

Nonprofits Will Care for an Aging America, but Under What Workforce Conditions?

By **KAREN KAHN** | 2 hours ago



(<http://nonprofitquarterly.org/wp-content/blogs.dir/56/files/2017/07/Senior-playground.jpg>)

Temple of Heaven and Great Wall at Badaling / okita1868 (<https://www.flickr.com/photos/okita/>)

By 2050, the number of Americans ages 65 or older will nearly double, growing from about 48 million to 88 million. Those who need the most assistance, the population of people over 85, is on track to triple, from 6.2 million to nearly over 18 million over the same time period.¹ Many of these older Americans, along with younger adults with disabilities, need long-term services and supports. They may need assistance with personal care, such as dressing, bathing, and preparing meals, or with other types of daily activity such as paying bills, cleaning the house, or getting to medical appointments. When this support cannot be provided by a family member or friend, it is often provided by direct care workers—home health aides, personal care aides, or nursing assistants.

But here's the problem: The entire system rests on the backs of these workers, and there simply aren't enough of them to meet current needs, much less the needs of double or triple the number of people who need care today. All around the country, reports of worker shortages are growing. Home care agencies can't find enough workers to take cases; nursing homes report thousands of vacancies; families can't find people to care for their loved ones.²

In an April article in *Kaiser Health News* (<http://khn.org/news/severe-shortage-of-home-health-workers-robs-thousands-of-proper-care/>), Judith Graham reported on the caregiver shortage, noting that in Minnesota and Wisconsin, thousands of patients have been denied admission into nursing homes over the last year because the homes don't have sufficient staffing. In upstate New York, people living with disabilities have been injured or gone without meals because caregivers are not available. In Illinois, as many as 30 percent of direct support staffing positions for people with severe developmental disabilities are vacant.

Why Do We Have a Caregiver Shortage?

This is not a tough question to answer. Direct care is one of our nation's fastest-growing occupations, with an additional 1.1 million projected jobs available in this sector during the decade 2014–2024 to meet our nation's caregiving needs. Direct care will represent the nation's largest occupation by 2020, surpassing five million workers. We will need more direct care workers than nurses or teachers from grades K–12.³

Despite this high demand, direct care jobs remain among the lowest-paid, least-respected, and most poorly structured jobs in our economy. The “employment model” of cheap, replaceable labor—low investment/high turnover—evolved during an era when millions of women entered the labor force for the first time, and jobs for women of color outside of “domestic” employment were scarce. Employers could assume that when workers left, a long line of applicants waited to fill the empty slots. NPQ (<https://nonprofitquarterly.org/2016/11/18/nonprofit-wage-ghettos/>) has written before about the “wage ghettos” that characterize both elder care and child care delivery.

Fast forward to 2017. Today, restaurant and retail jobs may offer equivalent or higher wages (<https://nonprofitquarterly.org/2017/03/22/tough-labor-market-nonprofits-tests-limits-dedication/>) than caregiving, particularly in municipalities and states that have responded to demands to raise the minimum wage. Plus, the ever-expanding long-term care sector, which is now dominated by for-profit companies, means greater labor competition within the sector as well. One would expect that competition to lead to higher wages, but direct care is primarily funded by public dollars, and as current debates over the fate of Medicaid (<https://nonprofitquarterly.org/2017/06/28/senate-gop-delays-healthcare-vote-sausage-making-time/>) make clear, funding care for people who are old or living with disabilities is not our nation's highest priority.

The result is a surge in turnover that long-time employers claim is worse than they've seen in years. Karen Kulp, president of Home Care Associates in Philadelphia, says that competitors literally wait at the door of her building to corral her workers and lure them to their agencies. Kulp has long relied on a different employment model, one that sees workers as assets. Her company has an outstanding training program and offers full-time hours along with health coverage and other benefits. She has tried to base her company on the idea of high investment/low turnover, building her reputation on the higher quality care that results. But with reimbursement rates that have not increased for several years, wages are low, and for a worker who has bills to pay, sometimes a signing bonus or a slightly higher hourly wage is enough incentive to move on.

