

Meeting the Challenge: Attracting and Retaining the Direct Care Workforce We Need

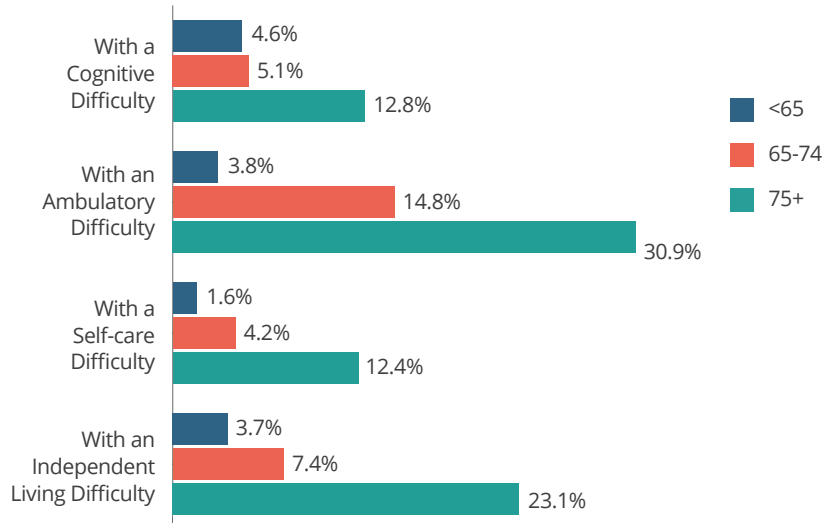
Direct Care Workers (DCWs) provide hands-on assistance with activities of daily living (ADLs) to older adults and individuals with disabilities – help with things like meal preparation, getting to places, bathing, and dressing. DCWs provide care in facilities and in people’s homes. As the elderly population continues to grow, demand will grow, particularly in the community as home and community-based services (HCBS) are expanded.

What are ADLs?

Fundamental skills required to independently care for oneself, including eating, bathing, and ambulating. Instrumental ADLs require more complex thinking, including managing finances, housekeeping, and shopping.

Sources: Edemekong PF, Bomgaars DL, Sukumaran S, et al. *Activities of Daily Living*. Available from: <https://www.ncbi.nlm.nih.gov/books/NBK470404/>. U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates

Prevalence of Disability Increases with Age



Source: U.S. Census Bureau, 2019 American Community Survey 1-Year Estimates, Non-institutionalized adults

Did you know?

The population aged 65 and older is expected to grow to 80.8 million by 2040 – a 54% increase from 2018 levels.

About 4.5 million DCWs comprise the occupational categories of Home Health Aides (HHAs), Nursing Assistants, and Personal Care Aides (PCAs). Under federal Medicare and Medicaid payment rules, Certified Nursing Aides (CNAs) and HHAs both must have at least 75 hours of training, including practical training, and pass a competency evaluation. No federal minimum training requirements exist for PCAs. CNAs tend to work in nursing homes, while HHAs and PCAs tend to work in the community.

HHA and PCA employment is projected to grow by 34% between 2019 and 2029, adding 1.16 million new jobs and eclipsing the projected growth for any other job category. Total DCW job growth is expected to exceed 1.3 million.

DCW pay is low, with mean pay for HHAs and PCAs at \$12.71 an hour in 2019. The mean hourly wage for Nursing Assistants is \$14.77 an hour. Low pay, lack of advancement opportunities and on-the-job support, and demanding work result in high turnover. One firm estimated home care turnover rates of 82 percent in 2018 and 64 percent in 2019.

Nearly 9 out of every 10 DCWs is a woman and 6 of every 10 DCWs is a person of color.

The Administration and Congress Can Help by Enacting and Implementing Policies to Fairly Compensate, Elevate, and Retain & Develop Workers

A comprehensive policy approach could strengthen and support the direct care workforce and allow these workers to provide vital services to a growing, high-need population. For too long, these jobs have been under-valued and underfunded. These are the jobs of the future, and they should be good jobs.

