PAR 2015 direct support professional wage study.

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Abstract

The purpose of this study was to collect information regarding compensation, turnover, and vacancies in direct support and first line supervisor positions in the Intellectual Disability industry. Sixty-five agencies that provide intellectual disability supports and services contributed information regarding salaries, benefits, turnover and vacancies. The survey yielded data regarding 17,322 Direct Support Professionals, and 1,985 First Line Supervisors. Mean hourly wage for Direct Support Professionals was $11.26/h. New applicant for the position would be offered $10.15/h. Mean annual salary for a First Line Supervisor was $34,232.66. A new applicant for a First Line Supervisor position would typically be offered a starting salary of $30,304/year. Wage findings were interpreted with reference to both inflation and the MIT Living Wage Calculator. Health Insurance was the most frequently offered benefit. Turnover was 25.22% for Direct Support Professionals and 15.65% for First Line Supervisors. The range of turnover values was large. Vacancy rate was calculated by dividing the number of vacancies by the number of filled positions plus the number of vacant positions. Direct Support Professional vacancies were determined were 10.63% and Supervisor vacancies were 5.1%.

Keywords: Direct support professional, Wages, Compensation.

Pennsylvania 2015 Direct Support Professional Wage Study

Direct Support Professionals (DSPs) are individuals who are employed to provide a wide range of supportive services to individuals with intellectual and developmental disabilities on a day to day basis [1]. These services typically include teaching community and adult daily living skills, attending to health and emotional needs, assisting in personal care and hygiene, providing relationship support, employment, transportation, recreation, housekeeping and other home management related supports and services. These supports and services are provided so that people with disabilities can live and work safely and inclusively in their communities, leading self-directed lives to the extent possible. Similar position titles for this workforce also include Client Care Workers, Residential Counselors, employment consultants and Personal Care Aides. These employees are the core of the business of supporting and providing service to individuals who have intellectual disability and other related challenges.

In June 2003, there were 874,000 Full Time Equivalent (FTE) Direct Service Professionals working with individuals who had Intellectual and Developmental Disabilities in various settings [2]. The Department of Health and Human Services [2] estimated that by 2020, the demand for Direct Support Professionals in the field of intellectual disability will grow to 1.2 million. The Department attributed this growth in demand to increased life expectancy, increased prevalence of Intellectual and/or Developmental Disabilities and expansion of community support system. This will constitute a 40% increase in demand over just 17 years.

Compensation for Direct Support Professionals has long been an issue of concern [3], with numerous salary surveys having been conducted over the past 30 years. Early research focused on a comparison between wages in community settings and state developmental centers. Because supports and services are now predominantly offered by private providers in the community [4], this review will focus on wages paid in such settings. Early community based research Braddock and Mitchell [5] reported a mean hourly wage of $5.97 for what are now called Direct Support Professionals. In July 1992, the
mean national hourly wage was $10.79 (Data 360) [6] suggesting that Direct Support Professionals in 1992 made about 55% of the national wage average.

Available literature suggests that Direct Support Professional salaries have increased over the ensuing 24 years. Durgin [7] reported a mean Pennsylvania Direct Support Professional salary of $8.13 in 1999. Hewitt et al. [8] reported a mean salary of $8.81, a figure that was generally supported by Polister et al. [9] review study that reported a mean salary of $8.68. The $8.68 figure was again noted in a study by Lakin and Prouty [10]. The 2009 ANCOR study [11] reported a mean Direct Support Professional salary of $10.14/h. Wages have increased over time and to the extent that one can compare across time and studies, it appears that wages have increased at a rate modestly greater than inflation [12]. It is clear that efforts have been made to ensure wage growth for Direct Support Professionals.

It should be noted, that that all of the above referenced studies reflected economic conditions prior to the impact of the 2008 recession. The most current descriptive information derives from a Minnesota survey conducted by Bogenschutz et al. [13], in which a mean hourly rate for Direct Support Professionals was calculated to $11.26. Limiting the analysis to residential services, the calculated mean hourly rate was $11.06. This $11.06 figure is approximately 185% higher than Braddock and Marshall’s [5] mean wage of $5.97. Over that same 1992 to 2014 periods, the dollar inflated by roughly 169 percent, meaning that an equivalent 2014 value of $5.97 would be $10.07. Again, there is evidence that Direct Support Professional salaries, while below the national average wage, have increased over time at a rate that marginally exceeds inflation.

It should be noted that any mean salary obscures legitimate variations. It is recognized that wages vary as a function of geography, in general accord with the principles of supply and demand. For example, staff working in rural sites are likely to need cars (and thus the expense of cars) to reach the sites.

