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QUALITY CARE  
THROUGH  
QUALITY JOBS

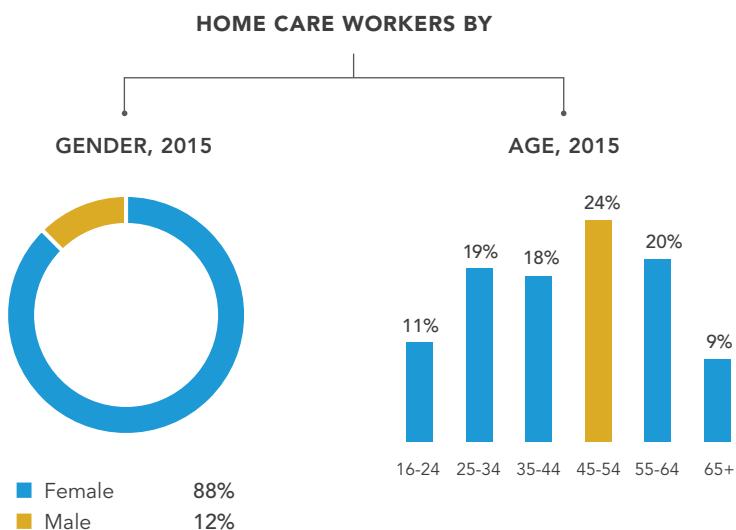
# **U.S. HOME CARE WORKERS: KEY FACTS**

# U.S. HOME CARE WORKERS

More than 2 million home care workers across the U.S. provide personal assistance and health care support to older adults and people with disabilities in home and community-based settings.

The home care workforce—primarily comprised of women and people of color—has doubled in size over the past 10 years as the delivery of long-term services and supports has increasingly shifted from institutional settings, such as nursing homes, to private homes and communities.<sup>1</sup> In coming years, the rapidly growing population of older adults will drive demand for home care workers even higher. By 2050, the population of people 65 and older will nearly double, from 47.8 million in 2015 to 88 million in 2050.<sup>2</sup>

Employers struggle to recruit and retain adequate numbers of home care workers, as evidenced by growing workforce shortages.<sup>3</sup> The poor quality of home care jobs contributes to the shortage: wages are low and employers rarely provide benefits. With a median hourly wage of \$10.49 and inconsistent work hours, home care workers typically earn \$13,800 annually.<sup>4</sup> One in four home care workers lives below the federal poverty line (FPL) and over half rely on some form of public assistance.<sup>5</sup>



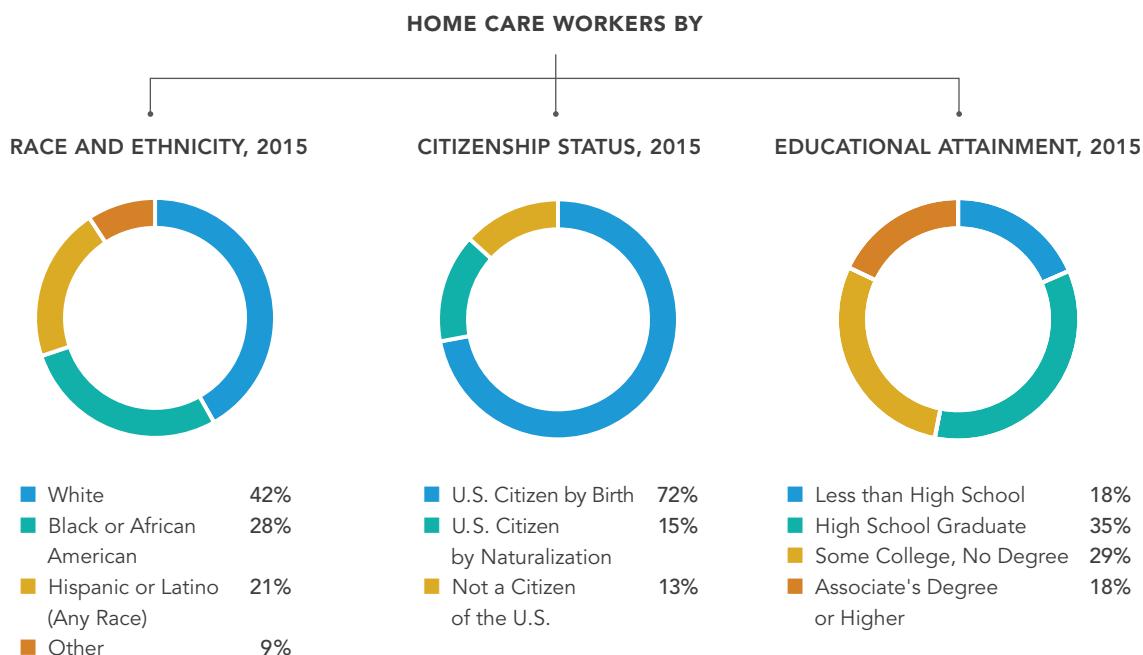
**Chart Source:** U.S. Census Bureau. 2016. American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS). <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017).

