

## Memorandum

### Attracting Direct Support Professionals: Advancing Career Pathways with Job Quality in Mind

#### Introduction

For years, workforce experts have viewed the shortage of direct support professionals (DSPs) as a crisis. According to a [2024 report by the Bureau of Labor Statistics](#), jobs within community-based care industries who employ direct care workers, including DSPs, are projected to grow by 26.5 percent by 2033, far above the projected job growth of 4 percent for the nation overall. This memo reviews policy and practice recommendations to help stakeholders increase the recruitment, retention, and career progression of DSPs.

#### Context

DSPs support people with disabilities and older adults to live independently, participate in their communities, and seek and maintain employment, such as [competitive integrated employment \(CIE\)](#). DSPs help people find and retain high-quality jobs, often playing a critical role in supporting the employment of Americans with disabilities. The data show that DSPs are indispensable: in a 2025 survey of community-based providers that serve people with intellectual and developmental disabilities, for example, [88% reported moderate or severe staffing challenges, and 62% reported turning away new referrals due to inadequate staffing](#).

The findings indicate a significant need to expand the supply of DSPs who can support people with disabilities to live, work, and contribute to their communities. Nationally, however, disability service systems have struggled in this regard. The LEAD Center hosted a DSP Think Tank in 2022 with national experts who cited [wages, lack of benefits, and limited upward mobility](#) as the most common hindrances to filling DSP positions. Employers, policymakers, and others in the workforce development system should consider new strategies to recruit and retain DSPs.

In this memo, we present strategies for making the occupation more attractive to job seekers. This memo also addresses two topics that emerged as recommendations from experts at the [2022 DSP Think Tank](#): 1) DSP career pathways and training and 2) DSP job quality. In addition, the strategies suggested here align with those that address the broader direct care workforce shortage, including the need for public-private partnerships and innovative approaches to attract and retain direct care workers, including DSPs.

Even though their work requires significant technical and interpersonal skills, DSP job quality is often low. An August 2023 brief from the [U.S. Department of Health and Human Services' Assistant Secretary for Planning and Evaluation](#) found that 45 percent of the direct care workforce live below 200 percent of the federal poverty level, and nearly half (47 percent) rely on public assistance.

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Strategies to improve DSPs' financial security may include:

**Supporting employee ownership as a mechanism to increase DSP assets.** Employee ownership can take many forms, with [employee stock ownership plans \(ESOP\)](#) being the most common in the United States. ESOPs allow employees to own shares through a company-funded trust. The value of company shares ostensibly accrues over time, to be drawn down by employees in retirement. One large company offering an ESOP is the disability services organization, in Oconomowoc, Wisconsin, whose employees, including DSPs, each own a part. Other industry employers with ESOPs include [TheEON.com](#) (New Ulm, Minnesota), [NHS-NSS.com](#) (Chisholm, Minnesota), and [Opportunities for Positive Growth](#) (Fishers, Indiana).

Other forms of **employee ownership** include stock options, synthetic equity (i.e., granting the right to the value of shares but not the shares themselves), employee ownership trusts, and worker cooperatives (co-ops). Worker co-ops run democratically and are owned by workers who pay a fee to join. In theory, worker co-ops intend to maximize wages, increase benefits, provide employees a voice in decision-making, and increase their status through business ownership. The first such co-op in the direct care industry, [Cooperative Home Care Associates \(CHCA\)](#), was founded in 1985 by workers in New York City to address low wages and benefits. Co-ops provide **wage and benefit increases** and experience a **41 percent turnover rate** compared to the industry average of 65 percent. Co-ops also provide workers with leadership development opportunities, as they vote on business decisions and may serve on the board.