Lower wages and/or compensation among Direct Support Professionals are an issue that not only affects these workers, but also the recipients of the services and supports they provide. Studies have shown that low wages tend to be associated with higher rates of turnover and increased numbers of staff vacancies [10,16]. Both turnover and staff vacancies affect quality of care by disrupting social support networks, jeopardizing program continuity, and ultimately, increasing the cost to provide services. While the concern may be that many full time employees exist at or near the poverty level, concern must also be directed to the negative impact that these low wages ultimately have on the people being supported.

One might argue that the proper wage for a Direct Support Professional is the wage for which one can find people willing to and capable of performing the work. This argument would certainly pertain if providers were able to hire a sufficient number of staff to work as Direct Support Professionals who can be trained to become competent in the position. In addition to a 10-11% vacancy rate [17], there is concern that Direct Support Professionals are not adequately prepared to deliver the wide range of support services to complex individuals who often have significant disabilities [18]. Added to this, the Centers for Medicare & Medicaid Services (CMS), the Federal agency that oversees, regulates and funds these services has put forward its Core Competencies for DSPs [19], which is a list of 77 specific skill statements nested within 14 Core Competencies. These Core Competencies are the standard upon which direct services will be measured and quality determined. There is a significant discrepancy between the complex set of skill standards and the wages of the people expected to exhibit and use the skills to help others. Even prior to these skill standards being widely implemented, the field has been unable to fill all vacant positions Bogenschutz et al. [13] report that specialized training is associated with reduced levels of staff turnover. It is noted that New York state has been considering instituting a certification process for direct support professionals [20] and the Qualified Approved Behavior Analysis Credentialing Board has developed a behavioral credentialing process for direct support professionals (QABA, undated) supports the growing certification movement.

The Minnesota study [15] is the latest in the series of studies of compensation for Direct Support Professionals. The study is focused solely on programs operating in Minnesota, and systematic replication [21] would seem to be a reasonable next step in the scientific process. This need to extend our knowledge through replications serves as rationale for conducting such a study within the private Pennsylvania intellectual disability system. The purpose of this study is to gather post-recession data on the compensation for Direct Support Professionals and First Line Supervisors who work in the field of intellectual disability in Pennsylvania. Data were collected through a Pennsylvania association of agencies and organizations that provide supports and services to people who have intellectual disability and/or autism.

Method

Data collection

Survey monkey was used to collect all data used in this study. All members of the provider association were invited to participate in the survey via email. The invitation was repeated at a state-wide membership meeting, and there were two follow-up emails. We asked that the questionnaires be completed by the Human Resources Director (or equivalent).

The questionnaire asked respondents to calculate the mean hourly salary for Direct Support Professionals and the mean annual salary for First Line Supervisors (on the assumption that First Line Supervisors were not hourly employees). In addition, respondents were asked to estimate the starting wage for described applicant for each position. Please note that we adopted this vignette approach because pilot testing revealed that the most frequent answer to what an agency might pay as a starting wage was, “it depends.” Follow-up questions revealed that starting wage depended on experience, education, location of the group home, and a variety of lesser factors. Use of the same standardized applicant allowed us to control for some of
Respondents were also asked to report the average salary paid by their organization to all persons working for them as Direct Support Professionals. Because respondent agencies varied in the number of Direct Support Professionals employed, it was necessary to weight the reported mean values by the number of Direct Support Professionals upon whom an agency mean was calculated. Doing this, we determined that the average hourly salary for the 17322 Pennsylvania Direct Support Professionals covered in this study was $11.26/h. The lowest average hourly rate was $8.93 per hour, and the greatest hourly rate was $16.68 per hour.

Respondents reported that there were 2060 vacancies in Direct Support Professional positions reported by respondents. This is roughly equivalent to a vacancy rate of 10.63% (2060/(2060+17322)). Turnover in the Direct Support Professional position was 25.22% (sd=13.79), with a range from zero to 58%

These data were compared based on basis of whether the reporting organization was unionized or not unionized. The 4713 Direct Support Professionals in the ten (10) unionized programs were reported to earn $11.16 per hour, and the 12504 Direct Support Professionals in the 53 programs that were not unionized were paid $11.31/h. Statistical analysis did not detect a significant difference here; unionization does not appear to have had any favorable impact on wages.

Organizational size was also analyzed. The correlation between organizational size (as measured by the number of Direct Support Professionals) and hourly wage was only -0.064 (not significant). Direct Support Professional wages do not vary as a function of company size.

Respondents reported an average starting salary of $30304.45 (DF=4582.28) for the described First Line Supervisor applicant. The value ranged from a low of $22880 to a high of $46,000. The median annual starting salary for the described First Line Supervisor was $30000.