# WHO ARE HOME CARE WORKERS?

- Nearly 9 in 10 home care workers are women, and their median age is 45.**

Legal and employer-based requirements in education, experience, and training are generally low for home care employment. Workers who encounter language, educational, or discriminatory barriers when seeking employment may find opportunities in home care jobs.

- While people of color make up one-third of the total U.S. workforce, they comprise more than half of all home care workers.<sup>6</sup>**
- Over one-quarter of home care workers were born outside the United States.**  
Thirty-seven percent of home care workers report speaking English “not well” or “not at all.”<sup>7</sup> Eighty-seven percent of all home care workers are U.S. citizens.
- More than half of home care workers have completed no formal education beyond high school.**

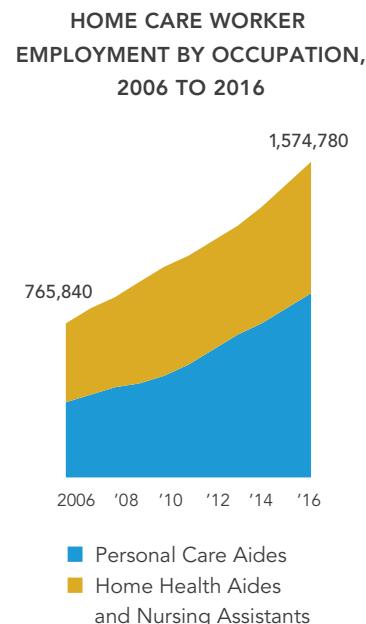


**Chart Source:** U.S. Census Bureau. 2016. American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS). <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017). White and Black or African American do not include people who identify as Hispanic or Latino.

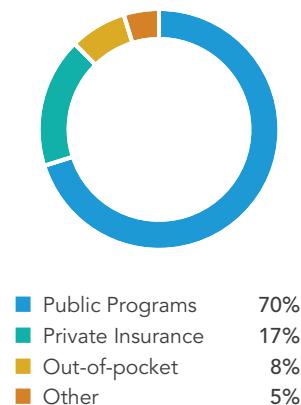
## WHAT IS A HOME CARE WORKER?

Home care workers are direct care workers (**personal care aides**, **home health aides**, and **nursing assistants**) who assist older adults and people with disabilities who live at home with daily tasks such as eating, dressing, and bathing. While all home care workers assist with these tasks, other responsibilities differ across the occupational groups. **Personal care aides** also provide social supports to help older adults and people living with disabilities remain active in their communities. **Home health aides** and **nursing assistants** perform some clinical tasks under the supervision of a licensed professional. (See Notes on page 9 and 10 for more details.)

- **The home care workforce has more than doubled in size over the past 10 years, from nearly 800,000 in 2006 to nearly 1.6 million in 2016.** Personal care aides accounted for two-thirds of total employment growth, which indicates that demand for non-medical, social support contributes the most to total home care employment growth.
- PHI estimates that in addition to the home care workers tracked by the Bureau of Labor Statistics, approximately **800,000 independent providers** are employed as personal care aides directly by consumers through publicly funded programs.<sup>8</sup> These workers bring the total home care workforce to nearly **2.4 million workers**.
- Home care workers constitute **52 percent** of the total direct care workforce, which also includes workers who are employed in nursing homes and a range of other settings.<sup>9</sup> The total number of direct care workers across all industries tracked by the Bureau of Labor Statistics, also including PHI's estimates of independent providers, is **4.5 million workers**.
- Home care jobs are largely government-funded. Payments from public programs (primarily Medicare or Medicaid) constituted **70 percent** of the Home Health Care Services industry's **\$74 billion** in annual revenue in 2015.



