



EXECUTIVE SUMMARY

# CARING FOR THE FUTURE

The Power and Potential of America's Direct Care Workforce



The report summarized here is the culmination of a year-long series of reports (released throughout 2020) providing a comprehensive, current-day analysis of the direct care workforce and its critical role in the long-term care system in the United States. By bringing these reports together, the final report provides: a detailed profile of these workers; a segmented look at the long-term care industry; a discussion on the evolving role of the direct care worker; a proposed framework for creating quality jobs in direct care; and a look forward at where this workforce and industry are heading. The report also offers concrete recommendations for policymakers, employers, advocates, and other long-term care leaders, and features stories of direct care workers from around the country, sharing their wisdom and ideas. In releasing this report, our goal is to strengthen the national dialogue on the direct care workforce, including what needs to change in policy and in practice.

**Read the full report at [PHInational.org/CaringForTheFuture](https://PHInational.org/CaringForTheFuture).**

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For a list of citations for the content summarized here, please see the full *Caring for the Future* report.

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# Executive Summary

Every day around the country, direct care workers leave their homes to ensure that older adults and people with disabilities have the care and support they need. These 4.6 million workers are the paid frontline of support for consumers and their families, growing as a workforce annually as people live longer and demand surges. They work in private homes, nursing homes, and residential care settings. They are unquestionably essential, as the COVID-19 pandemic has tragically underscored. They are predominantly women, people of color, and immigrants—diverse workers disproportionately impacted by structural racism and gender inequality. These workers are not valued, compensated, or supported at the level they deserve. *Caring for the Future: The Power and Potential of America's Direct Care Workforce* explains these and other challenges and offers a clear and achievable path toward achieving quality jobs for this critical workforce.

## SECTION 1

### IT'S TIME TO CARE: A DETAILED PROFILE OF AMERICA'S DIRECT CARE WORKFORCE

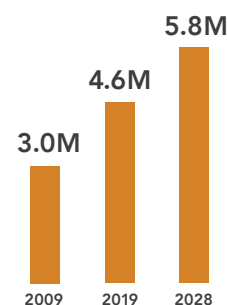
The first section of this report describes in detail the direct care workforce, analyzing how the direct care role has changed over time and providing a statistical overview of key workforce demographics, socio-economic characteristics, and employment

projections. Central to this section is an examination of the paradox between the escalating need for direct care workers (with 1.3 million new jobs anticipated from 2018 to 2028) and the persistent marginalization of this workforce (as exemplified by egregiously low wages and high rates of poverty among direct care workers). The section concludes by underscoring the pressing need to improve direct care jobs and strengthen the direct care workforce—to mitigate the escalating national crisis of unmet need for long-term services and supports.

## SECTION 2

### WE CAN DO BETTER: HOW OUR BROKEN LONG-TERM CARE SYSTEM UNDERMINES CARE

To help explain why the occupation with the most projected job growth in the country has such persistently poor job quality, the second section of the report examines the long-term care system across settings and service delivery models. This section begins by describing the shortfalls in long-term care financing—which fails to ensure affordable services for consumers or living wages (and other elements of job quality) for direct care workers. The section also describes the expanding and evolving long-term care industry, highlighting how the increasing decentralization of the industry stymies widespread interventions—as shockingly revealed by the industry's inadequate response to COVID-19.



The workforce already grew by half within a decade, from 3 million workers in 2009 to almost 4.6 million in 2019. Looking ahead, the long-term care sector is expected to add a further 1.3 million direct care jobs, primarily personal care aide positions, from 2018 to 2028—more new jobs than any other occupation in the U.S. economy.

The section concludes by enumerating—as a call to action—the diverse stakeholders who shape direct care job quality, from federal and state governments to managed care plans, employers, unions, and individual consumers, among others.

### SECTION 3

#### **DIRECT CARE WORK IS REAL WORK: ELEVATING THE ROLE OF THE DIRECT CARE WORKER**

Section three of the report reveals how direct care workers, despite their value, are limited by insufficient training, underappreciation of their complex roles, and few career advancement opportunities. The section begins by describing the direct care training landscape, which is outdated, under-resourced, and inconsistently regulated across states, occupational categories and job titles, and payment programs. This section then takes a closer look at the labor involved in direct care work, elucidating its often unseen or underestimated physical demands, social and emotional complexity, and contributions to consumers' health management.

