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QUALITY CARE
THROUGH
QUALITY JOBS

U.S. HOME CARE WORKERS: KEY FACTS

U.S. HOME CARE WORKERS

More than 2 million home care workers across the U.S. provide personal assistance and health care support to older adults and people with disabilities in home and community-based settings.¹

The home care workforce—primarily comprised of women and people of color—has doubled in size over the past 10 years as the delivery of long-term services and supports has increasingly shifted from institutional settings, such as nursing homes, to private homes and communities. In coming years, the rapidly growing population of older adults will drive demand for home care workers even higher. By 2050, the population of people over the age of 65 will nearly double, from 47.8 million to 88 million.

Recruiting adequate numbers of home care workers to fill these jobs is becoming increasingly difficult, as evidenced by continual reports of workforce shortages.² One reason for the shortages is the poor quality of home care jobs: wages are low and access to employer-provided benefits is rare. With a median hourly wage of \$10.11 and work that is often part time or part year, home care workers earn on average \$13,300 annually. As a result, one in four home care workers lives below the federal poverty line (FPL) and over half rely on some form of public assistance.

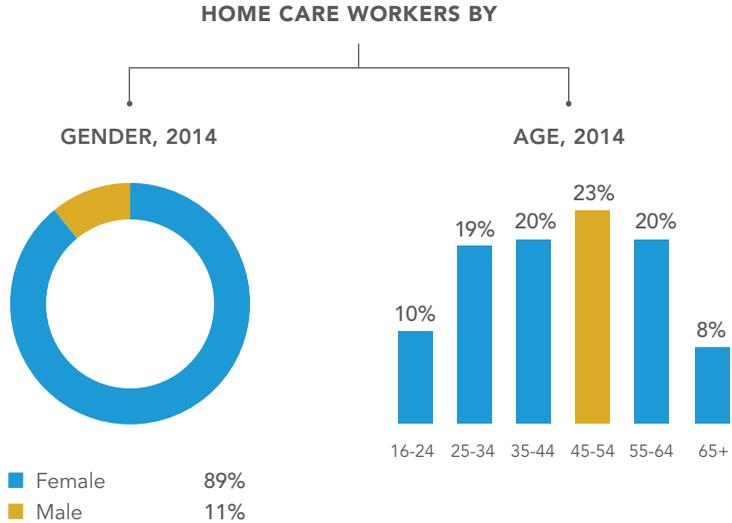


Chart Source: PHI analysis of the American Community Survey, U.S. Census Bureau (2015). 2014 ACS 1-year PUMS. Retrieved from <http://www.census.gov/programs-surveys/acs/data/pums.html>

WHO ARE HOME CARE WORKERS?

- About 9 in 10 home care workers are women, and their median age is 45.
- While people of color make up one-fourth of the total U.S. workforce, they comprise more than half of the home care workforce.
- Over one-quarter of home care workers were born outside the United States. Nonetheless, nearly 90 percent are U.S. citizens.
- More than half of home care workers have completed no formal education beyond high school. Because home care requires little education, experience, or training, it is an accessible occupation for workers who encounter educational or language barriers when seeking employment.