Top recommendations for the Administration and Congress:

1

Compensate

RAISE THE MINIMUM WAGE

Congress should increase the minimum wage to create a pay floor for DCWs. 42 percent of DCWs require some form of public assistance, and 44 percent earn less than 200 percent of the federal poverty level. Experts point to higher pay as a top driver to improve DCW supply and retention. Any wage increase should be accompanied by funding for state Medicaid programs to cover the incremental costs of increased wages, so wage increases do not

result in reduced HCBS (see HCBS Financial Predictability issue brief).

SUPPORT AFFORDABLE CHILDCARE, HEALTHCARE, AND PAID SICK LEAVE

Congress should enact policies that make childcare and healthcare more affordable and that provide paid sick leave. These policies will provide supportive services to DCWs, many of whom have their own caretaking responsibilities.

Source: PHI National, <http://phinational.org/wp-content/uploads/2020/01/Its-Time-to-Care-2020-PHI.pdf>

2

Elevate

LAUNCH A NATIONAL "CALL TO CARE" CAMPAIGN

The Administration should conduct a public service campaign recognizing the women and men in the caregiving profession and urging people of all ages to join the caregiving workforce. The Campaign should highlight DCWs as heroes before and during the COVID-19 Public Health Emergency (PHE) and acknowledge their efforts to support individuals with long-term care needs, often in difficult circumstances.

This Office would convene federal agency representatives to review and maximize federal workforce investments in DCW training, career development, and placement, including the Fair Labor Standards Act. This Office would also convene a multi-stakeholder group to modernize DCW training requirements and assess and make recommendations on wage increase approaches. Stakeholders should include providers, consumers, unions, state and federal government representatives.

CREATE A SPECIAL OFFICE TO LEAD FEDERAL EFFORTS TO SUPPORT DCWs

The Administration should create an HCBS and Direct Care Workforce Office in the Office of the Secretary at HHS to provide a central coordinating point for efforts to strengthen HCBS and support DCWs.

This short-term infrastructure would sunset and transfer responsibilities to appropriate agencies and the new Center for Direct Care Excellence.

3

Retain, Engage, Develop

CREATE A CENTER FOR DIRECT CARE EXCELLENCE

The Administration should request, and Congress should create and fund, a new Center for Direct Care Excellence (CDCE) to serve as the “home” for DCWs within our federal government, housed in the Administration for Community Living and working across agencies including the Centers for Medicare and Medicaid Services and the Department of Labor (DOL). CDCE will conduct research on how DCWs deliver care; run programs and provide grants to improve work environments, credentials, training, and career paths; and collect workforce data to create a baseline and evaluate program impacts. Programs could include “Race to the Top” grants for home care agencies and nursing homes; tiered-evidence grants to create and replicate upskill trainings for DCWs, integrate DCWs into care teams, and pay higher wages for more advanced roles; challenge grants to incentivize development and improvement of DCW registries and matching mechanisms; funding for state direct care workforce plans; a caregiver advocate; and a research and data office.

PROVIDE TRAINING REIMBURSEMENT FOR WORKING IN THE COMMUNITY

CNAs receive free training if they work in a nursing home that accepts Medicaid; no equivalent infrastructure exists for CNAs, HHAs, or PCAs who work in the community. Congress should provide parity in funding for individuals who work in the community and provide care for Medicaid beneficiaries.

MAKE TARGETED INVESTMENTS IN TRAINING PROGRAMS AND HCBS INFRASTRUCTURE

The Administration should request, and the Congress should fund, increases in certain competitive grant programs focused on training, developing, matching, and connecting the direct care workforce, including the Apprenticeship Program at DOL, which has bipartisan support, and Aging and Disability Resource Centers (ADRCs), to provide additional resources for connecting eligible individuals to HCBS services.