

NATIONAL CORE INDICATORS

STAFF STABILITY SURVEY 2018

DATA ANALYSIS

The State of Alaska, along with 26 other states, participated in the National Core Indicators (NCI) Staff Stability Survey 2018. The NCI collects data from service providers on the Direct Support Professional (DSP) workforce supporting adults (age 18 and over) who receive services from state development disabilities service systems. The data for the most recent survey, collected in the first half of 2019, is based on the performance of organizations during the calendar year 2018. The final report was made available to states January 2020. This is a project of the Alaska's Senior and Disabilities Services (SDS) division.

Procedure Description

The Staff Stability Survey is an online tool containing 59 questions specific to DSPs such as wages, benefits, turnover, etc. A survey link was sent by HSRI (the entity that administers the NCI nationally) via email directly to service providers. Initially 122 service providers in Alaska received a survey link on February 19, 2019. The 122 service providers were identified by SDS as organizations certified to provide I/DD waiver services as of November 2018 (excluding care coordination).

Twenty-seven organizations were not able to participate for a variety of reasons including:

1. Not in business for at least six months in 2018
2. Did not have any employees
3. Were not actively providing services to adults with I/DD (even though they were certified)

Out of the remaining 95 eligible providers, 69 providers completed the survey (72.6% completion rate).

2,848 DSPs were include in this survey. While that's a significant number, it does not include the 30% employed by DD providers that did not participate, as well as behavioral health providers or senior service providers who also employ DSPs.

Highlights

- Organization Size: 66.7% of Alaskan providers had less than 20 DSPs on the payroll versus the national average of 35%. Only 17% of providers had more than 61 employees (44% nationally).
- Turnover/Longevity: The Alaska turnover rate is 35.8% (51.3% nationally). 25% of Alaskan DSPs who separated from their employer in 2018 had been employed for less than six months. Another 12.7% who left had been there less than a year. Therefore, over one-third of DSPs who left the field in 2018 were continuously employed as DSPs for less than a year. Just over one-quarter (27.9%) of the DSPs employed in 2018 had been in the field for more than three years.
- Vacancy Rate: The Alaska vacancy rate was 7.6% (full-time) and 8.5% (part-time). The national average was 11.9% and 18% respectively.
- Wages & Benefits: Alaska's median hourly wage was \$16. The national average was \$12. Alaskan employers are significantly less likely to provide medical or dental insurance as well as employer-sponsored retirement to DSPs compared to the national average (38% versus 68%, 35% versus 64%).

Analysis

Organization Size:

It's noteworthy that almost 70% of the providers that participated in the survey had less than 20 DSPs on the payroll. Small providers differ from larger employers in several ways:

- May not have representation in industry workgroups
- May not have formal orientation and training programs

Because the training expectations for DSPs in Alaska are not clearly defined beyond basic health and safety, the plethora of small, "mom & pop" organizations creates a lack of consistency in the quality of support. It also means that many providers don't have the capacity necessary to provide extensive training as their business model may be leaner than a large organization.

Interestingly, turnover rates don't vary significantly: organizations with 20 or fewer employees had an average rate of 30% while organizations over 20 averaged a 45% turnover rate. The median wage sorted by size of organization was the same for both groups.

Recommendations

- Ensure representation from small providers in workforce development planning
- Continue with plans to increase training expectations and include training options that fit a range of providers

Turnover/Longevity

It's indisputable that people receiving long-term supports through the Medicaid waiver system benefit significantly from continuity. The relationship between a DSP and the person receiving supports requires a level of trust which is built over time. In conversations with service users and their supporters, the constant churn of DSPs is disruptive. In some situations, it is traumatic and results in anxiety and other mental health challenges.

While Alaska's turnover rate is on the lower end compared to the national average, it's still one-third of the workforce being replaced each year. Based on the total number of DSPs counted in this survey (2,848), that is 1,019 workers in 2018. Consider for each of those disruptions, at least one service recipient (in many situations more than one) experiences a change in staff. For people who receive services and their family members who experience this year after year, that is many disruptions. In addition, the cost of turnover takes valuable resources from the system. The cost of turnover averages \$5,000/employee (Raustiala et al., 2015) due to recruitment, hiring and training processes. Based on the NCI data, this cost providers over \$5 million in 2018.

In addition to high turnover, there is a lack of longevity in the field. Like any profession, skill and confidence increases over time. An organization with a stable employee base increases its ability to address more complex issues as well as having more resources available for service delivery instead of being driven by HR-related issues. Only 27.9% of DSPs included in the survey had been with their employer longer than three years; this is fewer than 800 DSPs statewide. On the other end of the spectrum, 25% of the DSPs hired in 2018 had been in the position for less than six months. This has been a persistent trend. Some reasons for early turnover include:

- Lack of initial job preparation - a new DSP is not set up for success
- Poor hiring decisions by desperate managers
- Applicants lack understanding of the DSP position they are applying for
- Poor employee – recipient match
- Lack of supportive supervision to address challenges early on

- Wages don't pay the bills
- Inconsistent work schedules

Recommendations

- Prioritize pre- or early employment workforce development
- Develop and encourage widespread use of realistic job previews
- Create strong recruitment/employment pipelines to increase pool of potential DSPs
- Create mentoring network of more experienced DSPs who can support newer DSPs
- Seek out solutions specific to DSP wages
- Create career ladder to encourage longevity

Vacancy Rate:

NCI determines the vacancy rate as the number of unfilled positions divided by the total number of positions as of December 31. This is a complicated data point for several reasons and likely does not reflect reality in Alaska.

