



Workforce development:

Meeting the growing demand for I/DD services

The state systems that support individuals with intellectual and developmental disabilities (I/DD) have reached a tipping point. Low pay rates and difficult working conditions have always made it challenging to staff programs; now the problem has been exacerbated by agency closings, shortages in the broader employment market, and the lingering effects of the COVID-19 pandemic.

“Workforce development problems have impacted the social services sector for much of the last 30 years,” said Teja Stokes, Deputy Executive Director of the [National Association of State Directors of Developmental Disabilities \(NASDDDS\)](#), in a [recent webinar](#). “It’s been an issue for so long that we really shouldn’t be calling it a crisis. But the current reality is that it’s approaching unsustainable levels.”

Given that direct support professionals (DSPs) are essential to ensure the health, safety, and meaningful community integration for individuals with I/DD, this crisis must be addressed.

Background

The pandemic pummeled an already fragile workforce situation, greatly impacting state agencies, staff, and clients. According to data from the [2020 National Core Indicators I/DD Staff Stability Survey](#) (which analyzed nearly 3,000 surveys from 26 states):

- About 33% of agencies reported having to close locations/sites in response to the COVID-19 pandemic
- Nearly 47% of agencies reported having to stop the delivery of some supports either temporarily or permanently
- Approximately 15% of agencies reported paying family members to serve as support providers during the pandemic

Many industries are facing worker shortages; however, new opportunities with better pay and better working conditions have opened up, making it even harder to hire DSP staff to pre-COVID levels.

Additionally, the DSP workforce contains a diverse array of professionals who support individuals who need home- and community-based services (HCBS). These professionals have varied backgrounds, skills, credentials, and wages. And for individuals with I/DD, community integration and employment supports require unique skills and training.

Current efforts to improve the DSP shortage

The American Rescue Plan Act (ARPA) has offered an unprecedented opportunity to shore up the DSP workforce by enhancing the Federal Medical Assistance Percentage (FMAP) for HCBS. This has provided a one-time only investment opportunity.

Strategies have included:

- Bonuses
- Wage/benefit enhancements
- Training and further development of career paths
- Provider capacity building around recruitment and retention
- Data collection and quality improvement

Almost every state has made a targeted investment of ARPA dollars to address these workforce issues.

Other creative solutions have included:

- Utilizing value-based payments programs
- Recruiting through student nursing programs
- Establishing community college partnerships
- Offering DSP stipends for childcare or transportation
- Investing in assistive technology to serve individuals using remote supports

Stokes cautioned that “with issues of this magnitude, we have to keep in mind that with opportunity comes a healthy dose of caution.” When considering workforce development strategies, it’s important to

be cautious of obstacles such as wage compression, where there’s little difference in pay among employees regardless of differences in their respective knowledge, skills, experience, or abilities.

By trying to squeeze too much productivity out of too few workers, other concerns can sometimes arise, like worker burnout, lack of sustainable resources for staff initiatives, and a demand for services outpacing worker development. While addressing the low wage scale of DSPs has to be part of the solution, this spending must be balanced by increased leveraging of technology, self-direction, and improving the respect, recognition, and working conditions of DSPs.

Any effective solution to the workforce crisis requires collaboration between the federal government, state agencies, and provider partners. A significant portion of ARPA funding, which will expire in 2025, must be directed to sustainable investments with long-term returns. Investments in technology, training, and certification are three examples. The DSP workforce is long overdue for an overhaul that prioritizes professional recognition and a long-term career path. Establishing standards now will help justify reasonable living wages for the DSPs of the future.





Future strategies for workplace improvement

State agencies and health plans in the managed care space should consider a variety of approaches to meet the growing demand for services.



1. Work smarter, not harder

Technology is one tool that ensures staff spend quality time with clients. “With increased demand comes the need for automation,” says Abby Cox, Vice President of Business Development at WellSky, a leading health and community care technology company.

Technology not only improves the productivity of current staff members, it also helps to recruit new individuals to the workforce by improving working conditions. “The COVID-19 stimulus funding is a particularly important opportunity for states to innovate their systems and processes to work smarter, not harder,” Cox said.



2. Achieve those “easy wins”

“Find the low-hanging fruit and grab it,” says Cox. “One way is to push out certifications to staff members, ensuring that they have the skills and knowledge to do their jobs. This raises their earning potential as well as their self-esteem. Certifications also build credibility among consumers and family who rely on these services.”

Other low-hanging fruit may be simple recognition of staff. Individuals should receive feedback and recognition for a job well-done.



3. Re-imagine the goal of your agency

Individuals rarely stay with one company or in one career for decades, and Cox suggests redefining the goal of your agency to align with that reality. This might mean focusing on becoming an effective training ground for staff, whether they rise to leadership roles in your agency or go on to work for other agencies.



4. Prioritize retention efforts

Retention requires an investment in people through training, certification, and other opportunities. One suggestion is to build a “career ladder” for DSPs to move into new roles as they grow their skills and expertise. This might mean aligning policies and regulations across state agencies so that employees can work across agencies and more easily advance their positions.

Leveraging ARPA to fund workforce initiatives

Section 9817 of the American Rescue Plan Act of 2021 provided additional support for Medicaid HCBS through a 10% Federal Medical Assistance Percentage (FMAP) increase. States may spend the funds between April 1, 2021, and March 31, 2025. However, the funds must:

- Enhance, expand or strengthen HCBS
- Support one-time, non-recurring initiatives
- Target one or more activities (such as workforce development)

Jayson Wright, a senior consultant at [Guidehouse](#), analyzed the ARPA Section 9817 Spending Plans submitted by every state. Workforce development initiatives appeared in 46 of the 50 state proposals. “Training” and “recruitment and retention” were the most commonly proposed initiatives.

“Training really runs the gamut,” said Wright. “It’s not just improving the skillset around an individual who is providing support for activities of daily living. States are taking the opportunity to dig deep into training and talk about diversity, equity, and inclusion, and trauma-informed care at multiple different levels.”

Wright said that 34 states submitted recruitment and retention initiatives, most of which involved hiring and retention bonuses, which are quick ways to directly impact DSP staffing levels. He also stressed that the Centers for Medicare & Medicaid Services (CMS), the agency that reviews and approves ARPA proposals, has encouraged states to think more about long-term, sustainable workforce development strategies, particularly amid this changing employment landscape.

Conclusion

Workforce shortages have obstructed the delivery of I/DD services for decades. And the problem has only intensified due to COVID-19. Any solution to the problem must combine short-term fixes to the lagging pay rates of DSPs with long-term solutions that increase recruitment, productivity, and retention through well-defined career paths and better working conditions.



This tip sheet is based on content from the WellSky webinar, [Workforce development strategies for the next era of state human services](#).



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