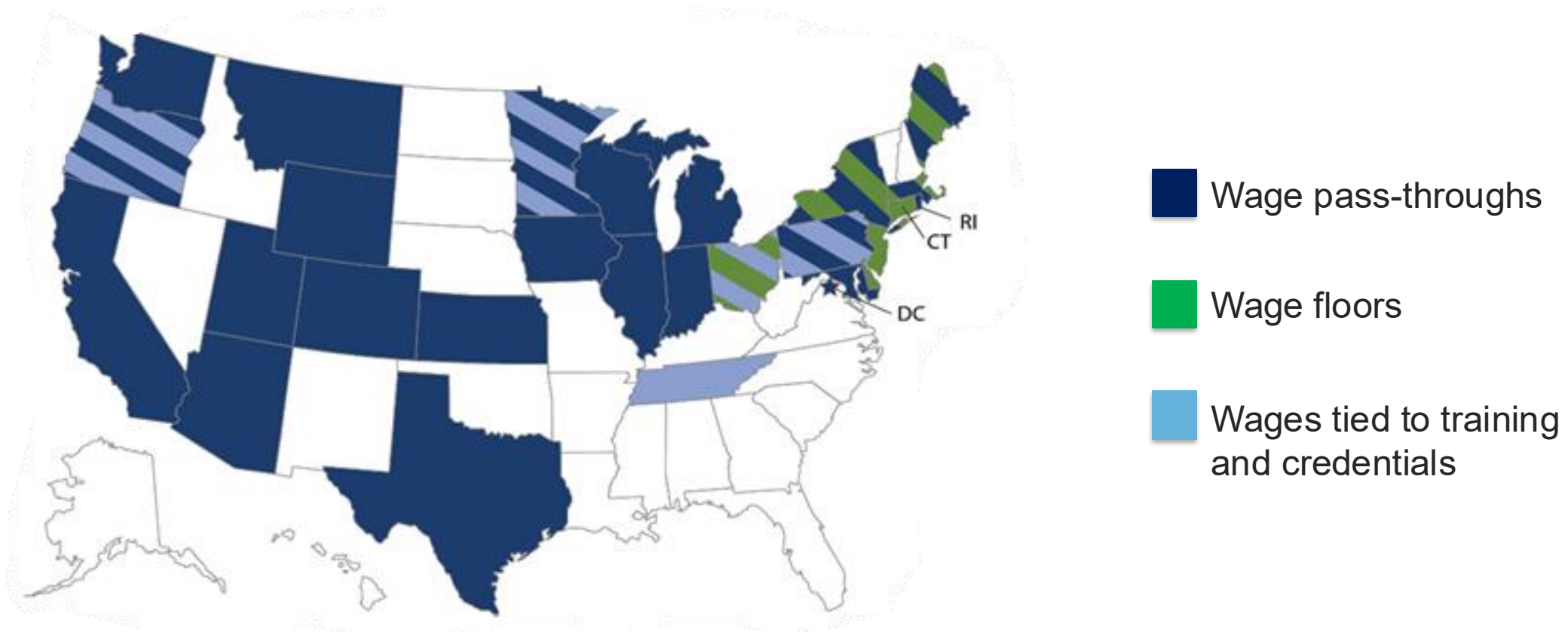
	U.S.
Women	85%
People of Color	64%
Immigrants	28%
Median hourly wage	\$16.72
Median annual earnings	\$25,015
Live in or near poverty	37%
On public assistance	49%
Lack affordable housing	36%
Do not have employer-sponsored health insurance	53%

The Direct Care Wage Gap



Wage Gap Between
Median Wages for
Direct Care Workers
and Similar/Competitive
Occupations

Implementation of Wage Policies (2009-2023)



THE 5 PILLARS OF DIRECT CARE JOB QUALITY



QUALITY
TRAINING



FAIR
COMPENSATION



QUALITY
SUPERVISION
& SUPPORT



RESPECT &
RECOGNITION



REAL
OPPORTUNITY



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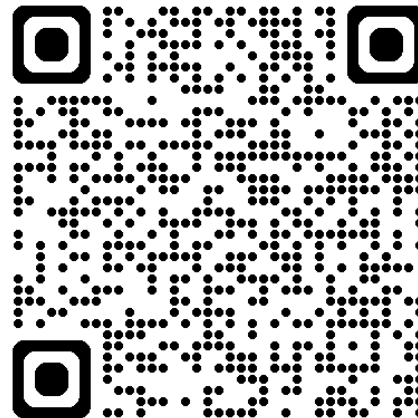
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NASDDDS

