**Direct Support Professional Crisis**

States have long struggled to build a well-trained and fully-staffed Direct Support Professional (DSP) workforce to provide home- and community-based services and home healthcare support. Tennessee in particular has struggled to recruit and retain DSPs, with vacancy and retention rates worse than the national average. **There are a number of reasons for this outcome in Tennessee:**

* As of July 1 2022, the average wage for a DSP in Tennessee was $13.71, **below the national average.**
* Provider agencies in Tennessee offer paid vacation and sick time at rates **far below the national average.**
* Only **8.1% of Tennessee provider agencies offer health insurance** to all of the DSPs they employ, regardless of their length of time worked or full- or part-time status.
* **52.8% of Tennessee DSPs quit every year**, which is ten percentage points above the national average.

**This persistent issue has been exacerbated by the Covid-19 pandemic:**

* Staff vacancy rates are **26% higher** than before the beginning of the pandemic
* 77% of provider agencies have been **forced to turn away new referrals** because of staffing shortages
* More than 50% of provider agencies have **discontinued programs or reduced available services** due to staffing shortages, a 70.6% increase since the beginning of the pandemic.
* 84% were **delaying the launch of new programs and services** due to lack of staffing.

**Policy Options:**

* Continue to **increase wages for DSPs** until they are adequately competitive to attract a workforce
  + The General Assembly could also tie wages to annual cost of living increases, ensuring that wages paid are a living wage
* Incentivize provider agencies, through financial or regulatory means, to **encourage enrollment in employer-sponsored health insurance plans**
  + Annual retention rates of DSPs enrolled in an employer-sponsored health insurance plan is 74%, compared to 39% for DSPs without employer-sponsored health insurance
* Dramatically increase compensation for DSPs who engage in **competency-based (QuiLTSS), certificate or degree programs** - subsidize enrollment in post-secondary education programs
  + Credentialing tied to increased wages, benefits and career opportunities have been shown to improve retention rates, so long as the compensation is considered adequate for the effort.
* **Permit family members to be employed and compensated as DSPs** working with members of their household.