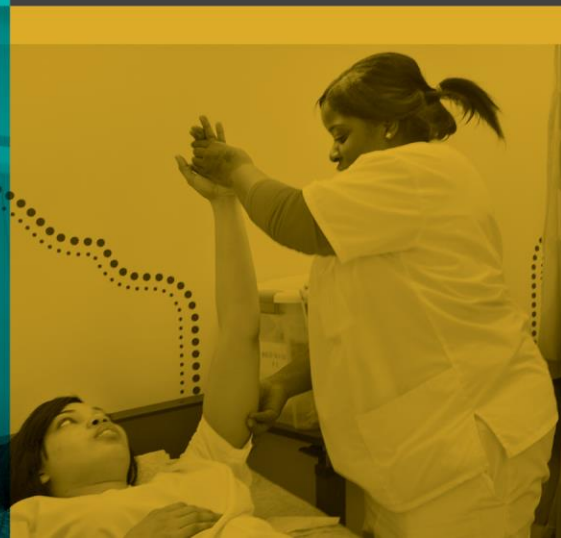


# The Direct Care Workforce and State-Based LTSS Social Insurance Programs

**Robert Espinoza**, Vice President of Policy, PHI



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## Purpose: A Healthier System, a Stronger Workforce



**To understand why direct care workers matter** to long-term care and state economies

**To propose a holistic policy framework** that strengthens the direct care workforce

**How should we properly finance and cost out a healthy long-term care system reliant on workers?**

# About PHI

## Who We Are: Our Approach

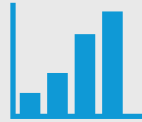
### Key Audiences

Practitioners

Policymakers

Researchers

Advocates



**POLICY RESEARCH**  
Research & policy analysis



**WORKFORCE INTERVENTIONS  
& CONSULTING**  
Training, advanced roles,  
recruitment and retention



**ADVOCACY**  
Federal, state & local  
& public education



## Who We Are: Our Approach

### Key Audiences

Practitioners  
Policymakers  
Researchers  
Advocates

### 360° Perspective

25+ years  
New York City  
National



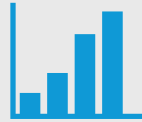
#### WORKFORCE INTERVENTIONS & CONSULTING

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Federal, state & local  
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#### POLICY RESEARCH

Research &  
policy analysis



#### ORIGINAL RESEARCH

Facts & trends,  
objective information



#### PROVIDER 'LEARNING LAB'

In-the-field interventions,  
rural & urban



#### NEW YORK CITY SYSTEM

Learn from thousands of  
workers & consumers



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We believe that caring, committed relationships between direct care workers and their clients are at the heart of quality care. Those relationships work best when direct care workers receive high-quality training, living wages, and respect for the central role they play.



# The Direct Care Workforce

## About the Direct Care Workforce

- 4.5 million home care workers and nursing assistants
- 7.8 million job openings in direct care by 2026
- Largest-growing job occupation in the country



## An Increasingly **Diverse** Home Care Workforce (U.S. figures)

The typical home care worker is a woman in her 40s—many are immigrants and/or women of color. **The demographics are changing.**



**87%**  
WOMEN

**31%**  
IMMIGRANT

**1 million**  
IMMIGRANTS

**62%**  
PEOPLE OF  
COLOR

**46**  
MEDIAN AGE

SOURCE: PHI, *U.S. Home Care Workers: Key Facts (2019)*. Bronx, NY: PHI, 2019. <https://phinational.org/policy-research/reports-multimedia/>; and PHI, *Immigrants and the Direct Care Workforce*. Bronx, NY: PHI, 2017. <https://phinational.org/policy-research/reports-multimedia/>

## Inadequate Public Funding & Reimbursement

The LTSS system needs more funding to ensure everyone can access the supports they need—labor costs are especially underfunded.