- Represents the systems in states, territories, and the District of Columbia providing services to children and adults with intellectual and developmental disabilities (I/DD) and their families since 1964.
- Members oversee more than 1/3 of the nation's budget for long term services and supports (LTSS), including three-fourths of HCBS - administering essential services to children and adults with I/DD and their families – enabling good lives in their communities.



DSPs – Essential for People Served and Their Communities

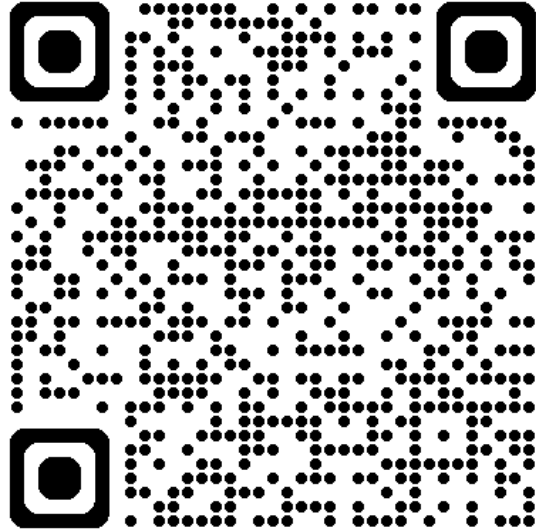
- People thrive when they are supported by a stable, qualified Direct Support Workforce.
- High turnover, over-stretched workers and other workforce challenges weaken the quality and reliability of services for people with I/DD
- Workforce shortages create challenges for people served, families and providers across the country.
- Direct Support Workers are vital members of our communities– and are important contributors to the economic ecosystem in local communities



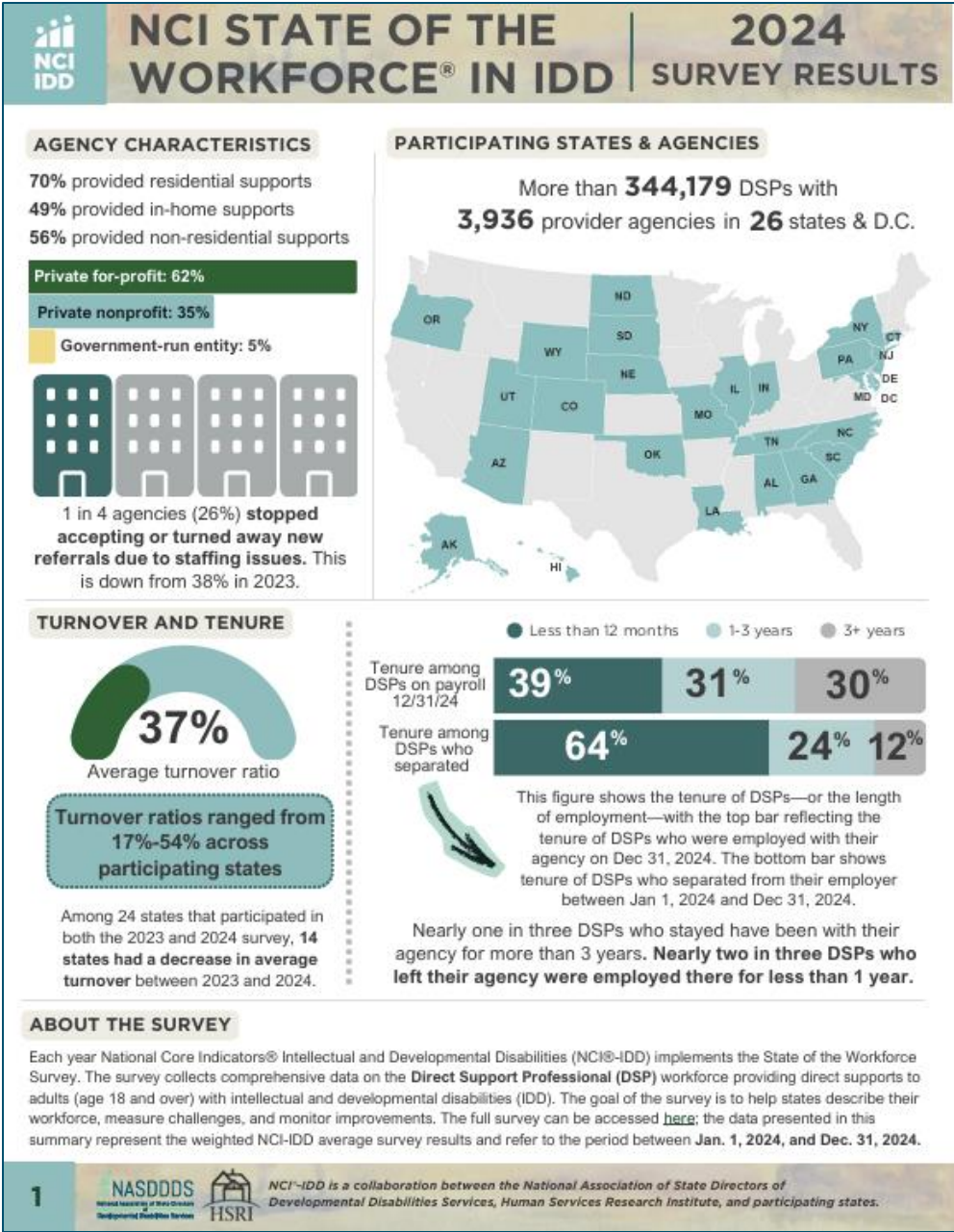
Important Medicaid Context...

