

# 2026

## THE STATE OF AMERICA'S

### DIRECT SUPPORT

### WORKFORCE CRISIS



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# FOREWORD

To our readers:

Our annual *The State of America's Direct Support Workforce Crisis* survey was born of our desire to more systematically document the impact of the direct support workforce crisis within intellectual and developmental disabilities (I/DD) services.

When we began the survey in 2020, we had data from partners throughout the field describing the scope of the long-standing workforce crisis. We also knew anecdotally that ongoing staffing shortages were forcing providers to make impossible choices.

But what we didn't yet have was a way to quantify those choices or the realities they trigger. We wanted to know more about what community providers do in light of ongoing staffing shortages. Are they forced to turn away people in need of services or stop supporting people who have already accepted their services? Do they struggle to achieve the high standards of care to which they hold themselves?

On all these fronts, the answer was and always has been a resounding yes—albeit to varying degrees depending on the year. Now in our seventh year, *The State of America's Direct Support Workforce Crisis* reveals that it is exceedingly rare for I/DD service providers to evade staffing shortages, leaving them grappling with significant challenges in their quest to deliver better services to everyone in their communities who needs them.

Although the statistics outlined in this report are certainly important and should be shared far and wide, it is even more crucial to acknowledge the human beings behind the numbers—specifically, people with I/DD and the direct support professionals who work tirelessly to support them.



This report is therefore dedicated to these individuals. Our fervent hope is that federal and state policymakers will take notice and pursue the recommendations contained herein to sustain, strengthen and ultimately save America's struggling network of community-based disability supports.

Sincerely,

**Barbara Merrill, CEO**  
ANCOR

# EXECUTIVE SUMMARY

Long-term underinvestment in Medicaid-funded programs for people with intellectual and developmental disabilities (I/DD) has led to chronically insufficient payment rates. This dynamic has, in turn, hampered the ability of community providers to offer direct support professionals (DSPs) wages and benefits that are competitive with other industries. This has led to an exodus of workers from the field, profoundly diminishing the ability of providers to deliver essential programs to adequately support people with I/DD.

At the same time, new threats to our nation's fragile network of disability supports have emerged in the form of federal funding cuts, overly broad program integrity enforcement measures, and the proliferation of dangerous rhetoric devaluing home- and community-based services.

**Each of these threats have the potential to exacerbate the direct support workforce crisis.**

Now in its seventh year, *The State of America's Direct Support Workforce Crisis* explores these challenges and highlights the resulting impacts upon the direct support workforce and the continued ability of people with I/DD to access the services they require to live and thrive within their homes and communities.



This year's survey, which includes **524 responses** from provider organizations operating across all 50 states and the District of Columbia, found that among respondents:

- 85% experienced moderate or severe staffing challenges in the past year.
- 55% were turning away new referrals due to inadequate staffing.
- 29% were discontinuing programs and services because of staffing challenges.
- 57% intended to delay the launch of new programs due to staffing challenges.
- 48% were considering further cuts to programs if recruitment and retention challenges failed to subside.
- 36% were experiencing more frequent reportable incidents due to staffing shortages.
- 59% delivered services in areas where few or no other options exist, explaining in part why 56% of those delivering case management services were struggling to connect people with available services.

Additionally, we asked respondents to identify which types of services were most frequently eliminated due to ongoing staffing challenges. The top three responses were residential habilitation services (40% of respondents), home-based services (31%), and day habilitation services (26%).

## REFLECTIONS FROM RESPONDENTS

"While we remain committed to providing high-quality services, the ongoing workforce crisis threatens the long-term sustainability and growth of disability and community support services."

Finally, supplemental survey questions were posed to better understand how both new and potential actions by federal and state policymakers are influencing providers' programmatic and operational decisions. Among the findings from these measures:

- 56% reported that the threat of state-initiated payment reductions or service cuts in response to the 2025 budget reconciliation legislation (H.R. 1) impacted their decisions to not expand services at the present time.
- 46% would need to discontinue programs or services within three months if Medicaid payments for services rendered were paused or delayed.
- 38% employed at least one individual via a nonimmigrant or immigrant visa, highlighting the implications of immigration policy changes.