### Long-Term Services & Supports

Expensive,  
difficult to predict,  
exhausts savings

**Medicaid only  
for poor &  
low-income  
people—**  
and restrictions  
are growing

**State  
Medicaid  
budgets are  
strapped—**  
little funding for  
labor costs

**Inadequate  
reimbursement  
rates in  
Medicaid**



SOURCE: PHI. *Workforce Matters: The Direct Care Workforce and State-Based LTSS Social Insurance Programs*. Bronx, NY: PHI, 2019. <https://phinational.org/resource/workforce-matters/>

## Recruitment & Retention Challenges

LTSS employers are increasingly struggling to find and keep direct care workers, especially in an economy where they have other job options.



**60%**

### **TURNOVER RATE**

Top reasons:  
wages &  
supervisors

### **Job growth & competition—**

retail & fast food  
increasingly offer  
better jobs than  
direct care

### **Widening 'care gap'—**

the growth in older  
adults is outpacing  
working-age  
women

SOURCE: PHI (2018). For detailed citations and information about PHI's research methodology, please contact [info@phinational.org](mailto:info@phinational.org).

# State-Based LTSS Social Insurance Programs





**PHI**

QUALITY CARE  
THROUGH  
QUALITY JOBS



# Workforce Matters

The Direct Care Workforce and State-Based  
LTSS Social Insurance Programs



CARING  
ACROSS  
GENERATIONS

# How Do We Strengthen the Direct Care Workforce?



- 1 Increase compensation for direct care workers by establishing a wage floor for this sector—with benefit and financial security safeguards
- 2 Enhance training requirements and strengthen the in-person and online training infrastructure for direct care workers
- 3 Develop advanced roles for direct care workers that allow them to progress in their careers and offer a higher level of support
- 4 Institute supervision training programs and requirements to successfully develop direct care supervisors
- 5 Establish an innovation fund and state-level advocate to improve recruitment and retention among the direct care workforce
- 6 Build a robust data collection system and produce new research to analyze the direct care workforce at the state and local levels
- 7 Create a long-term, state-sanctioned workgroup and leadership program to strengthen the contributions of direct care workers
- 8 Launch demonstration projects and a policy workgroup to maximize the relationship between family caregivers and home care workers
- 9 Construct a matching service registry that connects home care consumers and workers within the state





## Low Wages, High Poverty: Home Care Workers

Low wages and irregular schedules make it difficult to retain and recruit workers in this sector. **As a result, turnover remains high.**



Increase wages  
for direct care  
workers

Account for  
"benefit cliffs"  
and "benefit  
plateaus"

Offer financial  
literacy and  
counseling  
programs

## Limited Training or Career Advancement

The training infrastructure for direct care workers doesn't equip them with the skills, knowledge, confidence, or career paths they need.



**Standardize  
training for  
direct care  
workers**

**Strengthen  
training quality**

**Support &  
disseminate  
effective  
e-learning  
models**

**Implement  
advanced roles**

## Recruitment & Retention Challenges

LTSS employers are increasingly struggling to find and keep direct care workers, especially in an economy where they have other job options.

**Commission a  
statewide study  
on recruitment  
and retention**

**Form a  
recruitment and  
retention  
innovation fund**

**Establish a  
state-level  
direct care  
advocate**



## Marginal Data on the Workforce

States rarely collect proper data on the LTSS workforce, which prevents leaders from targeting high-need areas with appropriate interventions.