**Exploring investments in DSP job quality and supporting states' experimentation to raise the DSP wage floor.** At the state level, [at least 12 states have implemented new strategies](#) to increase wages for direct care workers through reporting or enforcement mechanisms. Many states use blending, braiding, and sequencing strategies to leverage funding across systems, ensuring that money stretches further not only to support job security for DSPs, but also to maintain service continuity for people receiving care. For example, [the District of Columbia](#) requires that providers of HCBS Supported Employment and Employment Readiness Services become vocational rehabilitation (VR) providers so that people receiving Medicaid HCBS employment-related services through the Developmental Disabilities Administration (DDA) can move between DDA and VR programs without having to change providers or be concerned about who is paying for their supports and services. [Federal agencies encourage the use of blending, braiding, and sequencing](#) and produced a Frequently Asked Questions resource, *Blending, Braiding, and Sequencing Resources to Support Employment of People with Disabilities*.

Another strategy to support DSP wages is outlined in the [Medicaid Program: Ensuring Access to Medicaid Services Final Rule \(2024\)](#), which requires that 80% of Medicaid rates for homemaker, home health aide, and personal care waivers are passed to workers within six years. This means that by 2030, agencies that provide these services must spend 80% of their Medicaid payments on direct care worker compensation. Federally funded technical assistance centers focused on the direct care workforce (e.g., [Direct Care Workforce Strategies Center](#)) can disseminate what they are learning

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from states' experimentation to further inform federal, state, and local actions.

**Encouraging the expansion of existing and new opportunities for advancement and wage progression within the DSP profession.** DSPs need access to advancement opportunities, quality training, and education, all of which contribute to a meaningful job that pays living wages.

Employers should consider offering more competitive salaries and opportunities for wage progression to recruit and retain DSPs. Some employers have created internal career ladders for their DSPs. Advancement opportunities for DSPs may include serving in peer mentor roles and moving up into program management and clinical supports jobs. New York's DSP Supervisor Apprenticeship, for example, builds on the effectiveness of the earn-and-learn strategy to formalize the career path for DSPs into supervisory roles.

**Encouraging DSPs' advancement and wage progression in higher-paying related professions and supporting their pursuit of college degrees to reach career goals.** Many low-wage workers, including DSPs, lack opportunities to advance to a level where they can earn a living wage unless they earn credentials that qualify them to advance to higher-paying occupations.

In many systems, however, DSPs without an associate or bachelor's degree rarely advance to leadership or supervisory positions. There are exemplary programs that support advancement, including the DSP Career Development Program offered by the New Jersey Association of Community Providers. This program, in partnership with the state's Community College Consortium for Workforce and Economic Development, seeks to recruit and train DSPs. Through this program, DSPs are provided with tuition reimbursement and a stipend while pursuing an associate degree. Tennessee offers training stipends for its own DSP Training program that is a self-paced and flexible online opportunity to earn credentials.

Employers, and systems that create opportunities for DSPs to pursue higher education credentials, can make the profession more appealing to potential workers. In addition, the skills and education DSPs acquire can help them move on to other careers that pay family-sustaining salaries, with opportunities to earn additional credentials in many career pathways, such as allied health, human resources, job/career coaching, and education.

People who are seeking new opportunities for work but frequently face barriers to employment, such as people with disabilities, those receiving public assistance, those returning from the justice system, and veterans could be candidates for DSP work. To encourage their participation in the labor market, the broader workforce system can identify opportunities to engage the systems that support them. Strategies include:

**Creating more accessible and flexible workplaces to accommodate people with disabilities working as DSPs.** People with disabilities can support others with disabilities as DSPs, bringing their lived experiences as an asset to their work. RCM of Washington trains disabled people to do just that through its vocational training program DSP Academy. For people who use assistive technology and want to work as DSPs, technological advancements and remote support offerings can facilitate

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success. There are benefits to the agencies that hire DSPs with disabilities, too, such as possible [tax benefits](#). Employers, including agencies that employ direct support professionals, can access resources from the [Office of Disability Employment Policy](#) and its [Employer Assistance and Resource Network on Disability](#), the [Job Accommodation Network](#), as well as information from the business membership organization [Disability: IN](#) to learn about creating accessible workplaces.

