



**PHI** QUALITY CARE  
THROUGH  
QUALITY JOBS

# DIRECT CARE WORKERS IN DETROIT: KEY FACTS

Detroit has fared worse than many parts of the country during the most recent economic recession. In 2009, unemployment in Detroit peaked at 17 percent—nearly twice the national unemployment rate. In the past decade, nearly a quarter million people have left the city—many of whom were working-age adults leaving to find employment elsewhere. During the same period of time, the number of people over age 65 living in Detroit grew by 22 percent. As a result of these shifts, Detroit’s labor force declined by more than 200,000 people.

And yet, one industry has prevailed: long-term services and supports. The direct care workforce—the home care workers and nursing assistants who provide the bulk of hands-on care for older adults and people with disabilities—grew by 29 percent in the

previous decade. Even during the worst of Detroit’s economic crisis, from 2005 to 2010, when total employment in the region fell by 16 percent, direct care worker employment increased by 14 percent, adding over 5,000 jobs to the economy. As the population of older adults in Detroit continues to grow over the coming decade, demand for direct care workers is expected to increase more than for any other occupation.

The direct care workforce, thus, is vital to Detroit’s social and economic infrastructure. However, wages—which are primarily funded by Medicaid and other public programs—are low enough to place most direct care workers in the bottom quartile of wage earners in the region. The largely unstable and often part-time nature of this work means workers live in or near poverty.

Note: Due to data limitations, this fact sheet presents statistics for the entire Detroit-Warren-Dearborn Metropolitan Statistical Area, which is considerably larger than the city itself.

## DIRECT CARE WORKERS IN MICHIGAN

	HOME CARE WORKERS	NURSING ASSISTANTS
<b>Gender</b>		
Male	13%	10%
Female	87%	90%
<b>Age</b>		
Median	41	33
<b>Race and Ethnicity</b>		
White Only, Not Hispanic or Latino	61%	59%
Black or African American	31%	35%
Hispanic or Latino	4%	3%
Other	5%	3%
<b>Educational Attainment</b>		
High School Degree or Less	49%	40%
Some College	43%	55%
Bachelor's Degree or Higher	8%	4%
<b>Employment Status</b>		
Full Time, Full Year	28%	36%
Part Time or Part Year	72%	64%
<b>Annual Personal Earnings</b>		
Median	\$10,000	\$17,000
<b>Federal Poverty Level</b>		
<100%	29%	21%
<138%	43%	35%
<200%	59%	54%
<b>Public Assistance</b>		
Any Public Assistance	55%	43%
Nutrition Assistance	45%	36%
Medicaid	29%	21%
Cash Assistance	6%	4%
<b>Health Insurance Status</b>		
Uninsured	28%	23%
Health Insurance through Employer/Union	34%	54%
Medicaid, Medicare, or Other Public Coverage	36%	23%
Health Insurance Purchased Directly	10%	6%

**Source:** PHI analysis of the American Community Survey, U.S. Census Bureau (2015). 2014 ACS 5-year PUMS. Retrieved from <http://www.census.gov/programs-surveys/acs/data/pums.html>

With Detroit’s economy improving—the unemployment rate is now below pre-recession levels—these low-paying direct care jobs are becoming less competitive. Detroit, like other regions of the country, faces a looming care gap as workers take higher paying jobs in manufacturing, customer service, and retail.

Direct care jobs, however, could provide a real opportunity where unemployment in the

city remains high: among African Americans and people who have no more than a high school education. Creating better quality direct care jobs—with livable wages, hours structured for full-time work, and career paths—would lift thousands of workers out of poverty, while at the same time ensuring the city’s caregiving infrastructure is prepared to meet the needs of a fast-growing elder population.

## WHAT ARE DIRECT CARE JOBS?

Direct care workers are the personal care aides, home health aides, and nursing assistants who provide hands-on long-term care and personal assistance to older adults and people with disabilities. Direct care work involves assistance with daily tasks such as dressing, bathing, eating, and ambulating.

Home care workers—primarily personal care aides and home health aides—typically provide these services in private homes. Nursing assistants provide the majority of assistance in nursing homes and other

facilities where residents receive nursing care and 24-hour personal assistance.