**Establish the infrastructure to systematically collect data on the direct care workforce**

**Centralize training and certification records of direct care workers**

**Fund original studies on the direct care workforce**

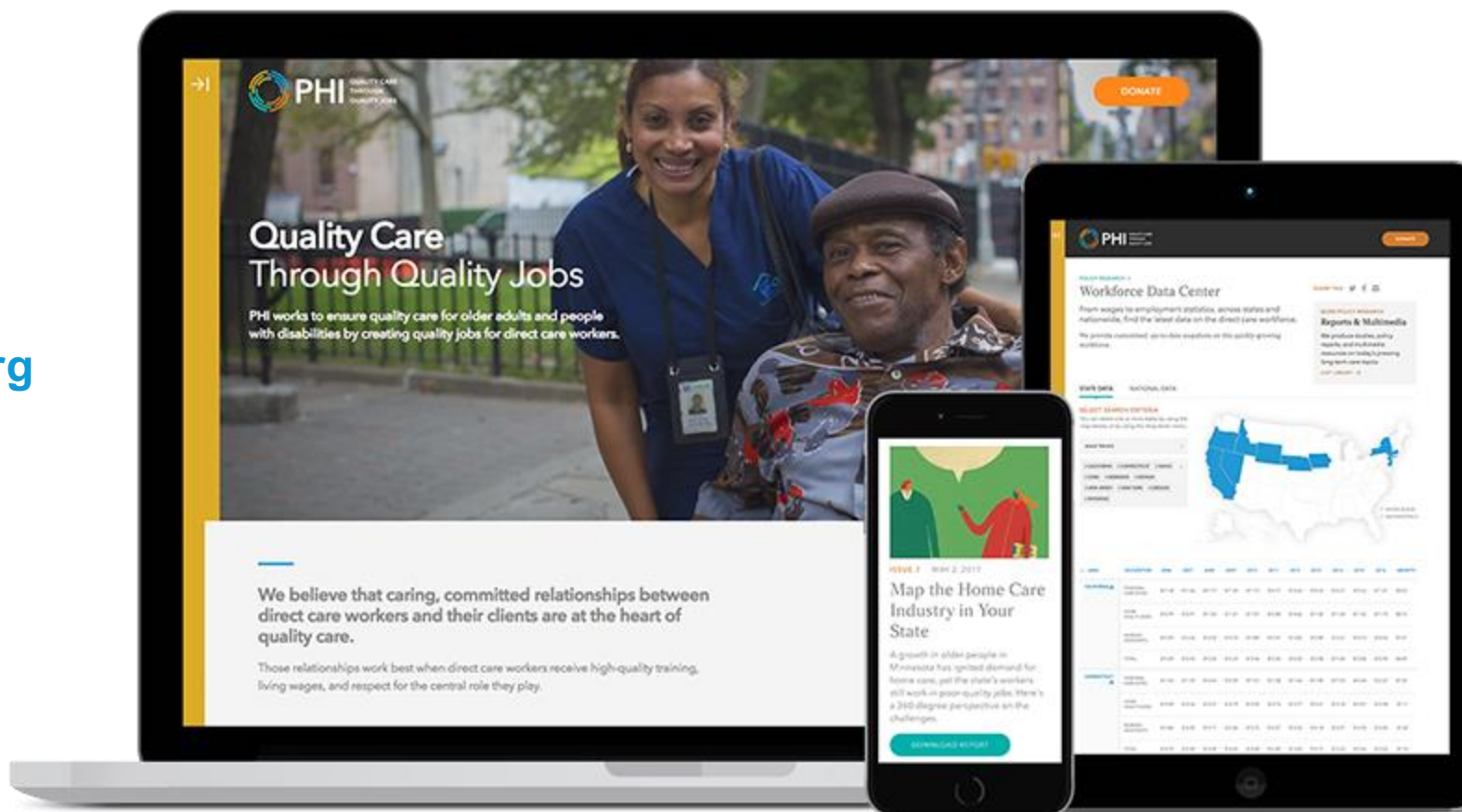
## The Centrality of Direct Care Workers to LTSS

- Quality care depends on quality jobs
- Quality jobs might create cost effectiveness
- Programs = Affordability and access
- **How do we finance a workforce-centered system?**

# Resources



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## Robert Espinoza, MPA

Vice President of Policy

[respinoza@PHInational.org](mailto:respinoza@PHInational.org)

(718) 928-2085

Twitter: [@PHInational](https://twitter.com/PHInational) [@EspinozaNotes](https://twitter.com/EspinozaNotes)

400 East Fordham Road, 11th Floor • Bronx, New York 10458 • [PHInational.org](http://PHInational.org)