**HOME HEALTH CARE SERVICES  
REVENUE BY SOURCE,  
2015**

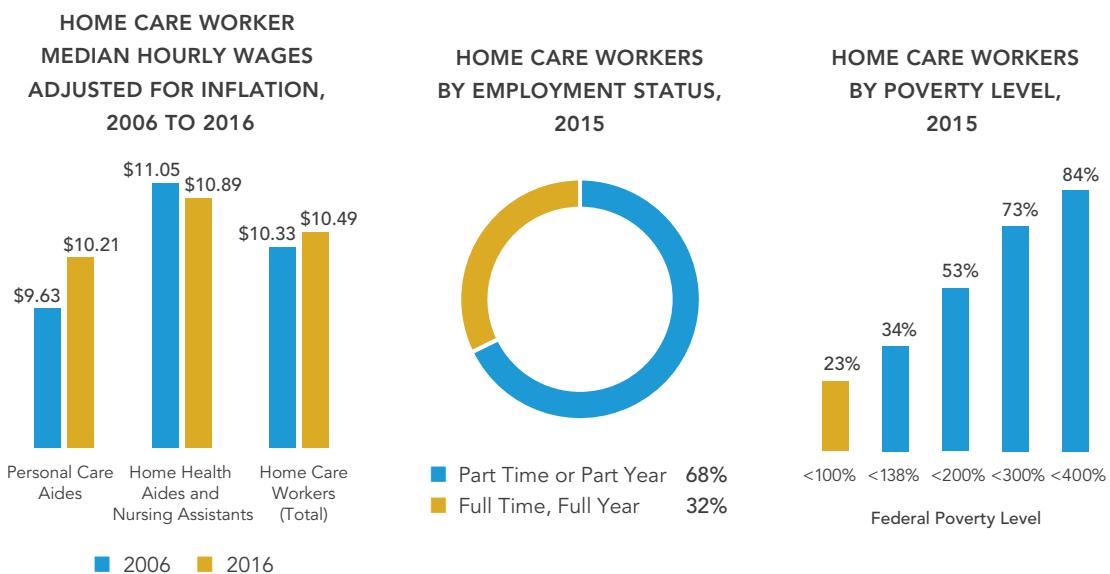


**Chart Sources:** U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics. 2016. May 2006 to May 2016 National Industry-Specific Occupational Employment and Wage Estimates. <https://www.bls.gov/oes/current/oessrci.htm>; analysis by PHI (April 28, 2017).

U.S. Census Bureau. 2016. Service Annual Survey, Table 4: Estimated Sources of Revenue for Employer Firms: 2010 through 2015. <https://www.census.gov/services/index.html>; analysis by PHI (May 9, 2017).

## WHAT ARE THE CHALLENGES FOR THIS WORKFORCE?

- Home care worker wages stagnated over the past 10 years: inflation-adjusted median hourly wages were \$10.33 in 2006 and \$10.49 in 2016.** This means that while goods and services increased in price, the purchasing power of home care worker wages was static. Of note, while wages for personal care aides rose faster than inflation over the past decade, these workers still earn less than home health aides and nursing assistants.
- Two-thirds of home care workers work part time or for part of the year.**
- Because of low wages and inconsistent hours, **home care workers earn a median income of \$13,800.<sup>10</sup>**
- Low annual earnings result in a high poverty rate among home care workers: 23 percent live in households below the federal poverty line,** compared to 7 percent of all U.S. workers.<sup>11</sup>