Poor Quality Jobs: Stagnant Wages, Insufficient Training, Lack of Advancement Opportunities

Wage stagnation characterizes many of our nation's low-wage jobs. This is certainly true for direct care workers who, in 2015, earned slightly less in inflation-adjusted wages than in 2005. For home care aides, the median wage was \$10.11 per hour, while nursing assistants employed in nursing homes earned \$11.87 per hour.⁴

Low hourly wages are coupled with inconsistent, often part-time hours. About two-thirds of home care workers and more than half of nursing assistants report working part time or only part of the year. This means that annual incomes can be substantially less than hourly wages would suggest. The average home care worker, in 2015, took home only \$13,300 in annual income; the average nursing assistant earned \$19,000 per year.⁵

In addition to with poor wages, direct care workers often face challenging working conditions. Personal care aides, often with little or no training (<https://phinational.org/policy/issues/training-credentialing/training-requirements-state/personal-care-aide-training>), can find the work much more difficult than expected. How do you lift and transfer someone from bed to chair, without hurting yourself or your client? How do you cajole an adult with dementia into the shower? What if the client falls? Without adequate training, caregivers vote with their feet. One in two home care workers leaves her job each year.⁶

In nursing homes, aides receive at least 75 hours of federally required training (<https://phinational.org/policy/nurse-aide-training-requirements-state>); some states require more. But nursing home work has its own set of stress factors, particularly the chronic short staffing that results in aides being assigned too many residents. Studies show that nursing assistants on

average have less than five minutes per client, per day to do more than take care of basic needs. In understaffed nursing homes, it is not possible to establish the quality relationships that improve care and give workers a sense of satisfaction about their work.⁷

Finally, direct care work offers few opportunities for advancement. After a decade or more, a caregiver is likely earning little more than she was at her first job. Except for rare employers who offer peer mentor or senior aide positions (<https://phinational.org/policy/issues/advanced-roles-aides>), it is difficult to find a path, other than nursing, to professional development and higher wages. But direct care workers don't necessarily want to become nurses—they often enjoy direct patient care. For those who do want to follow this path to better earnings, barriers are steep in terms of time, money, and education.⁸

How Can We Improve Jobs and Grow the Direct Care Workforce?

To grow the direct care workforce, direct care jobs must become more competitive. That means improving job quality through greater public investment: Nearly 75 percent of nursing home care and home health care is paid for through Medicaid and Medicare.⁹ Campaigns such as Caring Across Generations (<http://www.caringacrossgenerations.org>), PHI's #60CaregiverIssues (<http://www.60caregiverissues.org>), and state-level campaigns such as Fix the DSP Crisis (<http://www.fixthedspcrisis.com/>) in Pennsylvania are attempting to bring more public attention to the caregiver shortage. But these campaigns are running smack into federal policies that are taking us in the wrong direction. The Trump administration's two most visible policies, cracking down on immigrants and defunding Medicaid, will undermine current and future progress toward creating a skilled, stable, and committed caregiving workforce.

According to a new report (<https://60caregiverissues.org/facts-and-trends-issue-10.html>) from PHI, the nation's leading authority on the direct care workforce (and, in the interest of full disclosure, my previous employer), one in four caregivers is an immigrant. In New York and California, one in two direct care workers is an immigrant. Caregivers come from 151 countries and speak 90 languages, but the largest percentage come from Mexico (15 percent), the Philippines (10 percent), Haiti (seven percent), Jamaica (seven percent), and the Dominican Republic (six percent). Where I live, in the Boston area, long-term care employers could have faced an insurmountable crisis had the state department followed through on ending the special status of Haitian immigrants (<https://www.bostonglobe.com/metro/2017/05/13/haitians-upended-country-earthquake-once-again-face-uncertainty/JfSTug5lPhKQSGHnHA5ZRN/story.html>), many of whom staff local nursing homes and home care agencies.

Immigrant workers are essential to the workforce today and vital to growing the workforce sufficiently to meet future needs. Talk of walls and massive deportations and the growing fear in immigrant communities may dramatically affect the availability of caregivers for older Americans and people living with disabilities.