- Well-trained, well-supported DSP workforce is key to strengthening program integrity in Medicaid
- Access Rule federal action and states focusing on requirements implementation – NPRM Expected Soon
 - Wage transparency requirements are expected to remain
 - Workforce issues will impact other reportable provisions of the CMS Access regulation
 - Waiting lists
 - Service access/authorization periods
 - Health and welfare

NCI State of The Workforce



National Core Indicators’ SOTW collects comprehensive data on the Direct Support Professional (DSP) workforce providing direct supports to adults (age 18 and over) with intellectual and developmental disabilities (IDD) – We are moving to a single tool for all LTSS populations.



2024 AT A GLANCE

Direct Support Professional Workforce

344,179+

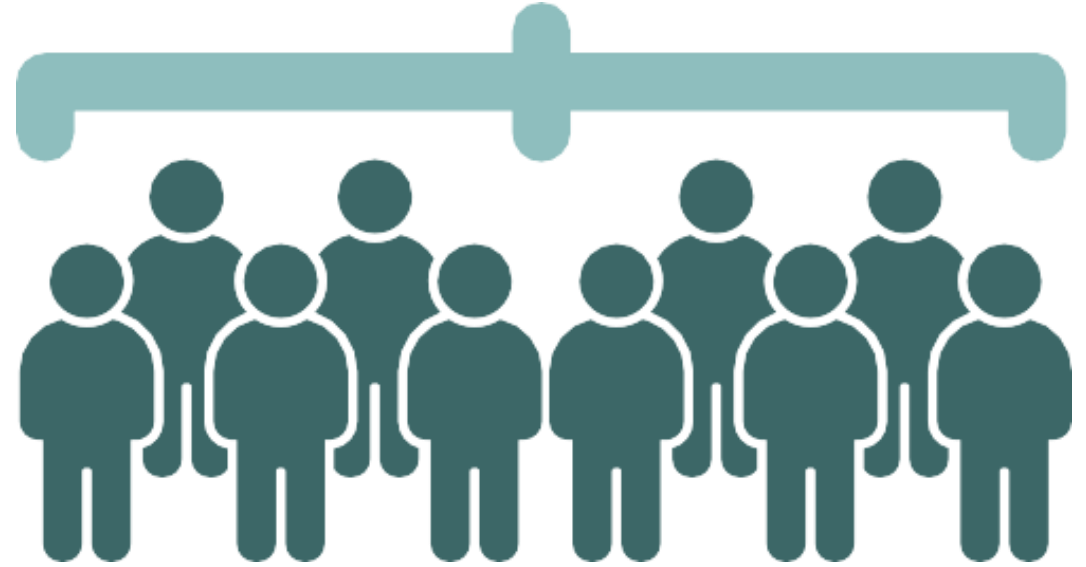
DSPs represented

3,936

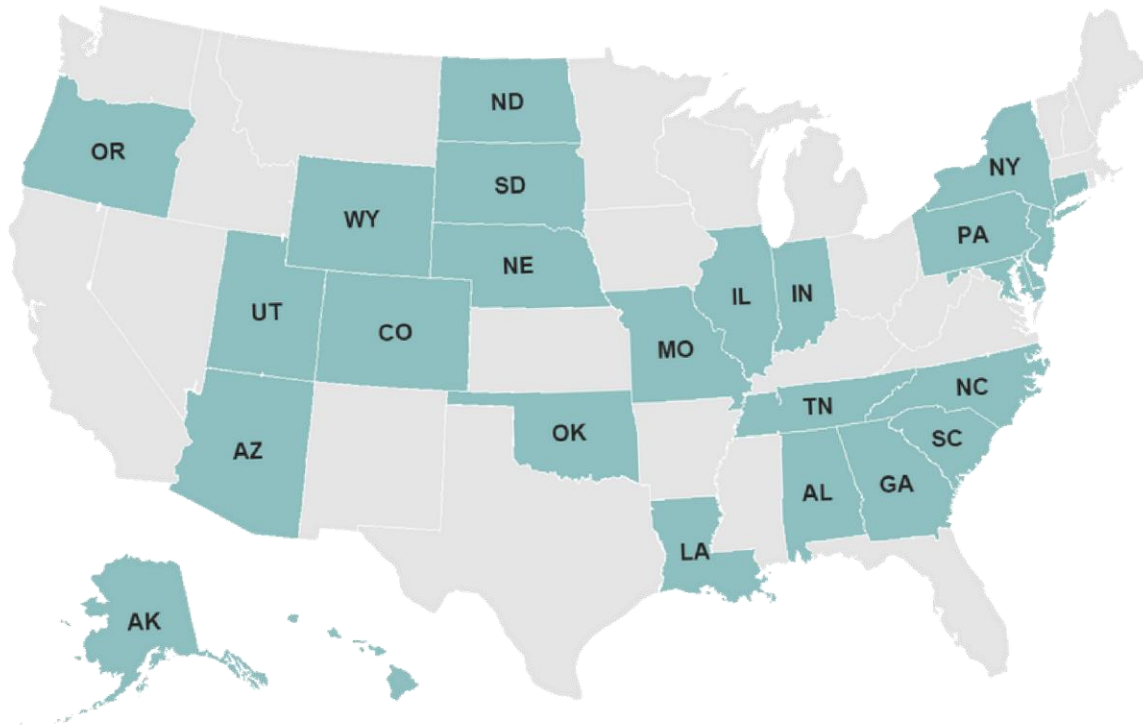
provider agencies

26 states + D.C.

Weighted NCI-IDD average survey results • Jan. 1-Dec. 31, 2024



Participating states & agencies



70%

provided residential
supports

49%

provided in-home
supports

56%

provided non-residential
supports

62%

private for-profit

35% nonprofit • 5% government-
run

1 in 4 agencies (26%) stopped accepting or turned away
new referrals due to staffing issues.

