



Older Direct-Care Workers: Key Facts and Trends January 2014

SUMMARY *The direct-care workforce in the United States is graying along with the overall population. But the number of direct-care workers over age 55 is projected to increase by 69 percent over the coming decade, a rate of nearly three times that of older workers in general.*

Direct-care workers provide an estimated 70 to 80 percent of the paid hands-on long-term supports and services received by Americans who are elderly or living with disabilities or other chronic conditions. These workers help their clients bathe, dress, eat, and negotiate a host of other daily tasks. They are a lifeline for those they serve, as well as for families struggling to provide quality care.

Currently numbering nearly 4 million, direct-care workers constitute one of the largest and fastest-growing workforces in the country, playing a vital role in job creation and economic growth, particularly in low-income communities. Remarkably, direct-care workers constitute 30 percent of the nation's health care workforce, their numbers far exceeding those of physicians, nurses, and therapists.

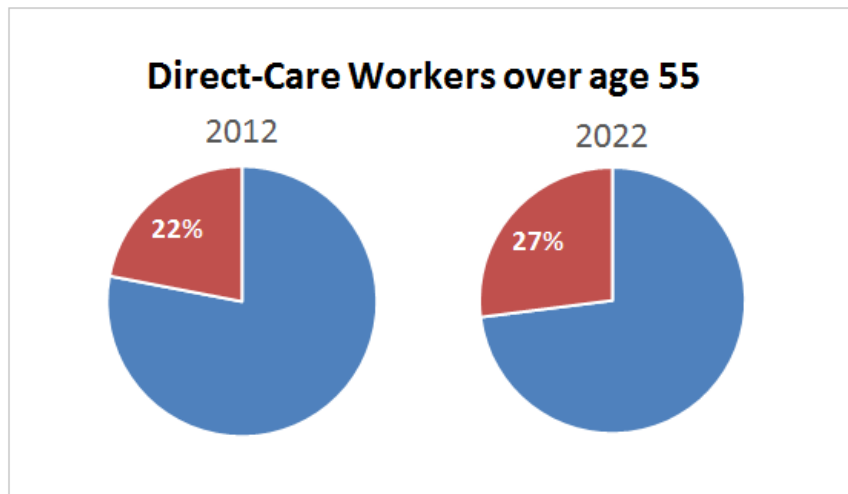
It is commonly known that the vast majority of direct-care workers are female. Over the last 5 years, the percentage of women in the workforce has remained constant at between 88 and 90 percent. Less well understood is the fact that the direct-care workforce is aging, with women 55 and older constituting an increasing share of these workers.

Growing numbers of direct-care workers over age 55

Currently, one in five direct-care workers is over age 55, according to the most recent data analysis of the Current Population Survey (CPS). But this segment of the workforce is expected to grow dramatically over the next decade – by 69 percent between 2012 and 2022. Workers over age 55 will fill an additional 500,000 direct-care jobs over this time period as a result. By comparison, little growth is predicted among the traditional labor force, women between the ages of 25 and 54. By 2022,

older direct-care workers will constitute more than one quarter of the direct-care workforce (see Chart 1).