Even if we improve the quality of caregiving jobs by making them stable, middle-class jobs, the traditional caregiving labor pool of women between the ages of 25 and 54 is not growing enough to provide a sufficient labor supply. Over the next decade, fewer than two million (<http://phinational.org/sites/phinational.org/files/articles-commentaries/workforce-shortages-phi60issues01.pdf>) workers from this demographic will enter the workforce. Half of these workers would need to become direct care workers, an unlikely scenario. Better wages could attract more men, but caregiving jobs continue to be seen as feminine, and the ratio of women to men (9:1) has barely shifted over multiple decades. Take a look at nursing in general, and it is clear that, despite recruitment efforts, nursing remains primarily a female profession.¹⁰

Health care policies are also crucial to building a sufficiently large and stable caregiving workforce. Despite providing much of the nation's day-to-day care for people who are chronically ill, direct care workers are less likely than the average U.S. worker to have health coverage. The Affordable Care Act was an important step forward, with about a half-million workers gaining coverage (<https://phinational.org/blogs/aca-expanded-health-coverage-direct-care-workers-new-data-shows>), primarily through Medicaid expansion. In Medicaid expansion states, the uninsured rate for direct care workers dropped to 16 percent, as compared to 26 percent of workers who remain uncovered in non-expansion states.¹¹

For direct care workers, health coverage can make a significant difference in terms of job stability. Rates of on-the-job injury for nursing home workers, for example, are three times higher than the injury rate for the average American worker.¹² Without health coverage, workers don't tend to report or treat injuries that may become debilitating over time. Chronic illnesses associated with poverty are also an issue for these workers, who have higher than average rates of diabetes and hypertension. When treated with regular doctor visits and medication, these diseases can be well-managed, allowing workers to maintain steady employment. Even for workers with employer-sponsored coverage, Medicaid can be a crucial bridge for workers with erratic hours, who cycle in and out of eligibility on employer plans.

The Republican health care plan raises even more serious questions. The Senate Better Care Reconciliation Act (BCRA), like the House American Health Care Act, will reduce federal spending on Medicaid by \$770 billion (<https://www.communitycatalyst.org/news/press-releases/congressional-budget-office-score-confirms-the-better-care-reconciliation-act-is-a-catastrophe>), or 26 percent, over a decade. Not only will workers lose their recently gained coverage, but the entire system of long-term care will be on life support, leading not only to poor-quality care

(<https://www.nytimes.com/2017/06/28/opinion/trumpcare-senior-abuse-nursing-obamacare.html?smid=tw-nytopinion&smtyp=cur&r=2>), but no care at all. Proposed per capita caps do not account for growing numbers of aging adults (<https://www.nytimes.com/2017/06/28/opinion/trumpcare-senior-abuse-nursing-obamacare.html?smid=tw-nytopinion&smtyp=cur&r=2>), and thus, money for these services—and to pay the workers who provide them—will drop drastically just at the moment when we see a surge in the over 85 population. This is not a recipe for better jobs or for better care. How do we ensure our nation is prepared to care in the decades to come?

Notes

1. S. Census 2014 National Population Projection Tables

(<https://www.census.gov/data/tables/2014/demo/popproj/2014-summary-tables.html>).

2. Espinoza, Robert (February 2017). “8 Signs the Shortage in Paid Caregivers Is Getting Worse

(<https://60caregiverissues.org/the-future-of-long-term-care-issue-1.html>).

3. Department of Labor, Bureau of Labor Statistics, Employment Projects Program (<http://www.bls.gov/emp>), with additional analysis from PHI

(<http://www.phinational.org/>).

4. PHI (2016). “S. Home Care Workers: Key Facts

(<https://phinational.org/home-care-workers-key-facts>)” and “U.S. Nursing Assistants Employed in Nursing Homes: Key Facts (<https://phinational.org/nursing-assistants-nursing-homes-key-facts>).

5.

6. PHI (February 2015). "Paying the Price: How Poverty Wages Undermine Home Care In America (<https://phinational.org/research-reports/paying-price-how-poverty-wages-undermine-home-care-america>) ."
7. PHI (April 2016). "Raise the Floor: Quality Nursing Home Care Depends on Quality Jobs (<https://phinational.org/policy/issues/wages/nursing-assistants-we-need-raise-floor>) ."
8. Some of the best writing on these issues from nursing assistants can be found at [cnaedge.com](http://www.cnaedge.com/) (<http://www.cnaedge.com/>) .
9. PHI (2016).
10. S. Census (February 2013). "Men in Nursing Occupations American Community Survey Highlight Report (https://www.census.gov/people/io/files/Men_in_Nursing_Occupations.pdf) ."
11. Campbell, Stephen (March 2017). "The Impact of the Affordable Care Act on Health Coverage for Direct Care Workers (<https://60caregiverissues.org/quality-jobs-issue-3.html>) ."
- PHI.
12. PHI (2016). "Nursing Assistants Employed in Nursing Homes: Key Facts (<https://phinational.org/home-care-workers-key-facts>) ."