The section concludes by reviewing opportunities to build a stronger and more equitable direct care training system and showcasing innovative strategies that maximize the role of direct care workers in care delivery through upskilling, advanced roles, and care team integration.

### SECTION 4

#### **WOULD YOU STAY? RETHINKING DIRECT CARE JOB QUALITY**

The final section of the report takes a closer look at the impact of poor job quality on direct care workers themselves and on long-term care employers, consumers, and the economy. This section also discusses how long-standing underinvestment in direct care job quality became acutely obvious in 2020, as COVID-19 ravaged long-term care settings—with direct care workers on the frontlines of the crisis, struggling to remain in their jobs and provide quality care without sufficient training, support, protection, or compensation. This section concludes by presenting PHI's framework for job quality, which includes 29 elements organized into five pillars: quality training, fair compensation, quality supervision and support, respect and recognition, and real opportunity. As described in this section, improvements across these elements will help transform direct care jobs and stabilize this critical workforce.

**"I love helping people. I used to work as a security guard and was looking for a new job. Now working as a home health aide, my job is about more than just getting a paycheck every week."**

## **Ricardo Araujo**

HOME HEALTH AIDE  
AT COOPERATIVE HOME  
CARE ASSOCIATES  
(BRONX, NY)





## Recommendations

*Caring for the Future* concludes with a detailed slate of concrete recommendations for policymakers, employers, and other stakeholders. The recommendations span an expansive scope of challenges and solutions facing the direct care workforce, and they are rooted in the belief that improving direct care jobs requires a comprehensive, national strategy that engages both the public and private sectors.

These recommendations are meant to inspire and guide leaders across the field to design policies and practices that holistically improve direct care jobs nationwide. Direct care workers deserve this transformation—and without it, we will never achieve the consistent quality of care we all deserve.

1

### REFORM LONG-TERM CARE FINANCING TO STRENGTHEN DIRECT CARE JOBS

To ensure that long-term care financing programs address the profound needs of consumers and workers

- **Protect and strengthen Medicaid to cover more individuals and improve direct care jobs.**

Medicaid plays a significant role in the long-term care sector, providing health coverage to many direct care workers, supporting low-income people with long-term services and supports (LTSS), and funding providers to deliver care and support their workforces. Despite its large-scale benefits, Medicaid remains politically contested and underfunded, leading to prohibitive eligibility requirements, long waiting lists, and service caps for consumers—and financially straining providers, which prevents them from creating high-

quality direct care jobs. Federal and state policymakers should protect and strengthen Medicaid while integrating direct care workforce measures into its funding and delivery systems.

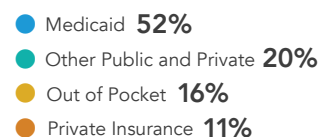
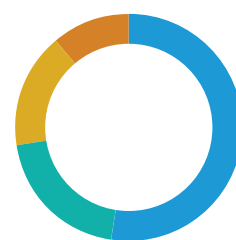
- **Increase reimbursement rates to bolster job quality in direct care.**

Inadequate reimbursement rates under Medicaid (and other public payers) prevent many long-term care employers, including self-directing consumers, from offering competitive wages and investing in direct care job quality. These public reimbursement rates should be increased—with requirements that employers spend a meaningful percentage of their reimbursements on improving wages, benefits, training, and other pillars of job quality. Similarly, managed care plans should be required to provide a minimum base rate to employers that covers these vital workforce investments. To ensure adequate and accurate reimbursement rates, policymakers should follow a rigorous and transparent rate-setting methodology, drawing from cost reports and other input from stakeholders.

- **Create a stronger public financing approach for long-term care and the direct care workforce.**

New social insurance programs should be created to make long-term care affordable to all older adults and people with disabilities, regardless of their income and assets. These programs should also be designed to proactively strengthen the direct care workforce. Long-term care leaders should convene work groups and commission new studies to inform the design and development of new long-term care programs, with explicit attention to direct care workforce concerns.