Direct care workers may also support people to participate in social activities, such as attending community events or religious services. In addition, home health aides and nursing assistants perform some clinical tasks under the supervision of a licensed professional. (See “End Notes” for detailed descriptions of direct care occupations.)

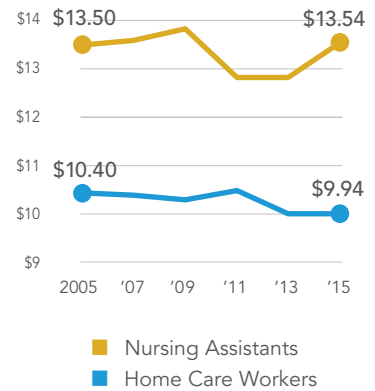
### ► DID YOU KNOW?

Nearly nine in 10 of Michigan’s direct care workers are female, and almost one third are African American. Only one third of these workers have year-round, full-time work, leading to high levels of poverty. Across the state, home care workers have a median income of \$10,000, and nearly 30 percent live in households with incomes below the federal poverty level. Michigan’s nursing assistants fare only slightly better, with a median annual income of \$17,000. (For more details, see the chart on page 2).

## HOW MUCH DO DIRECT CARE WORKERS EARN?

- Direct care worker wages have not kept up with inflation over the past 10 years in Detroit.** Inflation-adjusted hourly wages for home care workers fell 4 percent, from \$10.40 in 2005 to \$9.94 in 2015. Hourly wages for nursing assistants are currently \$13.54, virtually the same as they were 10 years ago.
- Most direct care workers are in the bottom quartile for wages in the region.** Typically, many direct care workers do not have access to full-time, year-round work, which results in low annual earnings, high poverty rates, and reliance on public assistance.

DIRECT CARE WORKER  
MEDIAN HOURLY WAGES  
ADJUSTED FOR INFLATION  
2005 TO 2015

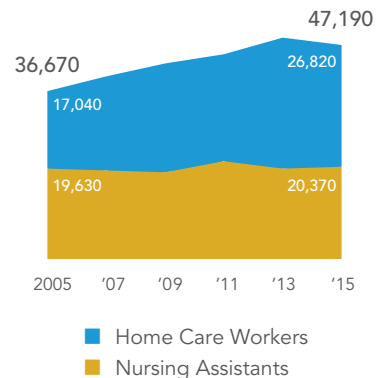


## WHAT ARE DIRECT CARE WORKER EMPLOYMENT TRENDS?

- Over the past 10 years, the home care workforce in Detroit has grown by 57 percent, from 17,040 in 2005 to 26,820 in 2015,** while the number of nursing assistants, 20,370, has remained relatively constant.

These trends are consistent with trends nationwide.

DIRECT CARE WORKER  
EMPLOYMENT  
BY OCCUPATION  
DETROIT 2005 TO 2015



**Chart Sources:** U.S. Department of Labor, Bureau of Labor Statistics, May 2015 Metropolitan and Nonmetropolitan Area Occupational Employment Statistics (2016, March 30). May State Employment and Wage Estimates United States, 2005 to 2015. Retrieved from <http://www.bls.gov/oes/#data>

U.S. Department of Labor, Bureau of Labor Statistics, Metropolitan and Nonmetropolitan Area Occupational Employment Statistics, May 2005 to May 2015 (2016, March 30). Retrieved from <http://www.bls.gov/oes/#data>

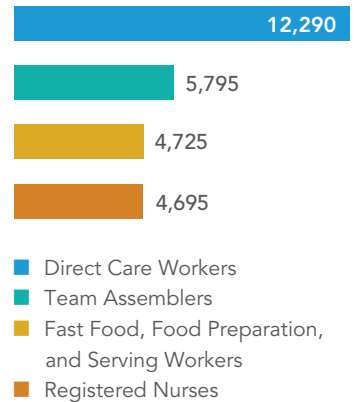
- Direct care employment will continue to grow over the next decade. **From 2012 to 2022, direct care occupations are projected to add more new jobs than any other single occupation in Detroit**, with an additional 12,290 jobs. Home care, in particular, will experience dramatic growth, accounting for 77 percent of projected new direct care jobs.