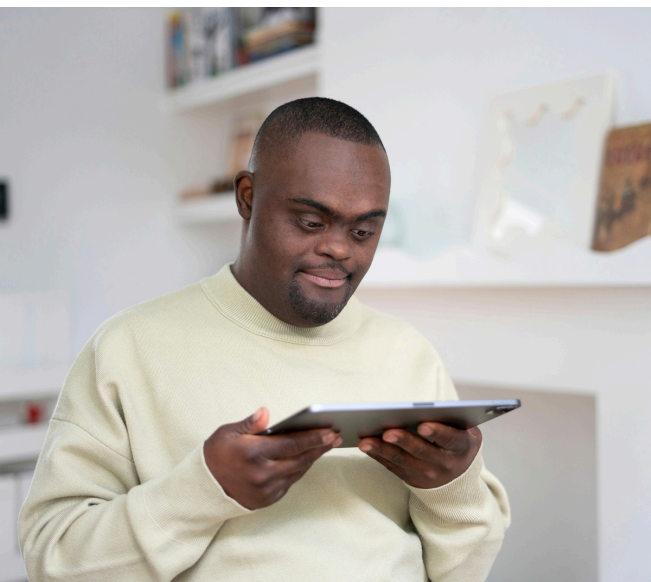


# KEY FINDINGS

DSPs are the frontline workers who support people with I/DD to live, work and participate in their communities as independently as possible. The supports they offer are varied, person-centered, and tailored to the individual needs of the person being supported. For example, DSPs often assist people with activities of daily living, finding and maintaining employment, participating in community events, accessing transportation, and communicating their needs and preferences.

DSPs are much more than caregivers; they are the primary reason that so many people with disabilities can avoid unnecessary institutionalization, maintain independence and participate fully in community life. Unfortunately, DSP staffing shortages, which have reached a crisis level, threaten to take this crucial support and tool away from so many.

In summer 2026, ANCOR surveyed disability service providers across all 50 states and the District of Columbia to ascertain how the workforce crisis has impacted their ability to continue meeting the needs of people with I/DD. With **85% of survey respondents reporting moderate or severe staffing challenges in the past year**, the subsequent impacts upon access and availability are significant as further described below.



## REFLECTIONS FROM RESPONDENTS

“For the people we support, workforce instability can result in disruptions to services, reduced consistency in staffing, delayed access to supports, and fewer opportunities for community engagement and individualized programming.”

## Impacts on Access to Supports

With providers struggling to maintain sufficient staffing, people with I/DD are often unable to access services commensurate with the duration, scope and intensity they require or, even worse, may be forced to do without the support they need altogether. When this happens, it is to the detriment of their health, safety and well-being.

Many providers report that they are unable to serve all those individuals who need support because they simply do not have enough staff. This year's survey found that:

- **55% of providers turned away new referrals due to staffing shortages.**
- **29% discontinued programs or services** because they lacked sufficient workforce capacity, while **48% indicated that they were considering further cuts to programs** if recruitment and retention challenges failed to subside.
- **57% of providers delayed the launch of new programs**, limiting future service availability.

Access challenges are particularly acute in rural and underserved communities where provider capacity is already stretched thin. For instance, **59% of respondents reported delivering services in areas where few or no other options exist.**

Unsurprisingly, **56% of respondents delivering case management services indicated that they were struggling to connect people with available services.** For families, this can mean:

- Longer searches for providers with capacity.
- More time navigating waiting lists.
- Greater administrative burdens in coordinating care.
- Delays in receiving needed supports.

## Impacts on Service Availability

The workforce crisis jeopardizes access to specific residential and community-based habilitation supports, making it more difficult for people with I/DD to live independently and participate fully in their communities.

For this reason, we asked respondents to identify the types of services most frequently eliminated due to staffing challenges. Providers reported that **the services most frequently eliminated** due to ongoing staffing challenges were:

- **Residential habilitation services (40% of respondents).** These services typically offer individually tailored habilitation services that include around-the-clock support and may also include personal care and protective oversight.
- **Home-based (31% of respondents) and day habilitation services (26% of respondents).** These services generally refer to assistance typically delivered on an hourly basis in acquiring, retaining and improving self-help, socialization, and/or adaptive skills provided in the person's home and community.