HOME CARE WORKERS BY

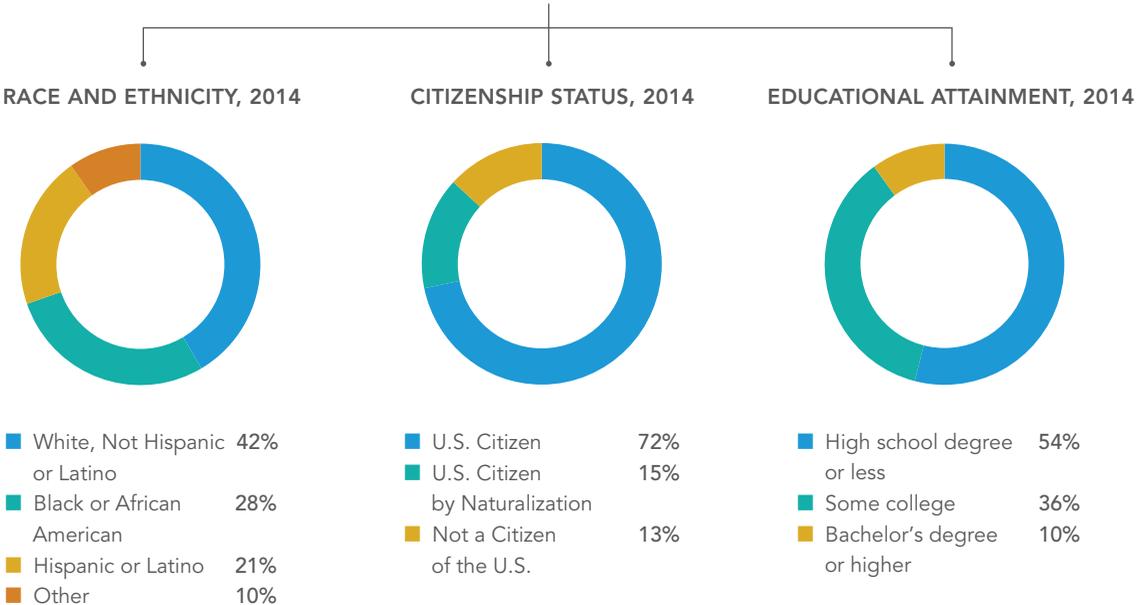


Chart Source: PHI analysis of the American Community Survey, U.S. Census Bureau (2015). 2014 ACS 1-year PUMS. Retrieved from <http://www.census.gov/programs-surveys/acs/data/pums.html>

WHAT ARE HOME CARE JOBS?

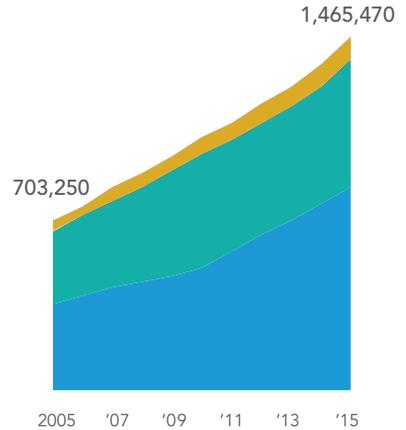
Home care workers include personal care aides, home health aides, and nursing assistants who work in two industries: Home Health Care Services and Services for the Elderly and People with Disabilities. Home care work, regardless of occupational title, typically involves assistance with daily tasks such as eating, dressing, and bathing. In addition to assisting with these tasks, personal care aides provide social supports to help older adults and people living with disabilities remain active in their communities. Home health aides and nursing assistants perform some clinical tasks under the supervision of a licensed professional. (See end notes for detailed descriptions of home care industries and occupations.)

- **The home care workforce has more than doubled in size over the past 10 years, from 700,000 in 2005 to over 1.4 million in 2015.** Personal care aides accounted for 64 percent of total employment growth, which indicates demand for non-medical assistance is contributing the most to total home care employment growth.

PHI estimates that in addition to the home care workers tracked by the Bureau of Labor Statistics, approximately **800,000 independent providers** are employed directly by consumers through publicly funded consumer-directed programs. These workers bring the total home care workforce to approximately **2.2 million workers**.

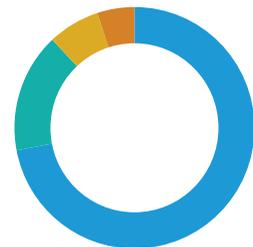
- Home care jobs are largely government-funded. Of the Home Health Care Services industry's **\$71 billion in annual revenue, 72 percent is paid for by public programs**, primarily Medicare and Medicaid.³

HOME CARE WORKER
EMPLOYMENT BY OCCUPATION
2005 TO 2015



- Personal Care Aides
- Home Health Aides
- Nursing Assistants

HOME HEALTH CARE SERVICES
REVENUE, BY SOURCE, 2014



- Public Programs 72%
- Private Insurance 16%
- Out-of-pocket 7%
- Other 5%

Chart Sources: U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics (2016, March 30). May National Employment and Wage Estimates United States, 2005 to 2015. Retrieved from <http://www.bls.gov/oes/#data>
U.S. Census Bureau (2016, January 28). 2014 Service Annual Survey, Table 4: Estimated Sources of Revenue for Employer Firms: 2010 through 2014. Retrieved from <https://www.census.gov/services/index.html>

WHAT ARE THE CHALLENGES FOR THIS WORKFORCE?

- **Home care worker wages have not kept up with inflation over the past 10 years:** inflation-adjusted wages remained relatively stagnant, decreasing from \$10.21 in 2005 to \$10.11 in 2015.
- **Two-thirds of home care workers work part time or for part of the year.** Employment tends to be erratic because client care needs vary from a few hours a week to around the clock, and may change over time.
- **Because of low wages and inconsistent hours,** home care workers earn a median annual income of **\$13,300**.
- Low incomes mean high poverty rates: **24 percent** of home care workers live in households **below the federal poverty line**, compared to 9 percent of all U.S. workers.