First, NCI only included data from providers who were able to differentiate between full-time and part-time employees. Providers with less sophisticated processes don't typically track the total number of positions needed because people receiving services vary with the number of service hours they need. In the 2018 report, only 39 out of 69 participating organizations were able to report vacancy rates. In addition, the vacancy rate is a one-point-in-time measure taken on December 31, 2018. The demand for services varies greatly by season – December is generally a low point in demand in Alaska. Cold weather limits day habilitation services. People with disabilities employed in tourism jobs are not working, reducing the need for employment-related support. Also unemployment rises in Alaska so seasonal workers are more available for DSP positions, impacting the vacancy rate.

A vacancy rate of approximately 8% greatly underestimates the actual vacancy rate. Anecdotally employers guess closer to 15%. This isn't surprising given a number of circumstances including:

- Alaska has experienced seven straight years of net migration loss – more people are moving out of Alaska than are moving in.
- The fastest growing age group is over 65; increased demand for services while fewer working-age adults.
- High DSP turnover rates for a number of years does not create a positive industry reputation.

Recommendations

- Identify technology solutions to reduce reliance on DSP workforce
- Develop marketing materials to promote career opportunities and rewards
- Work with providers to collect better information regarding vacancy rates – a standard occupational code through the Department of Labor may assist with this

Wages and Benefits

While Alaska's median hourly wage (\$16/hour) is 25% higher than the national average (\$12/hour), it still does not provide an adequate wage for Alaska's cost of living. According to the Living Wage Calculator developed by Massachusetts Institute of Technology (last updated 2018), a single person living in Alaska needs \$12.89/hour to make a living wage. Add in one or more children and that jumps up to \$27.49/hour (<https://livingwage.mit.edu/states/02>). According to data provided by the Anchorage Coalition to End Homelessness, a "housing" wage needed to afford a one-bedroom apartment in Anchorage is \$19.90/hour. And there are many communities with higher rent costs than Anchorage.

Fluctuating work hours also impact DSPs earning a living wage. Community-based services are dependent on the person receiving services participating in the service. Situations such as illness, travel, or conflicting events/appointments may impact a scheduled shift which will impact a DSP's take-home pay at the end of the pay period. Employers try to maintain continuity for DSPs. Many DSPs work long hours for multiple employers to make enough money to weather schedule fluctuations.

Another interesting data point – Alaskan providers are much less likely to provide medical and dental insurance as well as employer-sponsored retirement. This is a significant factor as the cost of healthcare increases; even dedicated DSPs may have to change careers because of the need for health insurance.

Recommendations

- Wages and benefits need to be part of the workforce solution in Alaska
- Explore models in other states for DSP wage add-ons specific to increased training requirements
- Reduce administrative burden, increase efficiencies so funding can be used to increase DSP wages

In conclusion, Alaska has a long road ahead to stabilize the DSP workforce. The 2018 NCI Staff Stability data provides a solid baseline to measure the impact of current workforce initiatives just getting underway.

Thank You! To Participating Providers in the NCI Staff Stability Survey 2018

3707 Oregon ALH
Aaron Assisted Living II
Absolute Care of Alaska, LLC
Alaska Premier Assisted Living
Assets Inc.
Assisted Living Transitions I
Benedict Assisted Living Home LLC
Big Lake Country Club, LLC
Catholic Social Services
Center For Community - Sitka
Cindy and Vic's R and R
Community Connections
Community Inclusion Services
Connecting Ties
Consumer Care Network, Inc. - Anchorage
Crossroads Counseling and Training Services
Discovery Living, LLC
Eagle Crest
Easter Seals Alaska - Anchorage
Extended Family Alaska
Fairbanks Resource Agency
Fitchett's Assisted Living Home
FOCUS, Inc. (Family Outreach Center)
Frontier Community Services
Frontier Home Health Care
Genacta
Glacier ALH
Golden Hearts Agency - Concord Home
Good Samaritan Care Services
Greenwood Care Services LLC
Gugy's Assisted Living Home
Hearts and Hands of Care, Inc.
Heavenly Hands
Hope Community Resources
House of Shalom Assisted Living
Kiwi Assisted Living Home
Malupo's Haven Assisted Living Home LLC
Maniilaq Association*- DD and Elder Services
Mat-Su Services for Children & Adults
McKenzie Assisted Living Home I
McKinley Services
Meaningful Living
Montana Creek Assisted Living Home

Morning Star Ranch
Mountain Vista Assisted Living Home
My Horizon, LLC
Nadon Family Home
Nana's House Assisted Living Home
Nataliya's Care Services, LLC (Delta Junction)
Northbridge, LLC.
Norton Sound Health Corporation
Orchard Assisted Living
PCR Alaska LLC
Raindrop Services, LLC
REACH, Inc.
ResCare HomeCare
Salvation Army/Serendipity Adult Day Services
Senior Citizens of Kodiak Inc
Sound Alternatives
South Peninsula Behavioral Health Services
Supreme Home, LLC
Tanana Chiefs Conference - Community DD Program
The Arc of Anchorage
Tides, LLC
Trinion Quality Care Services, INC
UR Precious Assisted Living Home, LLC
Utopia, LLC
Windy Ridge ALH
Yukon Kuskokwim Health Corporation DD Services