## REFLECTIONS FROM RESPONDENTS

“Persistent staffing shortages have increased workload demands on existing team members, contributing to burnout, reduced morale, and higher turnover rates.”

Residential habilitation, home-based, and day habilitation services were also identified by providers in our 2025 survey as the supports most frequently eliminated. However, the 2026 survey results reveal that the number of providers who were forced to eliminate home-based and day habilitation services because of staffing issues doubled since the previous edition of the survey.

The diminishing availability of these three services severely inhibits community integration—a key component of successful independent living.

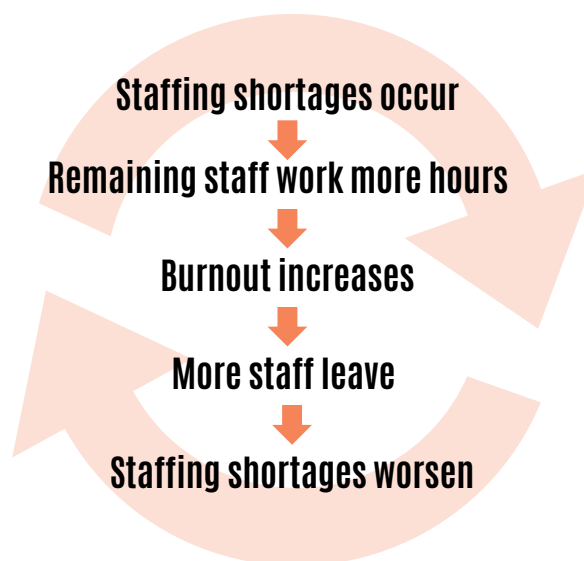
## Impacts on Quality of Care

Our survey findings suggest that high turnover and vacancy rates may be contributing to an increased frequency of reportable incidents, which encompass both minor administrative errors as well as more significant issues. Additionally, the staffing challenges currently faced by providers frequently redirect resources away from quality assurance programs to hiring and onboarding functions. This may make it unsurprising then that **60% of respondents struggled to achieve quality standards** and **36% experienced more frequent reportable incidents due to staffing challenges**.

These challenges impact quality of care because they often mean that providers are forced to rely on supervisors or managers to render direct care services. Under normal circumstances, these supervisors and managers are responsible for training, mentoring, and supporting the growth of the DSPs on their teams, as well as directing quality improvement activities.



In other words, the workforce crisis not only deprives people of receiving services from the professionals who have the most direct training and expertise, but it also hinders the ability of provider organizations to invest in staff growth and quality improvement. And, to further exacerbate the situation, as vacancies remain unfilled long-term, remaining employees must cover additional shifts and responsibilities. Providers reported that staffing shortages increase workload demands, which contributes directly to burnout and further turnover.



# WORKFORCE IMPACTS OF FEDERAL & STATE POLICY ACTIONS

This year's survey introduced several new measures to understand how both new and potential actions by federal and state policymakers are influencing providers' programmatic and operational decision-making.

## Impacts of H.R. 1

A number of Medicaid-related provisions in H.R. 1 are likely to worsen the direct support workforce crisis in the months and years ahead. The legislation imposed new restrictions on state financing systems, such as limits on provider taxes and state-directed payments, that will exert tremendous pressure on states' Medicaid budgets.

Lawmakers often argue that funding cuts in H.R. 1 were not targeted specifically at community-based I/DD services. Irrespective of their intent, however, the reality is that in a program like Medicaid that is carried out in partnership between federal and state governments, cuts to federal spending for Medicaid significantly increase the likelihood that states will enact spending cuts of their own directly and immediately impacting access to I/DD services.

**This isn't just an abstract concern, but rather one that has played out in the past with significant consequences.** Historically, when states face Medicaid funding shortfalls, non-mandatory services are among the first to be scaled back, restricting access to essential supports for people with disabilities. For example, data shows that between 2010 and 2012, every single state and the District of Columbia cut spending to one or more of its home and community-based programs.