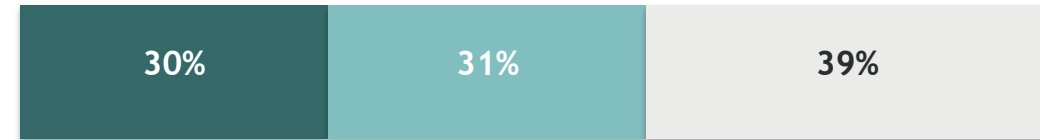
Turnover and tenure tell two sides of the workforce story

37%

average turnover ratio

State averages ranged
from 17% to 54%

TENURE AMONG DSPs
On payroll 12/31/24



Separated during 2024

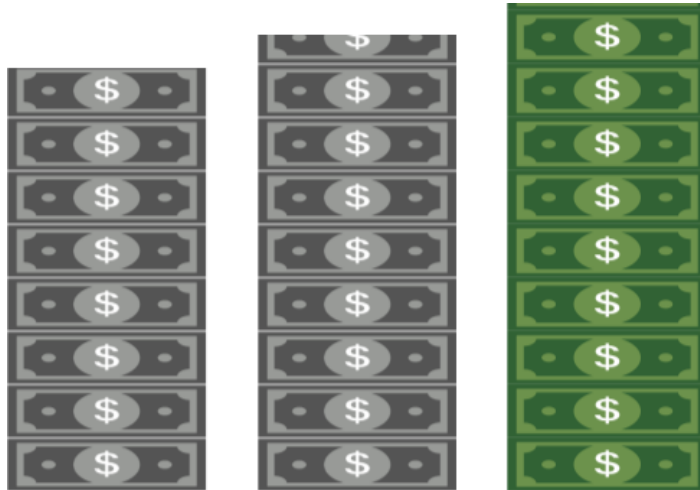


Less than 12 months

1-3 years

3+ years

Nearly 2 in 3 DSPs who left had been employed less than one year. Among 24 states participating in both years, 14 saw average turnover decrease from 2023 to 2024.