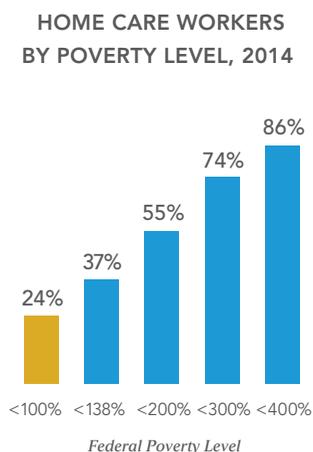
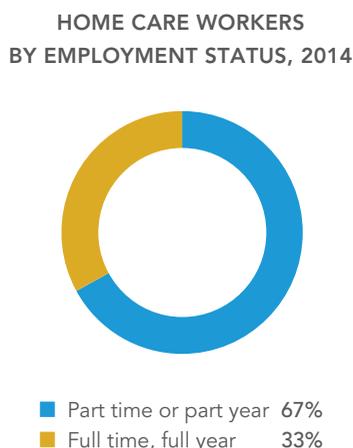
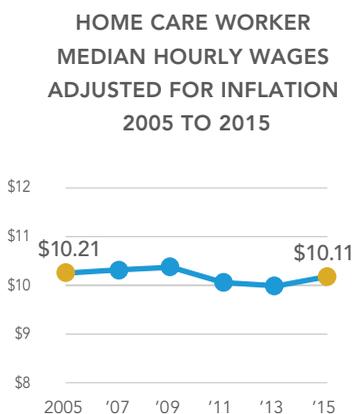


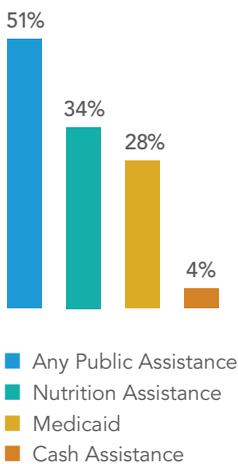
Chart Sources: U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics (2016, March 30). May National Employment and Wage Estimates United States, 2005 to 2015. Retrieved from <http://www.bls.gov/oes/#data>
PHI analysis of the American Community Survey, U.S. Census Bureau (2015). 2014 ACS 1-year PUMS. Retrieved from <http://www.census.gov/programs-surveys/acs/data/pums.html>

- Because poverty rates are high among home care workers, **over half rely on some form of public assistance.**

- **The uninsured rate among home care workers is 26 percent.** Over one-third of home care workers rely on public health care coverage, most often Medicaid or Medicare.

Following implementation of the Affordable Care Act—which incentivized expanded health care coverage through Medicaid, employer-sponsored plans, and individual plans—the rate of health coverage for home care workers increased by 14 percent (from 2010 to 2014). Specifically, there was a 22 percent increase in coverage through individually purchased plans, and a 27 percent increase in Medicaid coverage among home care workers.

HOME CARE WORKERS
ACCESSING PUBLIC ASSISTANCE
2014



HOME CARE WORKERS
BY HEALTH INSURANCE STATUS
2014

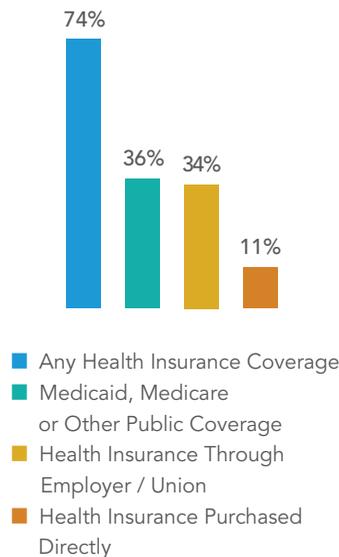
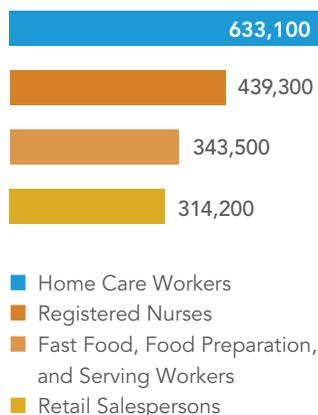


Chart Source: PHI analysis of the American Community Survey, U.S. Census Bureau (2015). 2014 ACS 1-year PUMS. Retrieved from <http://www.census.gov/programs-surveys/acs/data/pums.html>

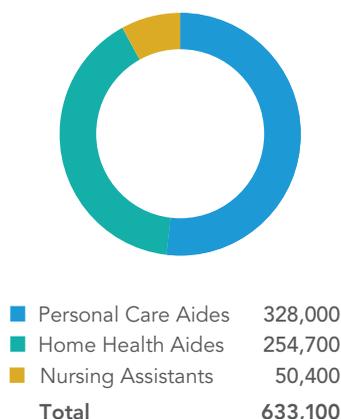
WHAT IS THE FUTURE DEMAND FOR HOME CARE WORKERS?