LTSS SPENDING BY PAYER, 2018



## 2 INCREASE COMPENSATION FOR DIRECT CARE WORKERS

To improve economic security for direct care workers and ensure that direct care jobs are competitive with other occupations

- **Pay direct care workers a living wage.**

Providing a living wage to direct care workers would support their economic security, decrease turnover, improve care, and boost the economy (through increased consumer spending and a reduced reliance on public benefits). Policymakers should establish wage floors for these workers that are aligned with their skills and experience and tied to the cost of living in their geographic areas. To prevent cuts in LTSS, these wage measures must be accompanied by increased public reimbursement rates.

- **Improve access to full-time schedules for direct care workers.**

One in four part-time direct care workers reports being unable to find full-time work with their employer or on the wider labor market, while others work part time because they are raising children, helping other family members, or in school. Providers should be adequately financed to provide full-time hours to every worker who wants them. Policymakers should also study the scheduling barriers that long-term care employers and direct care workers face, and invest in evidence-

based technology solutions that help align employers' scheduling requirements with workers' availability, offer workers more control over their schedules, and streamline the connection between self-directing consumers and potential workers.

- **Strengthen the social safety net and improve access to workplace benefits for direct care workers.**

Affordable health insurance, free or low-cost childcare, paid sick leave, paid family and medical leave, and retirement savings options are critical elements of economic security, among others. Policymakers should strengthen the social safety net by extending these benefits to all low-wage workers, including direct care workers. In the meantime, long-term care reimbursement rates should be structured to account for the cost of providing these benefits to direct care workers through their jobs.

- **Evaluate the unintended impact of wage increase measures on direct care workers, their employers, and consumers.**

While essential to direct care workers' economic well-being, policies that increase wages can have unintended consequences. For example, unless paired with an increase in Medicaid funding and reimbursement rates, new wage requirements can force long-term care employers, including self-directing consumers, to cut service hours or reduce staffing levels. Additionally, because of benefit cliffs and plateaus, low-wage workers might see their total compensation remain the same or even drop when their wages increase because of a corresponding decrease in public benefits. Policymakers should evaluate the impact of policies that increase wages on direct care workers' total compensation, the financial stability of employers, and consumers' service hours—and devise strategies to address any unintended negative effects.

**\$0.19**

Growth in median hourly wage for direct care workers between 2009 (\$12.61) and 2019 (\$12.80), adjusted for inflation



### 3 STRENGTHEN TRAINING STANDARDS AND DELIVERY SYSTEMS FOR DIRECT CARE WORKERS

To prepare workers with the depth of knowledge and skills required to meet the needs of today's long-term care consumers

- **Establish a national standard for direct care competencies.**

Training standards for direct care workers, where they exist, vary widely across geographic locations, care settings, and job titles. Most training standards are not competency-based and many are inadequate for delivering quality care. There should be a national standard for the core competencies required to deliver LTSS that are relevant to all direct care workers, regardless of payment source or setting—recognizing the physical demands, social and emotional complexity, and health-related support activities involved in direct care—and that are transferrable across state lines. To be effective, states should then mandate the implementation, enforcement, and evaluation of this minimum standard. States and employers could build from the national standard to provide training programs that are setting- or population-specific, that are tailored to independent providers in consumer-directed programs, and/or that lead to higher-level or advanced direct care roles.

- **Overhaul direct care worker training curricula to reflect the full set of skills needed for this work.**

Most training standards and curricula for direct care workers focus on basic tasks and many have not been meaningfully updated in decades, despite considerable changes in LTSS consumers' needs and the long-term care system. Long-term care leaders

and direct care workforce development experts should draw directly on workers' experiences to understand the range of challenges they face on the job, as well as incorporating consumers' perspectives where appropriate and other evidence and expertise. Training curricula should address these challenges and upskill the direct care workforce by covering areas like communication, condition-specific care, and reporting, among others.