\$15.98

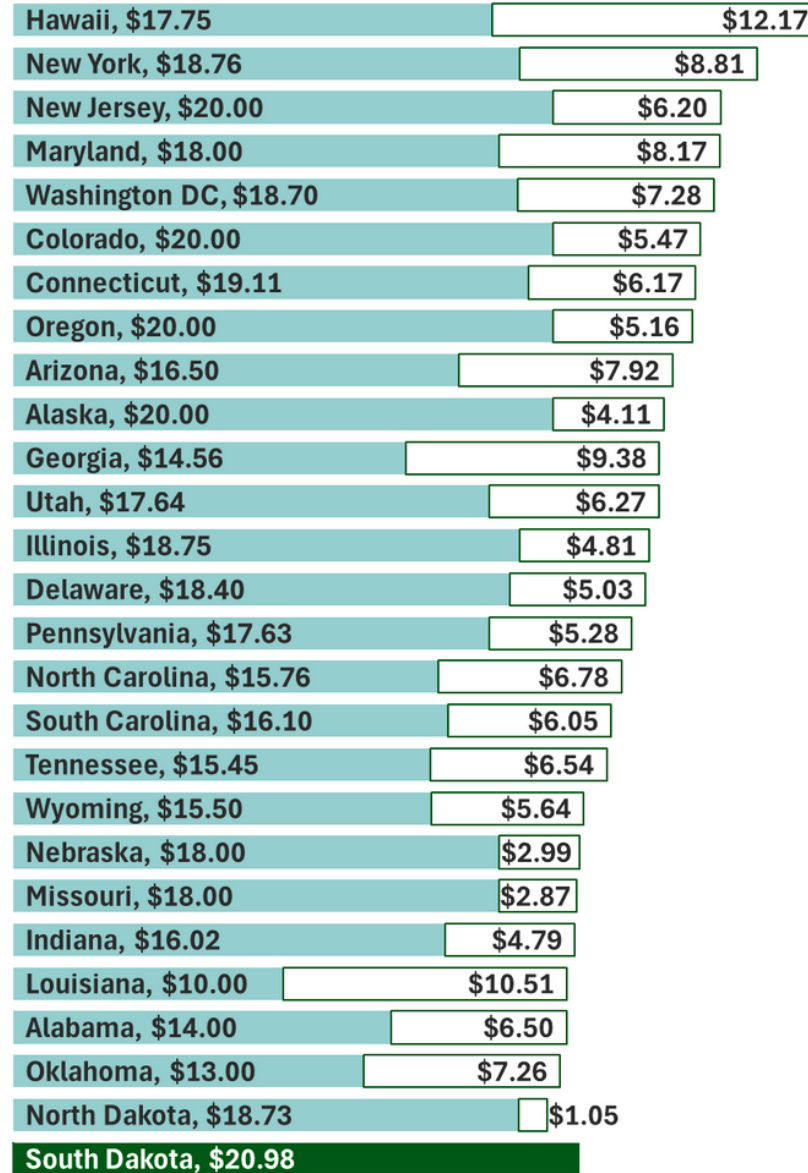
2022

\$17.20

2023

\$18.39

2024



1 STATE

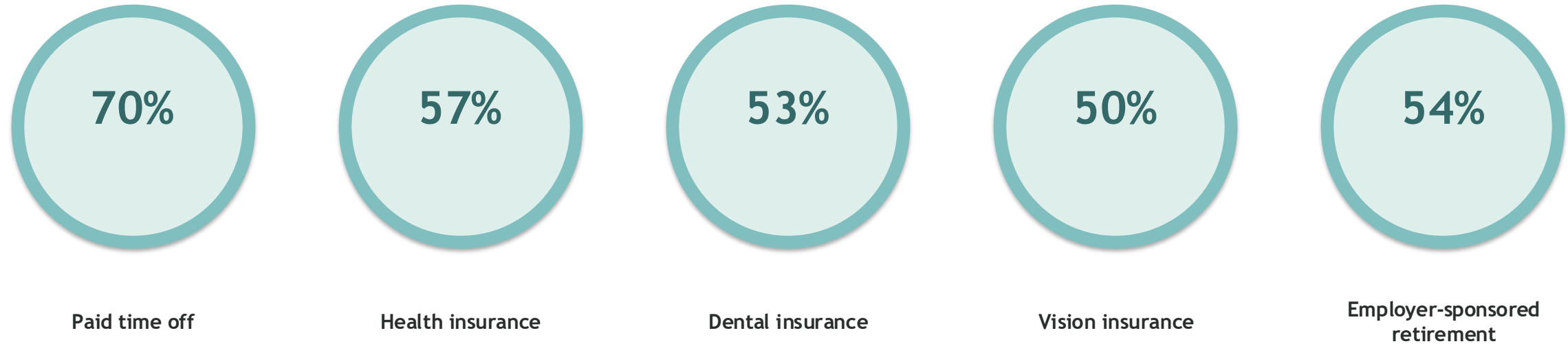
had median DSP wages at or
above the living wage for one
adult

\$1.05-\$12.17

hourly increase needed in other
states to reach that benchmark



Benefits offered to some or all DSPs



On average, agencies offered benefits to some or all DSPs as shown above.



Strong recruitment strategies are widespread – but not universal

80%

offer realistic job
previews

48%

offer pay incentives or
bonuses to new hires

36%

engage high schools and