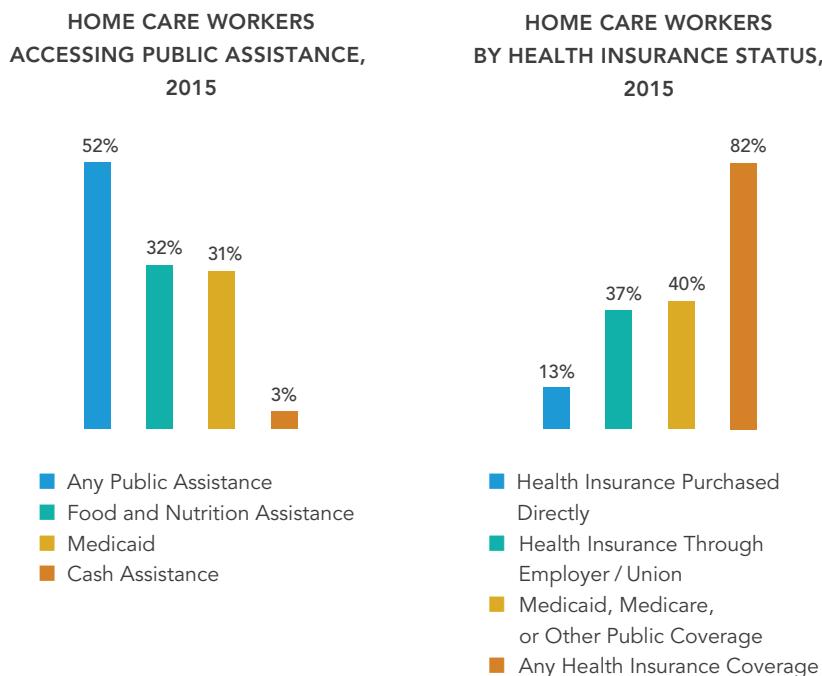


**Chart Sources:** U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics. 2016. May 2006 to May 2016 National Industry-Specific Occupational Employment and Wage Estimates. <https://www.bls.gov/oes/current/oessrci.htm>; analysis by PHI (April 28, 2017).

U.S. Census Bureau. 2016. American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS). <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017).

- Because poverty rates are high among home care workers, **over half rely on some form of public assistance.**
- The uninsured rate among home care workers is 18 percent.** Forty percent of home care workers rely on public health care coverage, most often Medicaid.

From 2010 to 2015, the uninsured rate among home care workers fell from 35 percent to 18 percent.<sup>12</sup> Coverage gains are largely attributable to the Affordable Care Act, which expanded health care coverage through Medicaid, employer-sponsored plans, and individual plans.<sup>13</sup>

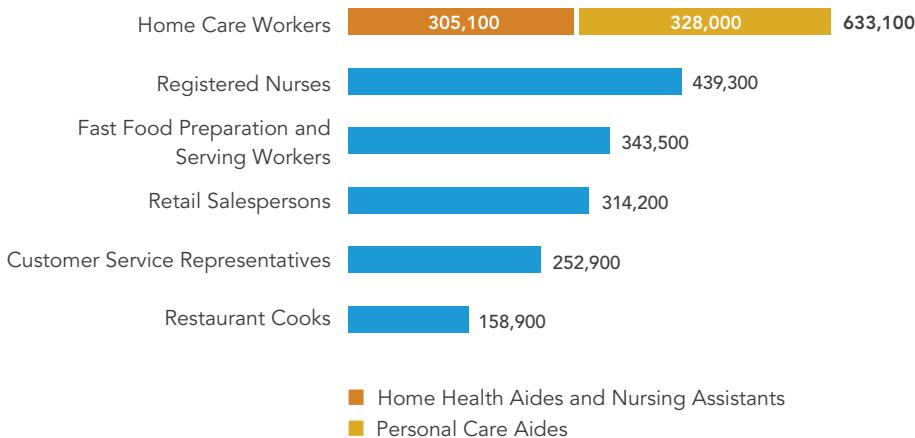


**Chart Source:** U.S. Census Bureau. 2016. American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS). <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017). Any public assistance includes food and nutrition assistance, Medicaid, and cash assistance.

# WHAT IS THE FUTURE DEMAND FOR HOME CARE WORKERS?

- From 2014 to 2024, home care workers are projected to add more jobs than any other single occupation, with an additional 633,100 new jobs anticipated. Home care also ranks among the top 10 fastest-growing occupations in the U.S. Personal care aides will account for more than half of projected home care employment growth.

OCCUPATIONS WITH THE MOST JOB GROWTH,  
2014 TO 2024



## DID YOU KNOW?

Employment projection models from the Bureau of Labor Statistics account for recent industry and employment trends, but not for the projected population growth of the older adult population. Because the size of the older adult population is expected to increase dramatically in the coming decades, and a large percentage of older adults will receive home care, employment projections for home care occupations likely underestimate actual future demand.

**Chart Source:** U.S. Bureau of Labor Statistics (BLS), Employment Projections Program. 2015. Employment Projections: 2014–24, National Employment Matrix - Occupation. <https://www.bls.gov/emp/>; analysis by PHI (April 28, 2017).

- From 2015 to 2050, the population of adults aged 65 and over will almost double, growing from 47.8 million to 88 million.** The number of adults aged 85 and over is expected to more than triple over the same period, from 6.3 million to 19 million. Employment growth for home care workers is primarily driven by this demographic shift.

While the population of older adults is growing rapidly, the population of working-age adults (aged 18 to 64) is projected to remain relatively constant. Currently, there are 32 working-age adults for every adult aged 85 and over. By 2050, that number will plummet to 12.