In response to a reduction in federal Medicaid funding in the wake of the Great Recession, states either slashed per-beneficiary spending, reduced the number of beneficiaries, or both.<sup>1</sup>



Now, in the wake of H.R. 1 and in anticipation of budget shortfalls to come, some states are already adopting or considering cuts to their Medicaid-funded community-based I/DD services programs. Prominent examples include:

- **Connecticut**, which is planning cuts to a program that helps people with disabilities remain in their homes known as the Community First Choice Program.
- **Colorado**, which reversed planned rate increases for Medicaid providers and announced potential caps on Medicaid programs that help people with disabilities engage in activities such as cleaning, cooking, and community-based outings.
- **Idaho**, which cut \$22 million in funding for its Medicaid home- and community-based services program.
- **California**, which is planning to eliminate its Backup Provider System, a program that pays for temporary backup care for people with disabilities when their primary provider is not available.<sup>2</sup>

## REFLECTIONS FROM RESPONDENTS

“With Medicaid cuts on the horizon it will only make our situation worse. I cannot imagine watching the people we love and serve lose their homes and services due to Medicaid cuts causing loss of staff and loss of services. This is the one place cuts DO NOT need to be made.”

These existing and looming threats are creating uncertainty for providers as they look ahead to the next few years.



In our survey, we found that **56% of respondents decided not to expand services at the present time because of the threat of state-initiated payment reductions or service cuts in response to H.R. 1.**

It is also worth noting that H.R. 1 established the \$50 billion Rural Health Transformation Program, as well as a new eligibility pathway for individuals to receive home- and community-based services.

However, none of this new spending can benefit people with I/DD if providers lack the DSPs needed to render these services due to the law's other provisions slashing federal Medicaid spending.

## Impacts of Freezing Medicaid Payments

The disability supports provided to people with I/DD are funded almost exclusively by Medicaid. This means that any potential disruptions in payments to providers could have catastrophic consequences for their ability to continue serving their communities, a concern that comes into sharp focus when considering that **46% of respondents in our survey would need to discontinue programs or services within three months if Medicaid payments were withheld or delayed.**

Concerns about payment disruptions became more tangible earlier this year when the Trump administration deferred more than a billion dollars in Medicaid payments to California and Minnesota.<sup>3</sup>

Therefore, this year's survey also gathered feedback on the specific impacts of payment delays on providers in these two states. Unsurprisingly, we found among California and Minnesota providers that:

- **13% saw turnover and vacancy rates increase due to job stability concerns.**
- **26% delayed the launch of programs due to the uncertainty of consistent funding.**

**Nearly half of surveyed providers would need to discontinue programs or services within three months if Medicaid payments were withheld or delayed.**

Although ANCOR is unequivocally opposed to any and all instances of waste, fraud and abuse in Medicaid programs, federal and state efforts in this area must be targeted and precise to avoid jeopardizing both the availability and quality of services delivered.



## Impacts of Immigration Policies

There have been a number of changes to federal immigration policy in the past year, including the ending of temporary protected status (TPS) for immigrants from certain countries and increases in employment visa fees.

These new policies will undoubtedly impact the direct support workforce, given that **38% of respondents reported that they employed at least one DSP through an immigrant or nonimmigrant visa.**

Whenever immigration policies reduce the availability of workers or increase hiring costs, providers are likely to struggle even more to recruit and retain staff. Immigrants are an important component of the DSP workforce for many organizations, especially at a time when providers are already finding it impossible to fill vacant direct support positions. Therefore, any reduction in the available labor pool could adversely impact providers and their ability to continue meeting the needs of people with I/DD.

## NEXT STEPS

Our survey results document that the workforce crisis is reducing access to community-based disability services, jeopardizing quality, and potentially forcing people with I/DD to choose between receiving services in more restrictive institutional settings or living without needed support altogether.

However, not all hope is lost.

Federal and state policymakers can strengthen and sustain the direct support workforce now and into the future—though they must act quickly. To that end, ANCOR offers the following recommendations for both short- and long-term actions to preserve access to high-quality, community-based services for people with I/DD.