Respondent organizations were also asked to report the average annual salary paid by their organization to all persons working in their organization as First Line Supervisors. These responses were weighted by the number of First Line Supervisors employed by each agency in order to determine that the average annual salary for the Pennsylvania First Line Supervisors covered in this study was $34232.66. The lowest annual salary was $2342, and the greatest annual salary was $50,000. As noted above with regard to Direct Support Professionals, the average pay of First Line Supervisors was not significantly correlated (0.088) with the number of supervisors employed by an agency.

There were 107 vacancies in First Line Supervisor positions reported by respondents. This is roughly equivalent to a vacancy rate of just 5.1% (107/(107+1985)). Turnover in the First Line Supervisor position was 15.65% (sd=14.78), with a range from zero to 71%. Note that turnover of even a small number of supervisors in a small agency could result in a high percentage of turnover.

**Results**

The mean starting hourly pay for Direct Support Professionals was determined to be $10.15 (SD=0.99). Respondents varied considerably in the hourly rate, ranging from a low of $7.97 to a high of $13.22. It must be recognized, however, that by imposing a described applicant for the position, we may have artificially limited the variability in starting wages for Direct Support Professionals.

**Participants**

Sixty-five (65) provider organizations elected to participate in this study. By mere count, they represent approximately 60% of the provider organization membership. Their combined number of direct support professionals represented in the survey was 17322 and their combined number of first line supervisors was 1844. All of the responding organizations provide support and services to individuals who have intellectual disability. Most operate waiver funded programs in the community, typically supporting only adults. The mean operating revenue for these respondents in 2014 was obtained for 53 of the 65 respondents via Guidestar and determined to be $28,210,405, while mean net assets were determined to be $8,756,026. Note also that just under 1/3 of these organizations (34%) have expenses that exceed revenues over the previous three years. The average number of Direct Support Professionals working for these providers was 266.5 (sd=357.6), with a range from six (6) to 1844. The median number of Direct Support Professionals was 132.0. The mean number of first line supervisors was 31.02 (sd=50.96), with a range from one (1) to 300. The median number of supervisors was 15.2. Only ten of the providers were subject to unionization, covering some 4713 Direct Support Professionals (or about ¼ of the sample). Fiscal performance across these providers varied widely, with median 2014 revenue of $13,506,153 and median 2014 expenses of $13,441,150. Approximately 31% of the providers had expenses in excess of revenues, but net assets had a median value of $3,890,813.

Respondents were asked to summarize the benefit package for Direct Support Professionals and First Line Supervisors by defining benefits as a percentage of salary. That is, if an annual salary was $20,000 and fringe benefits cost an additional $6,000, benefits were defined as 30% of wages. Calculated in this manner, it was determined that fringe benefits for Direct Support Professionals constituted approximately 27.0% of salary, and benefits for First Line Supervisors was 25.5% of salary. There was considerable variability in both of these figures, with benefits ranging from 2% to 75% for each. Fifty percent of the reported benefit values were between 18% and 32% for Direct Support Professionals and between approximately 17% and 30% for First Line Supervisors.

Employee health care benefits were offered to 100% of Direct Support Professionals and 98.5% of First Line Supervisors. Family coverage was offered to 66.2% of Direct Support Professional families and 69.2% of First Line Supervisor families. For the following list of benefits, we will list the percentage of Direct Support Professionals followed by the percentage of First Line Supervisor families and 69.2% of First Line Supervisor families. For the following list of benefits, we will list the percentage of Direct Support Professionals followed by the percentage of First Line Supervisors receiving the benefit: employee dental insurance – 81.5% and 81.5%; family dental insurance – 61.5% and 63.1%; life insurance – 90.8% and 89.2%; vision insurance – 76.9% and 5.4%; long term disability 67.7% and 69.2%; short term disability – 47.7% and 47.7%; meals at work – 44.6% and 23.1%; college tuition – 33.8% and 33.8%; employee assistance plan – 58.8% and 50.8%; clothing – 0% and 0%. It should be noted that while the costs of fringe benefits discussed above represents actual costs to the provider, our analysis of benefits provided to employees did not distinguish the payer. Thus, it is conceivable that some benefits were made available to employees at their own full or partial cost.

Health insurance was the most frequently offered benefit (to both individual employees and their families). Health insurance, life insurance, and dental insurance were each offered to employees by at least 80% of the provider respondents. On the other hand, clothing allowance, college tuition assistance, and meals at work (supervisors) were offered by less than 40% of the responding providers.

