Should I stay or should I go? Incentives, wages, and retention among direct support professionals revisited post COVID

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NCI·IDD NATIONAL CORE INDICATORS PEOPLE DRIVEN DATA
NASDDDS National Association of State Directors of Developmental Disabilities Services

Study Purpose

Direct support professionals (DSPs) are vital to people with intellectual and developmental disabilities (IDD). The COVID-19 pandemic created unprecedented challenges for this workforce, prompting many states to adopt workforce development strategies affecting wages, training, benefits and incentives, and other areas. Despite workforce investments, recruitment and retention challenges endure. This study revisits earlier research (Pettingell et al., 2022) that used 2018 data to examine whether the 2018 relationships between wages, benefits and incentives, and turnover persist or have changed since COVID wage increases and other ARPA workforce development efforts.

Data

National Core Indicators State of the Workforce Survey

- Respondents are payroll/human resources staff at provider agencies

2024

- Data reported for 1/1/24 – 12/31/24
- 26 states and the District of Columbia participated
- 3,936 agencies submitted data; analytic sample N=2,491
- Average number of DSPs working in an agency was 105 (range 1 to 2,473); 260,404 across all agencies

2018

- Data reported for 1/1/18 – 12/31/18
- 26 states and the District of Columbia participated
- 4,400 agencies submitted data; analytic sample = 2,608
- Average number of DSPs working in an agency was 106 (range 1 to 2,285); 275,379 across all agencies

Analysis:

Frequency distributions, multivariate linear regression

Findings

Findings from 2024 were largely consistent with 2018. Average DSP hourly wages increased from $12.22 to $17.86. More agencies offered benefits and incentives in 2024, except employer-sponsored disability insurance. In both years, higher vacancy rates and pay/referral bonus programs were associated with higher turnover, while higher wages were linked to lower turnover. In 2024, lower percentages of part-time DSP staff and offering life insurance were also associated with higher turnover.

Table 1. Percentage of Agencies Offering Benefits and Incentives by Year

	NCI SoTW 2018 N=2,608	NCI SoTW 2024 N=2,491
Benefits	**% Yes**	**% Yes**
Any Type of Paid Time Off	80	82
Health Insurance	69	72
Dental Insurance	65	70
Vision Insurance	57	66
Employer-sponsored Disability Insurance	30	30
Life Insurance	55	56
Retirement Plan	55	67
Incentives	**% Yes**	**% Yes**
Wage Bonus Given	44	62
Pay Incentives/Referral Bonus Programs	45	57
Reimbursement/Other Support for Post-secondary Education	21	24
Employer Paid Job-related Training	57	61
Flex Spending Accounts	27	28
Health Incentive Programs	17	18

Conclusions

Higher turnover increases vacancy rates, while fewer part-time opportunities may reduce scheduling flexibility and increase strain on full-time staff. Financial benefits and incentives were linked to higher turnover, possibly because only economic incentives were measured, excluding factors like workplace relationships, professional development, and meaningful work. Their effectiveness may also depend on implementation, staff involvement, affordability, and alignment with employee preferences, which were not measured in the data.

Although higher wages were associated with lower turnover, turnover continues to affect workforce stability. This highlights the need to identify additional strategies to reduce staff turnover. While wages have increased since 2018, they are still not at a living wage and need to rise further to have meaningful impact.

References

Pettingell, S. L., Houseworth, J., Ticha, R. Kramme, J.E.D., & Hewitt, A. (2022). *Incentives wages and retention among direct support professionals: National Core indicators Staff Stability Survey. IDD, 60*(2), 113-127.

Table 2. Multivariate Regression Coefficients Summary for Final Model

	2018			2024		
Variables	**B**	**SE**	**t**	**B**	**SE**	**t**
Covariates						
Residential/In-Home Supports	2.572	2.136	1.204	2.385	1.854	1.286
Non-Residential Support	-0.495	2.782	-0.178	0.185	2.451	0.075
Residential/In-Home & Non-Residential Supports (Referent)						
DSP Staff Size	0.002	0.005	0.423	0.006	0.004	1.429
Percent Part-time DSPs	-0.022	0.031	-0.694	-7.096	2.777	-2.555*
Vacancy Rate	0.841	0.076	11.099**	0.504	0.055	9.117**
Benefits and Incentives						
Any Type of Paid Time Off	0.985	2.616	0.377	2.276	2.211	1.029
Health Insurance	2.836	2.635	1.077	3.442	2.159	1.594
Employer-sponsored Disability Insurance	-3.937	2.188	-1.799	-1.347	1.844	-0.731
Life Insurance	1.134	2.491	0.455	6.795	2.027	3.352**
Retirement Plan	1.130	2.314	0.489	0.902	1.960	0.460
Wage Bonus Given	-2.507	1.743	-1.439	-1.289	1.478	-0.872
Pay Incentives/Referral Bonus Programs	4.785	1.894	2.526*	3.820	1.574	2.427*
Reimbursement/Other Support for Post-secondary Education	-3.949	2.442	-1.617	-2.886	1.965	-1.469
Employer Paid Job-related Training	-1.471	1.748	-0.842	1.106	1.508	0.733
Flex Spending Accounts	-1.311	2.393	-0.548	1.364	1.970	0.692
Health Incentive Programs	0.355	2.529	0.141	0.947	2.001	0.473
Compensation						
DSP Wages	-2.892	0.445	-0.163**	-1.569	0.335	-4.686**
Constant	70.500	5.983		62.790	7.343	
Dependent Variable						
DSP Annual Turnover						

* < 0.05, ** < 0.001

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