### REFLECTIONS FROM RESPONDENTS

“We are very concerned about the impact of increasing immigration-related challenges, particularly the end of TPS for Haitian immigrants. They are critical to our workforce and I really don't know how we'll survive without them.”

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## **01. Enhance the Federal Medical Assistance Percentage (FMAP)**

Enhance the FMAP for Medicaid home- and community-based services programs to enable states to increase insufficient Medicaid payment rates and prevent unnecessary cuts.

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## **02. Establish a Standard Occupational Classification for DSPs**

Such a classification would enable data collection to support local, state and federal governments in identifying employment trends and help to promote sufficient wages for DSPs within underlying Medicaid payment rates.

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## **03. Establish Systems of Access Monitoring**

Such systems would ensure regular review and necessary adjustments for the adequacy of rates so that providers can invest in DSP wages and pursue recruitment and retention efforts necessary to safeguard access to high-quality services.

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## **04. Examine Current & Proposed Immigration Policies**

Mitigate any negative impacts such policies may have for DSPs, and expand citizenship pathways for immigrants living in the United States who are interested in becoming direct support professionals.

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## **05. Ensure Medicaid Program Integrity Efforts Are Precise**

Ensure that Medicaid program integrity efforts are targeted, precise, and do not exacerbate the workforce crisis via administrative burdens or payment interruptions for providers acting in good faith to support people with I/DD.

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## **06. Encourage Use of Available Resources & Funding Opportunities**

Encourage the use of all available resources and funding opportunities to support the DSP workforce in rural areas including, but not limited to, the Rural Health Transformation Program.

# CONCLUSION

The workforce crisis has created an untenable paradigm, whereby the growing need for I/DD services lies in direct juxtaposition to the inability of providers to recruit, retain and competitively compensate the direct support professionals responsible for rendering such services.

*The State of America's Direct Support Workforce Crisis 2026* reveals that:

- ➔ **Even when people with I/DD qualify for services, they may be **unable to find providers** with capacity to serve them due to **staffing issues**.**

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- ➔ **People currently receiving services may experience **disruptions** to those services, **inconsistency** in staffing, and **diminished service quality**.**

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It is important to recognize that the workforce crisis is not just a staffing problem for providers; it represents a direct and immediate threat to people with I/DD by restricting their access to services that enable them to live, work, and fully participate in their communities.

ANCOR stands ready to partner with federal and state policymakers committed to addressing the direct support workforce and ensuring access to crucial services for people with I/DD. If you are a policymaker interested in how you can support the needs of your constituents with disabilities, please email Lydia Dawson, Vice President of Government Relations, at [ldawson@ancor.org](mailto:ldawson@ancor.org).

We also urge advocates to get involved by voicing their concerns to policymakers by using the ANCOR Amplifier ([ancor.org/amplifier](https://www.ancor.org/amplifier)), and by using the strategies and resources available to supercharge that advocacy in our Advocacy Toolkit ([ancor.org/advocacy/toolkit](https://www.ancor.org/advocacy/toolkit)).

# ENDNOTES

[1] Jessica Schubel, Alison Barkoff, Stephen Kaye, Marc A. Cohen & Jane Tavares, "[History Repeats? Faced With Medicaid Cuts, States Reduced Support for Older Adults and Disabled People](#)," *Health Affairs*, 2025, Apr. 16.

[2] Leela Berman, Kathy Mendes, Tory Cross & Jaimie Worker, [Federal Cuts, State Choices and the Future of Aging & Disability Care: Protecting Home- and Community-Based Services for Older Adults, People with Disabilities, and Family Caregivers](#) (Washington, DC: Caring Across Generations, 2026).

[3] In February, 2026, the Centers for Medicare and Medicaid Services (CMS) deferred \$259.5 million in federal Medicaid matching funds to Minnesota, followed by another \$91.5 million in April of 2026. In May of this year, CMS notified California that it would be deferring approximately \$1.34 billion in federal Medicaid funding. This last deferral alone represents the largest in Medicaid's history.

## Contact:



113 S. West Street  
Suite 400  
Alexandria, VA 22314  
[ancor.org](https://www.ancor.org)  
[ancor@ancor.org](mailto:ancor@ancor.org)