- From 2014 to 2024, home care occupations are projected to add more jobs than any other single occupation, with an additional 633,100 new jobs. Home care is also among the top 10 fastest-growing occupations.

OCCUPATIONS WITH THE MOST JOB GROWTH 2014 TO 2024



NEW HOME CARE JOBS BY OCCUPATIONAL TITLE 2014 TO 2024



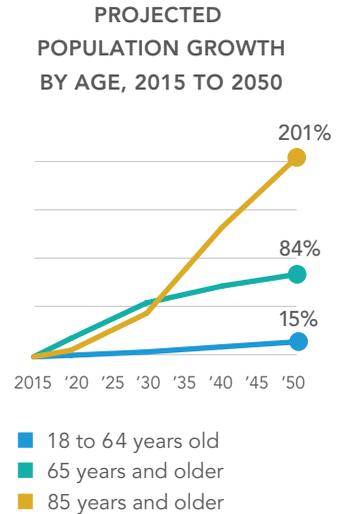
► DID YOU KNOW?

The Bureau of Labor Statistics employment projection models account for recent industry and employment trends, not projected population growth of the older adult population. Because future population growth among older adults is expected to increase dramatically in the coming decades and a large percentage of older adults will receive home care, employment projections for home care occupations likely underestimate actual future employment growth.

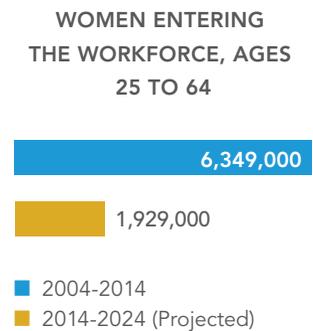
Chart Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment Projections Program (2015, December 8). National Employment Matrix, 2014-2024. Retrieved from: <http://www.bls.gov/emp/>

- **By 2050, the population of adults over the age of 65 is expected to almost double, growing from 47.8 million to 88 million.** The number of adults over 85 is expected to more than triple over the same time period, from 6.3 million to 19 million. Employment growth for home care workers is primarily driven by this demographic shift.

While the population of older adults is growing, the number of working-age adults is projected to stagnate. Currently, there are 32 working-age adults for every adult over 85. By 2050, that number will plummet to 12.



- **Labor force participation among women ages 25 to 64, who currently make up 73 percent of the home care workforce, will increase by only 2 million in the next decade, compared to 6.3 million in the previous decade.** This means that despite the growth in demand for home care workers, the pool of likely applicants will be considerably smaller from 2014 to 2024 than in the previous decade.



With greater demand for home care services, and a labor force that is experiencing little growth, a significant care gap is emerging: insufficient numbers of workers to provide home care services. In this context, the issue of job quality becomes increasingly important. If the home care workforce is to grow, jobs will need to be more competitive, offering higher wages and improved working conditions.

Chart Sources: U.S. Census Bureau (2015, March). Projections of the Size and Composition of the U.S. Population: 2014 to 2060 (USCB Publication No. P25-1143) Washington, D.C.: Colby, S., & Ortman, J. Retrieved from <http://www.census.gov/population/projections/>

U.S. Department of Labor, Bureau of Labor Statistics, Employment Projections Program (2015, December 8). National Employment Matrix, 2014-2024. Retrieved from: <http://www.bls.gov/emp/>

NOTES ON OCCUPATIONAL TITLES AND INDUSTRY CLASSIFICATIONS

OCCUPATIONAL TITLES

Home care worker occupational categories are defined by the Standard Occupational Classification (SOC) system developed by the Bureau of Labor Statistics (BLS) at the U.S. Department of Labor (DOL). Occupation definitions can be found at: <http://www.bls.gov/SOC>