- **Strengthen training infrastructure to support adult learner-centered training and the attainment of meaningful direct care credentials.**

To improve direct care training quality, states should incentivize training providers to offer in-person and blended training programs that incorporate best practices for adult learners. Given the growing interest in e-learning and online training for this workforce, training programs using these modalities should be properly evaluated for accessibility and effectiveness before being brought to scale. States should also track and report direct care training and certification data, to improve efficiency and accountability within the sector. If their training information is recorded and made available to training providers and employers, for example, trainees can easily evidence and build on existing competencies to earn higher-level or more specialized direct care titles.

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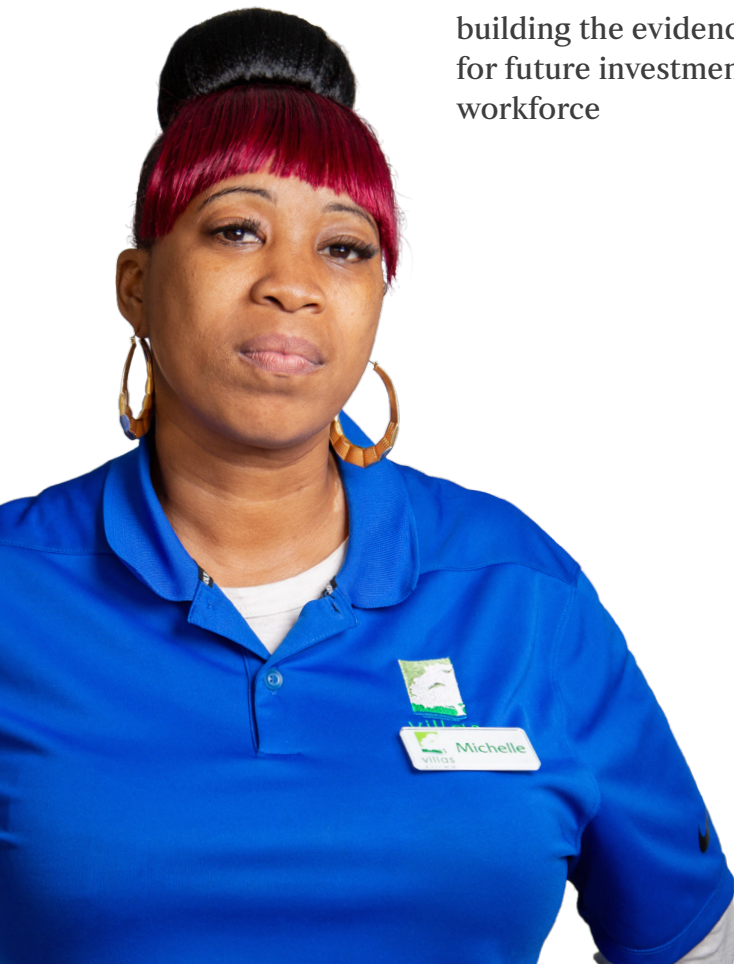




**"If I could make a change, it would be for this field to show more appreciation for what we do because we are the main backbone of this work."**

## Michelle Godwin

CERTIFIED NURSING  
ASSISTANT AT VILLAS  
AT KILLEARN LAKES  
(TALLAHASSEE, FL)



- **Increase funding for direct care training delivery and training standard enforcement.**

The costs associated with training entry-level direct care workers are not generally reimbursable through Medicaid or Medicare, which places the funding burden on individual workers, employers, or third-party training entities. This funding barrier can undermine access to training programs and/or compromise their quality. Public funding sources should account for training-related costs in reimbursement rates for LTSS, with specific funding marked for training delivery, enforcement, and evaluation. States can also create innovation funds to support employers and other training providers in creating quality training programs, among other innovations.

### 4 **FUND, IMPLEMENT, AND EVALUATE DIRECT CARE WORKFORCE INTERVENTIONS**

To strengthen and leverage the direct care workforce while building the evidence base for future investments in this workforce

- **Strengthen the workforce pipeline in direct care.**

Demographic shifts and persistently poor job quality have created significant workforce shortages in long-term care. To ensure there are enough qualified direct care workers to meet consumer demand, targeted efforts are needed to attract more candidates to these jobs. Recruitment strategies and training programs should be designed to meet the unique demographic, cultural, linguistic, learning, transportation, and care needs of a particular region. Programs should also be designed to recruit new populations for direct care jobs, such as men and workers displaced by COVID-19, as two examples. States should support such efforts, including efforts specifically aimed at independent providers in consumer-directed programs, and ensure that publicly funded job placement services are prepared to connect jobseekers with free direct care training and employment programs.