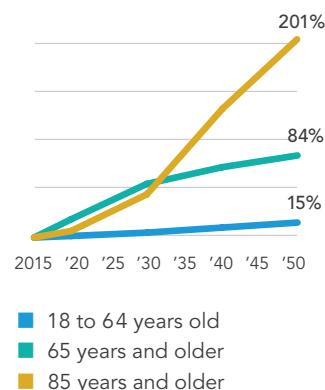
- Labor force participation among women ages 20 to 64, who currently make up most of the home care workforce, will increase by only 1.2 million in the next decade, compared to 7.3 million in the previous decade.**

This means that despite the growth in demand for home care workers, the pool of likely applicants will be considerably smaller from 2014 to 2024 than in the previous decade.

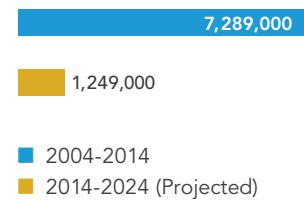
However, labor force participation among men ages 20 to 64 will increase by 3.1 million during the same period.

A significant shortage of home care workers emerges from greater demand for home care services paired with little growth labor force. In this context, jobs will need to be more competitive, offering higher wages and benefits, full-time hours, better training and advancement opportunities, and improved working conditions.

PROJECTED  
POPULATION GROWTH  
BY AGE, 2015 TO 2050



INCREASE IN LABOR FORCE  
PARTICIPATION AMONG WOMEN  
AGES 20 TO 64,  
2004 TO 2024



**Chart Sources:** U.S. Census Bureau. 2014. National Population Projections Tables, Table 3. Projections of the Population by Sex and Selected Age Groups for the United States: 2015 to 2060. <https://www.census.gov/data/tables/2014/demo/popproj/2014-summary-tables.html>. Projections are shown as cumulative percentages, which indicate growth for each age group relative to the 2015 population estimates.

U.S. Bureau of Labor Statistics (BLS), Employment Projections Program. 2015. Employment Projections: 2014–24, Table 1. Civilian Labor Force by Age, Gender, Race, and Ethnicity, 1994, 2004, 2014, and Projected 2024. <https://www.bls.gov/emp/>; analysis by PHI (July 26, 2017).

# NOTES ON OCCUPATIONAL TITLES AND INDUSTRY CLASSIFICATIONS

## OCCUPATIONAL TITLES

The analyses in this fact sheet include personal care aides, home health aides, and nursing assistants who are employed in two home care industries: Services for the Elderly and Persons with Disabilities and Home Health Care Services.

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). Workers are classified based on their on-the-job responsibilities, skills, education, and training. Occupation definitions can be found at: <http://www.bls.gov/>.

TITLE	OTHER TITLES	JOB DESCRIPTION
<b>Personal Care Aides</b> (SOC 39-9021)	Personal Care Attendant, Personal Assistant, Direct Support Professional (for people with intellectual and developmental disabilities); also includes Independent Providers (employed directly by consumers)	In addition to assisting with activities of daily living (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, and they advise on nutrition, household maintenance, and other activities.
<b>Home Health Aides</b> (SOC 31-1011)	Home Hospice Aide, Home Health Attendant	In addition to assisting with ADLs, home health aides also perform clinical tasks such as wound care, blood pressure readings, and range-of-motion exercises. Their work is supervised by licensed nurses or therapists.
<b>Nursing Assistants</b> (SOC 31-1014)	Certified Nursing Assistant, Certified Nursing Aide, Nursing Attendant, Nursing Aide, Nursing Care Attendant	In most states, nursing assistant credentials are portable to home- and community-based settings. In the context of home care, nursing assistants perform the same work as home health aides.

## HOME CARE INDUSTRIES

Home care industries are defined by the North American Industry Classification System (NAICS) developed by the Office of Management and Budget (OMB). Business establishments are coded based on their primary activity. Industry definitions can be found at <http://www.census.gov/eos/www/naics/>.

TITLE	EXAMPLES	INDUSTRY DESCRIPTION
<b>Home Health Care Services</b> (NAICS 621610)	Home Health Care Agencies, Visiting Nurse Associations, In-Home Hospice Care Services	This industry comprises establishments that provide personal care, homemaking, and companionship services. They also provide skilled nursing care and a range of other home-based medical services.
<b>Services for the Elderly and Persons with Disabilities</b> (NAICS 624120)	Non-Medical Home Care Providers, Homemaker Service Providers, Self-Help Organizations, Activity Centers for Older Adults and People with Disabilities, Companion Service Providers, Adult Day Care Centers	This industry comprises establishments that provide social assistance services to improve the quality of life for older adults, persons diagnosed with intellectual and developmental disabilities, or persons with disabilities who live in their homes and communities. Services include non-medical personal care and homemaker services.