TITLE	OTHER TITLES	JOB DESCRIPTION
Personal Care Aides (SOC 39-9021)	Personal Care Attendant, Home Care Worker, Personal Assistant, and Direct Support Professional (for people with intellectual and developmental disabilities)	In addition to providing assistance with activities of daily living (ADLs), personal care aides often help with housekeeping chores, meal preparation, and medication management. They also help individuals go to work and remain engaged in their communities.
Independent Providers		Independent providers resemble personal care aides in their responsibilities. They are often employed through Medicaid programs that offer consumer-directed services. These programs grant consumers varying degrees of control over the hiring, scheduling, and paying of home care workers. Because BLS OES employment data is drawn from surveys of establishments, independent providers are often not counted or undercounted in employment estimates.
Home Health Aides (SOC 31-1011)	Home Hospice Aide, Home Health Attendant	In addition to providing assistance with a ADLs, home health aides also perform clinical tasks such as range-of-motion exercises and blood pressure readings. They assist people under the supervision of a nurse or therapist.
Nursing Assistants (SOC 31-1014)	Certified Nursing Assistants, Certified Nursing Aides, Nursing Attendants, Nursing Aides, Nursing Care Attendants	Nursing assistants primarily work in institutional settings. In some states, nursing assistant credentials are portable to home and community-based settings, where they perform essentially the same work as home health aides.

HOME CARE INDUSTRIES

Home care industries are defined by the North American Industry Classification System (NAICS) developed by the Office of Management and Budget (OMB). Industry definitions can be found at <http://www.census.gov/eos/www/naics/>

TITLE	ILLUSTRATIVE EXAMPLES	INDUSTRY DESCRIPTION
<p>Home Health Care Services (NAICS 621610)</p>	<p>Home health care agencies, Visiting nurse associations, In-home hospice care services</p>	<p>Includes establishments that provide at-home services such as skilled nursing, personal care, homemaking, companionship, physical therapy, medical social services, medication management, medical equipment and supplies, counseling, 24-hour home care, occupational and vocational therapy, dietary and nutritional services, speech therapy, audiology, and high-tech care, such as intravenous therapy.</p>
<p>Services for the Elderly and Persons with Disabilities (NAICS 624120)</p>	<p>Non-medical home care providers, homemaker service providers, self-help organizations, activity centers for older adults and people with disabilities, companion service providers, adult day care centers</p>	<p>Includes establishments that engage in providing nonresidential social assistance services to improve the quality of life for older adults, persons diagnosed with intellectual and developmental disabilities, or persons with disabilities. Services they offer include day care, nonmedical personal care or homemaker services, social activities, group support, and companionship.</p>

DATA SOURCES

Wage data are from the current and archived estimates of the U.S. Department of Labor, Bureau of Labor Statistics (BLS), Occupational Employment Statistics (OES) Program, available at: <http://www.bls.gov/oes/#data>. Data prior to 2012 refers to “Nursing Aides, Orderlies, and Attendants” (SOC code 31-1012); data from 2012 and the following years refers to the new occupational title “Nursing Assistants” (SOC code 31-1014).

The Consumer Price Index (CPI) for urban wage earners and clerical workers (1982-84=100) was used to adjust wages for inflation. CPI data can be found at <http://www.bls.gov/cpi/>

The number of Independent Providers employed in publicly funded long-term care programs was estimated using PHI’s original research, gathered through consultation with state officials. State-specific counts of independent providers can be found at <http://phinational.org/policy/states>

Statistics relating to direct care worker demographics and employment and income characteristics are based on PHI analysis of the U.S. Census Bureau, American Community Survey 2014 1-Year Public Use Microdata Sample (PUMS), with statistical programming and data analysis provided by Carlos Figueiredo.

ENDNOTES

1. Home care workers are a segment of the much larger direct care workforce, which provides care in a variety of settings including nursing care facilities, assisted living facilities, group homes, intermediate care facilities, and hospitals. The total number of workers across all industries tracked by the Bureau of Labor Statistics, plus PHI estimates of independent providers, is 4.4 million.

2. See a sampling of stories in press from New Jersey (<http://www.courierpostonline.com/story/news/health/2016/03/17/home-health-care-minimum-wage-low-pay/81279586/>), Minnesota

(<http://www.publicnewsservice.org/2016-05-16/health-issues/advocates-say-better-pay-could-help-home-care-provider-shortage/a51863-1>), and Iowa (http://wcfcourier.com/news/local/direct-care-crisis-topic-of-hawkeye-discussion/article_5f1f5f67-2157-5236-9209-38db336bd467.html).

3. Revenue breakdown is only available for the Home Health Care Services Industry. The Quarterly Services Survey Overview does not collect data from firms classified under Services for the Elderly and People with Disabilities.

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