- **Integrate direct care workers onto the care team.**

Though direct care workers spend more time with consumers than any other paid provider, they are rarely consulted by—or trained to communicate with—members of the consumer's interdisciplinary care team. Research shows, however, that bringing direct care workers' observations about consumers to care teams—either through direct communication pathways between entry-level workers and other care team members, or via advanced direct care workers serving as intermediaries—can maximize the direct care workforce in care coordination and improve consumer outcomes and cost savings. The public and private sectors should invest in implementing, evaluating and scaling-up care team integration initiatives, with attention to the different approaches required for different LTSS service-delivery models and settings.



- **Develop rungs in the career ladder that are accessible to direct care workers and that build on their experience.**

Today's direct care workers have few options for advancement within direct care; for example, pursuing the next formally recognized rung on the career ladder, licensed practical nurse (LPN), requires time, resources, and educational credentials that are often inaccessible to direct care workers. With support, employers can take a leadership role in creating and evaluating advanced roles for direct care workers that represent an elevation in title, function, and compensation. States should also establish and fund advanced direct care roles that meet the needs of employers and consumers, such as those specializing in care coordination, worker retention, condition-specific care, and more.

5

## **IMPROVE DIRECT CARE WORKFORCE DATA COLLECTION AND MONITORING**

To better understand direct care workforce capacity and develop tailored solutions to pressing workforce challenges

- **Create robust workforce data collection systems.**

While workforce shortages are widely reported in the field, their scope, severity, and root causes are not fully understood. New data collection systems should be established to regularly measure workforce size, stability, credentials, and compensation. These data would help policymakers strengthen the direct care workforce—notably by quantifying workforce needs and evaluating the impact of policies and programs on workforce supply and job quality.

- **Update federal industry and occupational classification codes to understand the direct care workforce more fully.**

Existing public data on direct care workers combine diverse industries and occupations, obscuring critical differences within the workforce and limiting employment projections and other calculations. For example, the current industry classification “Services for the Elderly and Persons with Disabilities” elides non-medical home care providers, adult day care centers, and other dissimilar services. Also, direct support professionals who care for people with intellectual and developmental disabilities are combined with other direct care workers, which creates significant gaps in knowledge about this critical workforce, and independent providers employed directly by consumers are also difficult to quantify. Federal leaders should re-assess how best to code data on this sector to allow for more precise analysis of long-term care occupations and industries.

- **Strengthen and integrate direct care workforce quality measures into research, practice, and policy.**

High-quality jobs in direct care—along with strong relationships between direct care workers and consumers—are essential to care quality. Federal and state policymakers should integrate direct care job quality measures into the laws, policies, and payment mechanisms that shape long-term care, to ensure that job quality is prioritized and evaluated over time.

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## 6 CENTER DIRECT CARE WORKERS IN LEADERSHIP ROLES AND PUBLIC POLICY

To ensure that direct care workers' voices are heard and that their concerns are directly addressed in policy and practice

- Establish a statewide workgroup to create recommendations for advancing policies that improve direct care jobs.

For many states, the growing workforce shortage in direct care can seem insurmountable, given the entrenched challenges facing this job sector and the unique—and sometimes conflicting—interests of stakeholders. States should form and properly resource state-level workgroups comprised of leaders from different sectors to identify and promote an expansive set of policy recommendations that strengthen this critical workforce.

- Create a division of paid care that supports direct care workers with accessing their employment rights and resources.

Many direct care workers navigate their jobs without a strong understanding of their legal rights or the job-related resources that are available in their communities. States and localities should create paid care divisions to assist all types of direct care workers (as well as childcare workers and housekeepers) with legal and employment concerns while monitoring relevant workforce-related trends.