Chart 1

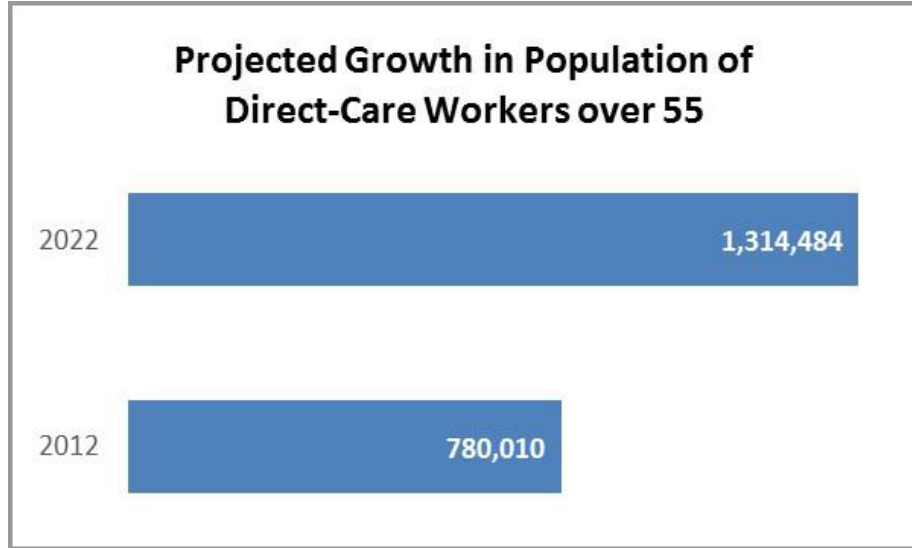


The number of older direct-care workers is increasing for two major reasons. The first is the extraordinary growth projected for this workforce as a whole due to increasing demand for services: employment of direct-care workers is projected to increase from 3.5 million to 4.9 million between 2012 and 2022. Second, due to the continued aging of the nation’s overall workforce, the age distribution of the direct-care workforce is shifting toward older age groups.

The latest workforce projections from the Bureau of Labor Statistics predict a 24 percent increase in the number of women in the civilian workforce who are 55 and older over the next decade. In sharp contrast, the number of women aged 25 to 54 is expected to remain virtually unchanged.

As a result of these changing demographics, in the nation’s civilian workforce, the percentage of women age 55 and older is expected to increase from 34 percent in 2012 to nearly 40 percent in 2022. Applying the same percentage increase to the oldest cohort of direct-care workers suggests that by 2022 we can conservatively expect employment of **at least 1.3 million older female direct-care workers**, up from approximately **780,000** today (see Chart 2).

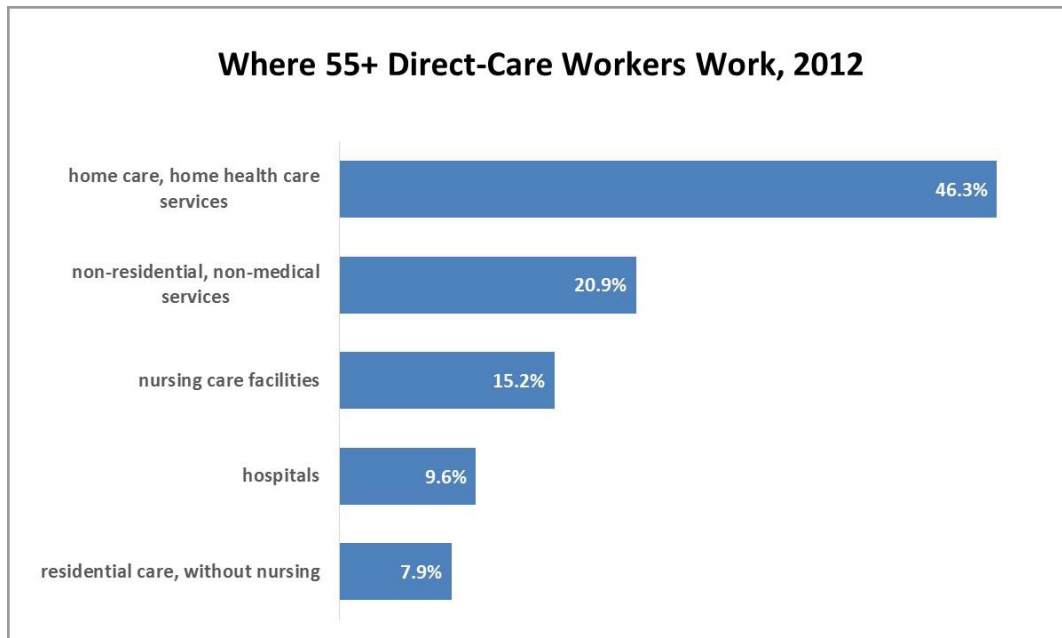
Chart 2



Older workers more often employed in home care settings

Direct-care workers are employed in a range of settings, including in clients' homes and workplaces; in residential settings such as nursing facilities, adult foster care homes, homes for the aged, and assisted living facilities; and in a variety of day programs.

CHART 3



Older direct-care workers are more likely to be working in the home of their client than in any other setting (see Chart 3). Nearly 50 percent of older direct-care workers report employment in home care settings, compared to 15 percent who report working in nursing care facilities and 10 percent who work in hospitals.