## DATA SOURCES AND METHODS

Wage and employment trends were sourced from the Bureau of Labor Statistics (BLS) Occupational Employment Statistics (OES) program, and employment projections were sourced from the BLS Employment Projections program.

Home care worker wages are calculated as a weighted average of median hourly wages for each occupation in each industry. In this context, median wages are preferable to mean wages, which are skewed by data from a small proportion of exceptionally high-paid home care workers. The Consumer Price Index (CPI) for Urban Wage Earners and Clerical Workers (Current Series) was used to adjust wages for inflation.

## ENDNOTES

1. U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics (OES), 2016 *May 2006 to May 2016 National Industry-Specific Occupational Employment and Wage Estimates*. <https://www.bls.gov/oes/current/oessrci.htm>; analysis by PHI (April 28, 2017).
2. U.S. Census Bureau, 2014. *National Population Projections Tables, Table 3. Projections of the Population by Sex and Selected Age Groups for the United States: 2015 to 2060*. <https://www.census.gov/data/tables/2014/demo/popproj/2014-summary-tables.html>.
3. Espinoza, Robert. *8 Signs the Shortage in Paid Caregivers is Getting Worse*. 2017. Bronx, NY: PHI. <https://60caregiverissues.org/the-future-of-long-term-care-issue-1.html>.
4. BLS, 2016. U.S. Census Bureau, 2016. *American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS)*. <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017).
5. U.S. Census Bureau, 2016.
6. U.S. Census Bureau, 2016. *American Community Survey (ACS), Sex by Age by Employment Status for the Population 16 Years and Over (White Alone, Not Hispanic or Latino)*. [https://factfinder.census.gov/bkmk/table/1.0/en/ACS/15\\_1YR/B23002H](https://factfinder.census.gov/bkmk/table/1.0/en/ACS/15_1YR/B23002H); analysis by PHI (July 19, 2017).
7. U.S. Census Bureau, 2016. *American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS)*. <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017).
8. Estimates of independent providers are sourced from state agencies, labor unions, and centers for independent living. Because BLS OES employment data are drawn from surveys of employer organizations, independent providers are often not counted or undercounted in employment estimates. Independent providers do not include “gray market” workers, who are employed through informal arrangements with consumers.
9. BLS, 2016. After home care industries and nursing homes, the next five industries with the highest level of employment for direct care workers are Continuing Care Retirement Communities and Assisted Living Facilities for the Elderly; General Medical and Surgical Hospitals; Residential Intellectual and Developmental Disability, Mental Health, and Substance Abuse Facilities; Employment Services; and Vocational Rehabilitation Services. These five industries plus home care industries and nursing homes account for 92 percent of the direct care workforce.
10. U.S. Census Bureau, 2016.
11. U.S. Census Bureau, 2016. *American Community Survey (ACS), 2015 1-year Estimates, Poverty Status in the Past 12 Months of Individuals by Sex by Employment Status*. [https://factfinder.census.gov/bkmk/table/1.0/en/ACS/15\\_1YR/B17005](https://factfinder.census.gov/bkmk/table/1.0/en/ACS/15_1YR/B17005); analysis by PHI (July 19, 2017). Federal poverty thresholds, which are updated each year by the U.S. Census Bureau, can be accessed here: <https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html>.
12. U.S. Census Bureau, 2016. American Community Survey (ACS), 2015 1-year Public Use Microdata Sample (PUMS). <https://www.census.gov/programs-surveys/acs/data/pums.html>; analysis by Carlos Figueiredo and PHI (May 1, 2017).
13. Campbell, Stephen. 2016. *The Impact of the Affordable Care Act on Health Coverage for Direct Care Workers*. Bronx, NY: PHI. <https://60caregiverissues.org/quality-jobs-issue-3.html>.

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.

Drawing on 25 years of experience working side-by-side with direct care workers and their clients in cities, suburbs, and small towns across America, PHI offers all the tools necessary to create quality jobs and provide quality care. PHI's trainers, researchers, and policy experts work together to:

- Learn what works and what doesn't in meeting the needs of direct care workers and their clients, in a variety of long-term care settings;
- Implement best practices through hands-on coaching, training, and consulting, to help long-term care providers deliver high-quality care;
- Support policymakers and advocates in crafting evidence-based policies to advance quality care.

For more information, visit PHI at [www.PHInational.org](http://www.PHInational.org) and [60CaregiverIssues.org](http://60CaregiverIssues.org).



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