- Integrate direct care workers into key advisory roles and leadership positions throughout the public and private spheres.

For too long, direct care workers have been virtually shut out of these spheres of influence, despite their experiences and profound insights on this field. Actualizing the recommendations outlined in this section will require that direct care workers be centered as experts across organizations, long-term care businesses, government bodies,

and the advocacy space. These workers must be empowered to help define the policies and programs that impact their jobs and lives.

## 7 RECTIFY STRUCTURAL GENDER AND RACIAL INEQUITIES FOR DIRECT CARE WORKERS

To address the structural inequities that harm the lives and employment experiences of direct care workers who are women, people of color, and/or immigrants

- Develop strategies to address systemic barriers and strengthen diversity, equity, and inclusion within this job sector.

To ensure that women, people of color, and immigrants (among other marginalized groups) can succeed in these roles, employers must design interventions that explicitly target the systemic barriers these workers experience. A critical step is to collect gender and race-related outcomes data across various job quality indicators in order to identify and address disparities in recruitment, hiring, retention, and other workforce outcomes.

- Build the evidence base on equitable direct care workforce interventions.

Interventions focused explicitly on supporting marginalized segments of the direct care workforce should be adequately funded and evaluated to help build the evidence base on equity in this job sector. Further, as workforce development leaders and other innovators design and test new interventions for direct care workers (related to training, advanced roles, and more), they must evaluate whether women, people of color, and immigrants benefit equally from these approaches—in the short and long-term.

As workforce development leaders and other innovators design and test new interventions for direct care workers, they must evaluate whether women, people of color, and immigrants benefit equally from these approaches.



- **Bolster supports for immigrant direct care workers.**

Immigrants are a significant part of the direct care workforce, and they need targeted supports to make it easier to fulfill their roles. These workers would benefit from more research to understand their unique challenges, public policies that address their recruitment and employment needs, culturally and linguistically competent workforce supports (especially for workers with limited-English proficiency), stronger access to community-based resources (legal and housing assistance, etc.), and a pathway to citizenship.

## 8

## SHIFT THE PUBLIC NARRATIVE ON DIRECT CARE WORKERS

To enable advocates to communicate effectively about direct care workforce issues and build broader awareness and support for this workforce

- **Fund public education campaigns that improve the general public's understanding of the direct care workforce.**

Workforce, aging, and long-term care advocates have successfully designed public education campaigns in recent years to raise the visibility of challenges facing direct care workers and the value of these workers. Additional campaigns should be produced and well-funded across the country to build awareness and support for these workers, as well as to spark policy and practice improvements that transform the quality of their jobs.

- **Build communications capacity to effectively advocate for direct care workforce policy solutions.**

The long-term care sector could benefit from an investment in market research, framing strategies, and message-testing related to the direct care workforce, to support leaders in better communicating the challenges facing this workforce to different audiences (according to their roles, values, demographics, and more). In addition, the communications capacity of advocates should be bolstered to ensure they have the staffing, knowledge, and tools to advocate effectively for direct care workers.

- **Support storytelling projects that empower direct care workers to tell their stories in their own words.**

As the paid frontline of care for older adults and people with disabilities, direct care workers have a lot to say about their jobs, long-term care delivery, and the entire sector. Storytelling projects should be designed and well-funded to capture workers' unique insights using various multi-media formats and storytelling approaches, and widely propagated across digital media and other outlets. These projects should be participatory, collaborative, and democratic, allowing a diverse cross-section of workers to tell their own stories.

**"I think isolation in general is a challenge for caregivers, but with the risk of COVID added, it has really been very taxing. I'd say that's the hardest part of the job for me."**

## Erika Honan

HOME CARE PROVIDER  
AND CAREGIVER  
EMERGENCY RESPONSE  
TEAM PROVIDER  
AT HOMEBRIDGE  
(SAN FRANCISCO, CA)



## About PHI

PHI works to transform eldercare and disability services. We foster dignity, respect, and independence for all who receive care, and all who provide it. As the nation's leading authority on the direct care workforce, PHI promotes quality direct care jobs as the foundation for quality care.

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