In contrast, younger direct-care workers are more likely to work in nursing care facilities and hospitals, and less likely to work in home care and nonresidential, nonmedical programs such as day programs for persons with Alzheimer's or intellectual and developmental disabilities. Nearly half of younger direct-care workers (aged 16-24) are employed in nursing care facilities, and one in five is employed in a hospital.

Analysis

As noted earlier, the increasing number of older women in the direct-care workforce is attributable at a macro level to the growing demand for direct-care workers and the aging of the overall workforce. However, the underlying circumstances that fuel this growth are much more nuanced and varied.

Some portion of direct-care workers has aged into this category ("over 55"), while others are likely taking up paid caregiving for the first time. Economic circumstances brought about by loss of a spouse, divorce, and hard economic times may be forcing some older women to return to work. Others may have had family caregiving experiences that have led them to find value and meaning in providing the kind of intimate, familial services that frail elders and other persons with disabilities need, and so they seek out paid caregiving work. Still others may have lost a job and switched careers to home care because these jobs are readily available and typically lack the age discrimination that older women often confront in other occupations. Finally, the amenability of home care work to part-time employment may be a particular feature of this work that appeals to some older workers.

The concentration of older direct-care workers in home-based services may reflect that older women—by virtue of their maturity and life skills—are often well-suited for the challenges of home care work. In other words, older women possess significant human capital that can make them highly desirable home care workers. Younger workers, by contrast, may prefer facility settings where jobs are more structured and far less isolated, hours are more consistent and reliable, and supervisors are more accessible.

Concerns and Opportunities

The trend towards an older home care workforce raises concerns. Older women—particularly those who are single or have dependents—are especially vulnerable to poverty. Of older Americans (over age 55), 40 percent more women than men live below the poverty line. In 2012, median wages for both Personal Care Aides and Home Health Aides hovered around \$10 per hour. If these are the jobs most available to older women, the current wage structure will not help to substantially alleviate their economic struggles.

Another concern is that home care work often is physically demanding—lifting, transferring, and bathing clients is typical. Yet more than one in three home care workers has no health coverage. In addition, workers often have no paid sick days. For older workers who are not yet Medicare eligible, injury is a serious risk that could permanently undermine health and well-being. In this context, improving wages, ensuring affordable health coverage, and increasing access to benefits like paid sick leave become even more urgent if we are to recruit and retain an adequate workforce to care for an aging America. Retention of older workers will also depend more on appropriate matching of client and worker as well as the integration of enhanced technology such as lifts and telehealth into the job.

While employment of older workers in direct care presents some unique challenges, it presents opportunities as well. America faces a national care gap, with more than one million new direct-care workers needed over the next decade. Providing career paths and opportunities for older workers to train, mentor, and coach younger workers is one way to improve jobs across the board—and better quality jobs are the only way to attract sufficient numbers of new workers. Older workers bring a depth of experience as well as the communication and problem-solving skills that are essential to providing quality care. They could be the bridge for bringing more young people into a field that has provided far too little support for such emotionally and physically demanding work.

Data Notes

Direct-care 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). Definitions of the three standard direct-care occupations—Nursing Assistants; Home Health Aides, and Personal Care Aides—can be found at: <http://www.bls.gov/SOC>.

Occupational employment statistics are from DOL/BLS, Employment Projections Program, 2012-22 National Employment Matrix, available at: <http://www.bls.gov/emp/empiols.htm>.

Workforce projections by age group are from: M. Toossi (Dec. 2013) “Labor force projections to 2022: the labor force participation rate continues to fall,” *Monthly Labor Review* (Washington, DC: DOL/BLS).

Statistics relating to direct-care worker demographic characteristics are based on PHI analysis of the U.S. Census Bureau, Current Population Survey (CPS), 2012 Annual Social and Economic (ASEC) Supplement, with statistical programming and data analysis provided by Carlos Figueiredo. Poverty statistics by gender are from CPS Table POV01 available at: http://www.census.gov/hhes/www/cpstables/032013/pov/pov01_100.htm.

For more information on the direct-care workforce, visit PHI PolicyWorks website at www.PHInational.org/policy.



PHI (www.PHInational.org) works to improve the lives of people who need home and residential care—and the lives of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers, and policymakers improve eldercare/disability services by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers, so that both may live with dignity, respect, and independence.