

Summary: DSP Wage Increase

Results from INARF 2018 Direct Support Professional (DSP) Wage Increase Survey

Introduction

During the 2017 Indiana Legislative Session, INARF advocated for and successfully received an appropriation of 20 million dollars over the biennium to increase rates for specific Medicaid waiver services by 5%. The legislation required 75% of the increased revenue from the rate increase to be “passed through to Direct Support Professional compensation.”

INARF created the DSP Wage Increase survey as a means to measure the impact of the rate increase and pass through on DSP average hourly wages as well as the methods utilized to increase compensation.

The INARF DSP Wage Increase Survey was sent out on May 11, 2018. Of the 64 organizations that received the request for response, 47 (73%) responded.

How was DSP compensation increased?

- 5 (11%) Organizations implemented a bonus program to increase compensation
- 19 (40%) Organizations implemented a base wage increase to increase compensation
- 23 (49%) Organizations implemented a combination of a base wage increase and a bonus program

Implementation of DSP Wage Increase in Programs that Did Not Receive the Waiver Rate Increase

Of the 28 organizations that provide both Group Home (ICF/IDD) and Waiver Services:

- 21 (75%) Organizations implemented the increase for DSPs in all program areas
- 7 (25%) Organizations implemented the increase for DSPs providing Waiver services only

Turnover Rate

- The average turnover rate for Waiver DSPs as of June 30, 2017 (prior to implementation of the rate increase) was 35%

Results from INARF FY 2019 Salary Survey

INARF conducts a salary survey biennially as a member service to assist member organization leaders in efforts to review their DSP staff compensation. As part of the salary survey, INARF requests data regarding compensation, turnover, and vacancies for DSPs providing Waiver services.

The INARF FY 2019 Salary Survey was sent out on August 10, 2018. Of the 64 organizations that received the request for response, 33 (52%) responded.

DSP Waiver Services Average Hourly Wage as Reported via Family and Social Services Administration DSP Wage Verification Threshold Computation at 6/30/2018

- Average = \$11.21 per hour (compared with an average hourly rate of \$10/hour prior to the rate increase)
- Range of average hourly rates across 33 organizations = \$9.50 to \$13.58 per hour

Turnover Rate

- The average turnover rate for DSPs as of July 31, 2018 was 48%
- Despite the increased wages, the average turnover rate for DSPs increased due to labor market forces

Vacancy Rate

- The average vacancy rate for DSPs as of July 31, 2018 was 20%