**Promoting the registered apprenticeship system as an entry point for new DSPs.** Registered apprenticeship is an industry-driven, high-quality career pathway through which employers can develop and prepare their future workforce, and individuals can obtain paid work experience, receive progressive wage increases, classroom instruction, and a portable, nationally recognized credential. Components of a registered apprenticeship:

1. **Industry led:** Registered apprenticeship programs are vetted and approved by industry to ensure alignment with industry standards and to make sure apprentices are adequately trained for highly skilled, high-demand occupations.
2. **Paid jobs:** Registered apprenticeships are jobs! Apprentices earn progressively increased wages as their skills and productivity increase.
3. **Structured on-the-job learning/mentorship:** Registered apprenticeship programs provide structured on-the-job training, including instruction from an experienced mentor, to prepare apprentices for a successful career.
4. **Supplemental education:** To ensure quality and success, apprentices are provided supplemental classroom education based on the employer's unique training needs.
5. **Quality and safety:** Apprentices are afforded worker protections while receiving rigorous training. They are equipped with both the skills they need to succeed and the proper training and supervision to be safe.
6. **Credentials:** Apprentices earn a portable, and nationally recognized credential within their industry.

[Registered apprenticeship programs](#) are registered either with the U.S. Department of Labor Office of Apprenticeship (OA) or a state apprenticeship agency and have access to federal resources, state tax credits where available, technical assistance, and a recognized credential. Examples of apprenticeship for DSPs are found in [Alaska](#), [Colorado](#), [Maryland](#), [Missouri](#), [New York](#), and [Tennessee](#).

Alaska and Missouri registered their apprenticeships with the U.S. Department of Labor's Office of Apprenticeships. Colorado, Maryland, New York, and Tennessee have state-registered apprenticeships. Apprentices who complete these programs earn a portable, and industry-recognized credential that allows DSPs to take their certifications should they decide to transition between employers or careers.

**Potentially training and hiring returning citizens for DSP work.** [According to the U.S. Department of Justice](#), some people with prior involvement with the justice system, particularly those with

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nonviolent offenses, could be good candidates for direct care work, if applicants pass background checks and assessments. Suggestions outlined in the [Fair Chance Hiring Toolkit](#), developed by the [National Reentry Workforce Collaborative](#), can help employers reevaluate their hiring policies and practices and ultimately hire more people who are reentering the workforce. Additionally, the [Safer Demand Skills Collaborative](#), an employer- driven initiative focused on guiding returning citizens into in-demand industries, could serve as a model to follow.

## Conclusion

DSPs play a critical role in helping disabled people live full lives, work in competitive integrated employment, and contribute to their communities. To address the increasing shortage of DSP workers, we recommend that workforce partners focus on the following priorities:

**Promoting the value of direct support work and workers.** Federal, state, local and community partners can consider launching national or local campaigns focused on DSP opportunities. Campaigns may be used to increase public awareness of the profession and to create opportunities for DSPs to pursue further education credentials and advance their careers.

**Advancing DSP job quality and mobility.** It is important that agencies collaborate to incentivize expanding and formalizing career pathways for DSPs. Goals include improving job quality, which would dramatically impact recruitment and retention, and increasing opportunities for continuing education, employee ownership, registered apprenticeship, and other pathways to advancement within the profession.

**Studying, sharing, aligning, and expanding existing solutions across federal, state, local, and community agencies.** Agencies at many levels can collaborate and learn from one another to design comprehensive DSP recruitment, retention, and advancement strategies. Many partners can explore and strengthen these efforts. For example, the [Direct Care Workforce Strategies Center](#), a technical assistance center funded by the Administration for Community Living, focuses largely on state-level efforts.

Given the scale of the DSP workforce, partners across all levels of government should pursue these strategies in tandem to affect the systems change required to ensure DSPs have quality jobs and people with disabilities and older adults have access to high quality support.