colleges

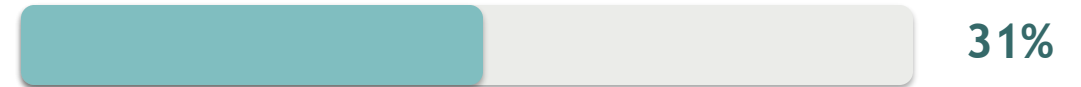
Recruitment is only one part of the equation – retention strategies
matter too.

How agencies are working to keep DSPs

DSP recognition programs



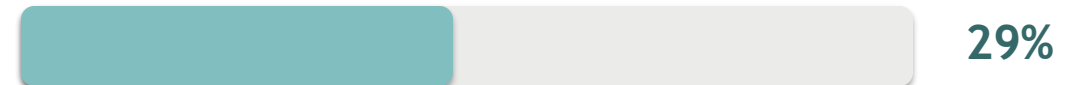
Support staff to get credentialed



DSP engagement surveys



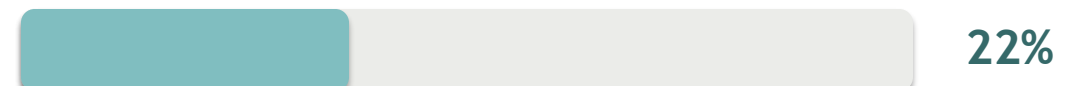
Bonuses/raises tied to credentials



DSP ladders



Include DSPs in agency governance





National Association of State Directors
of
Developmental Disabilities Services

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