Direct care employers will compete for new hires with those hiring team assemblers, food prep workers, and customer service representatives, all jobs that similarly require little formal education. Team assemblers, customer service representatives, and many other jobs with high job growth typically offer higher wages as well.

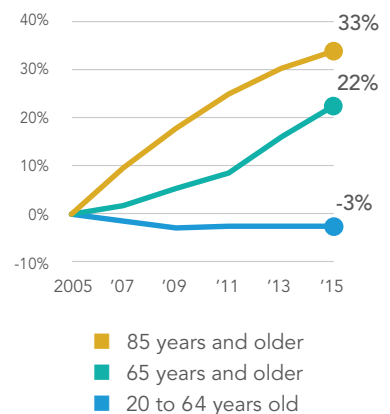
- Direct care worker employment growth is driven by Detroit's changing demographics: **from 2005 to 2015, the population of adults over the age of 65 grew by 22 percent, from 532,000 to 649,000**. The number of adults over 85 grew by 33 percent over the same time period. While the population of older adults grew, the population of working-age adults declined by 3 percent. As these trends continue, Detroit will face a growing care gap: demand for direct care workers will continue to rise while the pool of potential workers continues to shrink.

Improving the quality of direct care jobs in Detroit would have multiple benefits for the city's poorest populations. Better quality jobs could help move thousands of workers out of poverty, while at the same time improving the city's caregiving infrastructure. Without better jobs, Detroit will face a care gap in which a shortage of qualified direct care workers will make it increasingly difficult for families to find the support services they need.

#### MOST JOB GROWTH IN THE DETROIT METRO AREA 2012 TO 2022



#### DETROIT POPULATION GROWTH BY AGE, 2005 TO 2015



**Chart Sources:** Michigan Department of Technology, Management and Budget, Bureau of Labor Market Information and Strategic Initiatives. Long Term Occupational Employment Projections, 2012 to 2022, Detroit Metro Prosperity Region. Retrieved from <http://milmi.org/datasearch/projections>

U.S. Census Bureau, Population Estimates. Historical Data: 2000s and 2010s. Retrieved from <https://www.census.gov/popest/data/historical/>

## NOTES ON OCCUPATIONAL TITLES AND INDUSTRY CLASSIFICATIONS

Direct 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
<b>Home Care Workers</b>	<b>Personal Care Aides</b> (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 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. A growing number of these workers are employed and supervised directly by consumers. We refer to these workers as “independent providers.”
	<b>Home Health Aides</b> (SOC 31-1011)	Home Hospice Aide, Home Health Attendant	In addition to providing assistance with activities of daily living (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.
<b>Nursing Assistants</b> (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.

## 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 reflects the Detroit-Warren-Dearborn, MI, metropolitan statistical area (Lapeer, Livingston, Macomb, Oakland, St. Clair, and Wayne counties). 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).

Unemployment and labor force participation data are from the U.S. Department of Labor, Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics (LAUS) Program, available at: <http://www.bls.gov/lau/>

The Michigan Department of Technology, Management and Budget provides employment projections for Michigan statewide and the Detroit Metro Prosperity Region (Macomb, Oakland, and Wayne counties). State-specific employment projection data can be found at <http://milmi.org/datasearch/projections>. For information about BLS employment projection methodology, visit [http://www.bls.gov/emp/ep\\_projections\\_methods.htm](http://www.bls.gov/emp/ep_projections_methods.htm).

Combined occupation-specific data by industry is not available for metropolitan areas due to inadequate sample sizes. Wage data, current employment estimates, and projected employment estimates reflect direct care occupations in all industries and settings.

The Consumer Price Index (CPI) for all urban wage earners and clerical workers (1982-84=100) for the Detroit-Ann Arbor-Flint, MI, metropolitan area was used to calculate inflation-adjusted wages. CPI data can be found at <http://www.bls.gov/cpi/>

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 5-Year Public Use Microdata Sample (PUMS), with statistical programming and data analysis provided by Carlos Figueiredo.

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