Respondents were asked to describe any retirement plan offered by their organization. All provider organizations except two reported offering some sort of retirement package. Overwhelmingly, the most popular type of retirement package was an employee controlled plan (401K, 403B, or simple IRA). 64 providers reported offering some sort of employee controlled plan. Of this number, 30 providers (46.9%) mentioned that the plans involved some sort of employer match or contribution. It should be noted that this percentage could be higher if a provider agency neglected to mention the match. Defined benefit plans (pensions) were offered only by six provider organizations and one of these organizations noted that its pension plan had been frozen to prevent new members.

Time off from work is another form of benefit for employees. Organizations varied with regard to both the amounts of time off from work and the characterization of the time off. Some organizations offer a combination of vacation time and sick leave, while others have adopted the contemporary trend of lumping such work absence under the category of paid time off. To simplify analysis here, we summed all instances of organizations that distinguish between vacation and sick leave into a category of Paid Time Off. There was considerable variability in Paid Time Off. The mean number of paid days off was 19.08 days (sd=8.97). The range in time off was zero days to 64 days. The number of paid holidays was 7.81 days (sd=2.75), with a range from zero to 14 days. The median number of paid holidays was 8.0 days.

Discussion
The findings of this study are markedly consistent with those of the 2014 Minnesota study [15], lending some degree of credibility to each of the studies. Direct Support Professionals, at this point in time, make a little over $11/h. It is tempting to allow subjective impressions to shape one’s impression of this dollar figure, but it is perhaps more reasonable to substitute some more objective frame of reference. The Massachusetts Institute of Technology Living Wage Calculator [21] suggests that the mean Pennsylvania salary of $11.26 is a living wage for a single Pennsylvanian. When a child or a spouse enters the picture, the mean wage of $11.26 falls to a level below the living wage. Note also that a salary of $11.26 may qualify individuals for other forms of government support (insurance for children, day care subsidies, etc.).

An alternative frame of reference derives from longitudinal analysis of the consumer price index. Our earliest reported study [5], reported a mean hourly salary of $5.97. Corrected for the 70.2% of inflation since 1992 [12], this would suggest an equivalent 2016 salary of approximately $10.09. From this perspective, it would appear that Direct Support Professionals are marginally beating inflation. We submitted each referenced earlier wage study to the Bureau of Labor Statistics inflation calculator in an effort to ascertain what an equivalent salary would be in 2015 (when our data were collected). These figures appear below. It would appear that wages for direct support Professionals have exceeded government reported inflation. The wages have done slightly better than keeping pace with inflation.

<table>
<thead>
<tr>
<th>Year</th>
<th>Salary</th>
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<tbody>
<tr>
<td>1992</td>
<td>$5.97</td>
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<tr>
<td>1999</td>
<td>$8.13</td>
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<tr>
<td>2000</td>
<td>$8.81</td>
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<tr>
<td>2003</td>
<td>$8.68</td>
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<tr>
<td>2009</td>
<td>$10.14</td>
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<tr>
<td>2014</td>
<td>$11.25</td>
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These findings are not contradictory. Clearly, efforts have been made to increase DSP salaries, but the resultant wages remain on the low side.

Benefits appear to be stronger than one might suspect from the published literature. Most organizations grant time off with pay. Almost all offer health insurance (as opposed to dumping the employees on an exchange). Dental insurance is common, as is life insurance. Most organizations even offer some sort of retirement plan, although the most frequent such plan is a
ftant evidence and the concerns raised in the literature of 10%; turnover is reported to be 25.22%. These values are about 10-11% vacancies in their staffing [14]. Combine this Current recruitment levels are insufficient to maintain fully filled positions; the typical community based provider carries about 10-11% vacancies in their staffing [14]. Combine this current vacancy rate with the typical annual turnover rate of about 25.38% [14] (ANCOR’s 2010 survey of its members published a turnover rate ranging from 38-50%) it is clear that the demand for Direct Support Professionals cannot be met. Numerous studies have examined factors related to Direct Support Professional turnover, and the most consistent large predictor of turnover is wages [22-26]. This may be a little surprising because within any selected job classification, there tends to be a relatively narrow range of salaries. Compression of any variable used in a statistical analysis tends to minimize the impact of that variable; for wages to remain a good predictor at all suggests how significant wages truly are.

The concern extends well beyond the mere ability to fill vacant positions. The inability to fill direct support positions potentially affects the quality of life for the persons we support. Employee turnover costs money that might otherwise be spent on consumer welfare. The constant turnover of staff results in a transitory quality to the knowledge we hold about consumers, and consumers, themselves lose contact with valued staff. Service/support providers bottom lines are hurt by training/recruitment costs, and the quality of the product suffers.

Conclusion
This study was funded by a grant from the Allegheny Valley Foundation. It should be noted that two of the authors (Spreat and McHale) have possible conflicts of interest in that each directs the operation of a program that provide residential supports and services to individuals who have intellectual disability.

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