

Occupational Projections for Direct-Care Workers 2012–2022

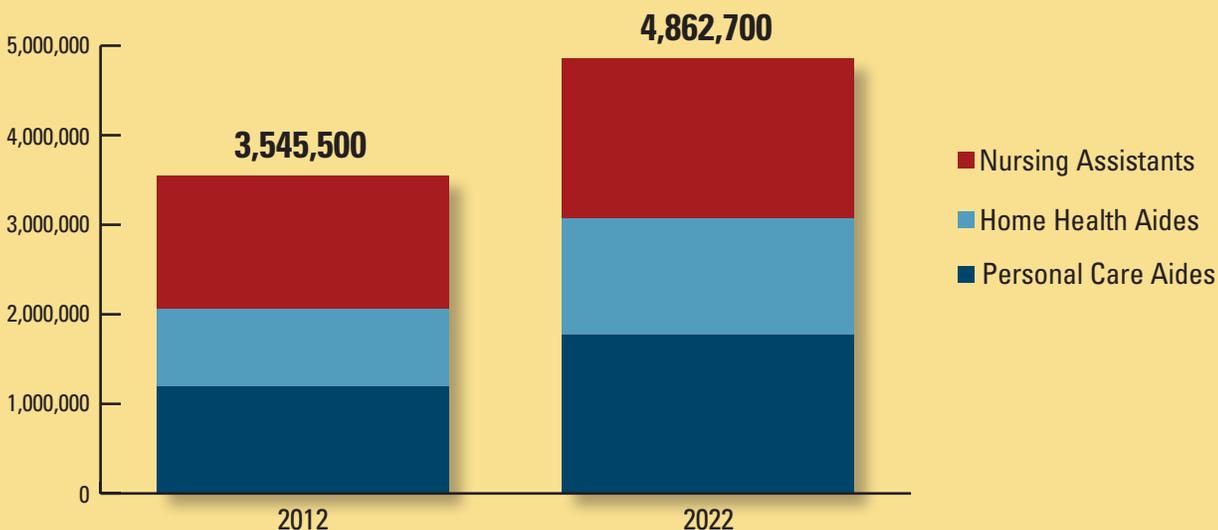
In this fact sheet, PHI summarizes the latest national occupational projections (2012–2022) relating to the direct-care workforce released by the Bureau of Labor Statistics at the U.S. Department of Labor.

Our analysis indicates that demand for direct-care workers (nursing assistants, home health aides, and personal care aides)¹ over the next decade, particularly in home and community-based settings, will continue to outpace supply dramatically—unless policymakers and employers work together to make these jobs competitively attractive compared to other occupations.

Nearly Five Million Jobs by 2022

The BLS employment estimate for the direct-care workforce in 2012 surpasses 3.5 million and projected demand calls for an *additional 1.3 million new positions* by 2022.

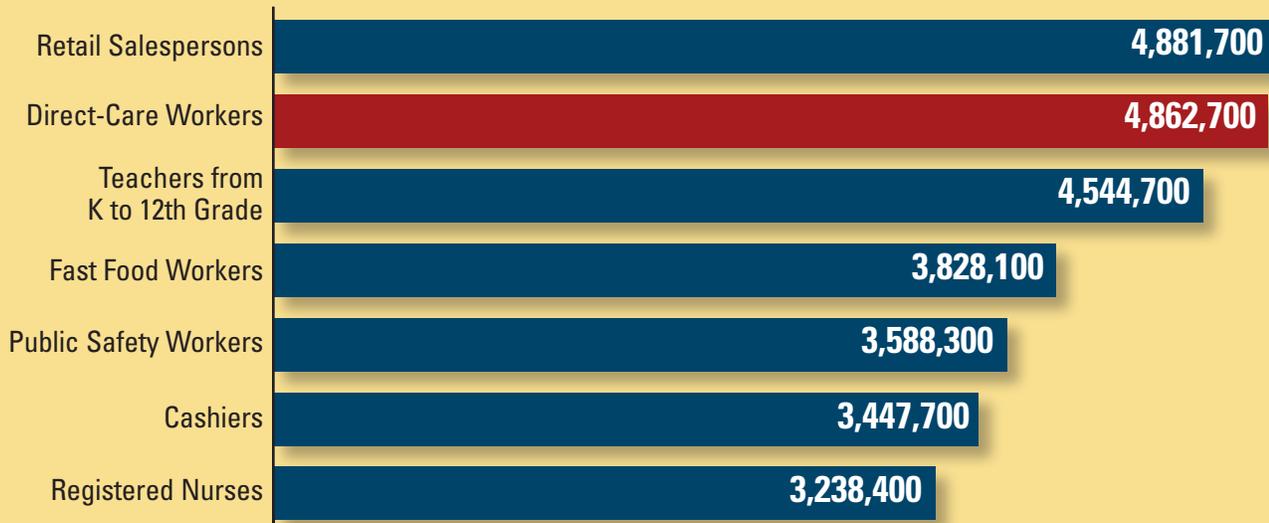
Direct-Care Workforce to Approach 5 Million by 2022



Historic Proportions

The direct-care workforce will be the second largest occupational grouping in the country by 2022—barely outpaced by retail salespersons. Direct-care workers are expected to exceed, for example, teachers from kindergarten through high school (4.5 million), all public safety workers (3.5 million), and registered nurses (3.2 million).

Largest Occupational Groups in U.S., 2022



Among the Fastest-Growing Occupations

Personal Care Aides and Home Health Aides are projected to be the second and third fastest-growing occupations in the country between 2012 and 2022—both will increase by 49 percent. Nursing Assistants are expected to increase by 21 percent.

Ten Fastest-Growing Jobs, 2012–2022

Rank	Occupation	% Change
1	Industrial-organizational psychologists	53%
2	Personal Care Aides	49%
3	Home Health Aides	49%
4	Insulation workers, mechanical	47%
5	Interpreters and translators	46%
6	Diagnostic medical sonographers	46%
7	Helpers—brickmasons, blockmasons, stonemasons, and tile and marble setters	43%
8	Occupational therapy assistants	43%
9	Genetic counselors	41%
10	Physical therapist assistants	41%

Generating the Most New Jobs

With over 580,000 jobs added, Personal Care Aides top the list of top ten occupations projected to register the largest numeric growth across the entire economy. Home Health Aides and Nursing Assistants—the fourth and sixth on the list—will also grow substantially. Altogether, direct-care occupations will add 1.3 million new jobs over the coming decade, the vast majority within the home care workforce.

Occupations Adding the Most New Jobs, 2012–2022

Rank	Occupation	Jobs Added
1	Personal Care Aides	580,800
2	Registered Nurses	526,800
3	Retail Salespersons	434,700
4	Home Health Aides	424,200
5	Combined Food Preparation and Serving Workers, Including Fast Food	421,900
6	Nursing Assistants	312,200
7	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	307,800
8	Customer Service Representatives	298,700
9	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	280,000
10	Construction Laborers	259,800

Low Wages Do Not Match High Demand

Among the top ten fastest-growing occupations, direct-care workers are the lowest paid. Direct-care worker wages are even substantially lower than those of other fast-growing occupations with equivalent entry-level qualifications—for example, Mechanical Insulation Workers (\$19.47) and Stonemason Helpers (\$13.59).

Notably, nine out of the top ten occupations adding the most new jobs to the economy have low barriers to entry—minimal requirements for education, job training, or work experience. Nonetheless, only one occupation—Fast Food Workers—earns less on average than Personal Care Aides and Home Health Aides.

Wages for Top 10 Occupations Adding the Most New Jobs, 2012

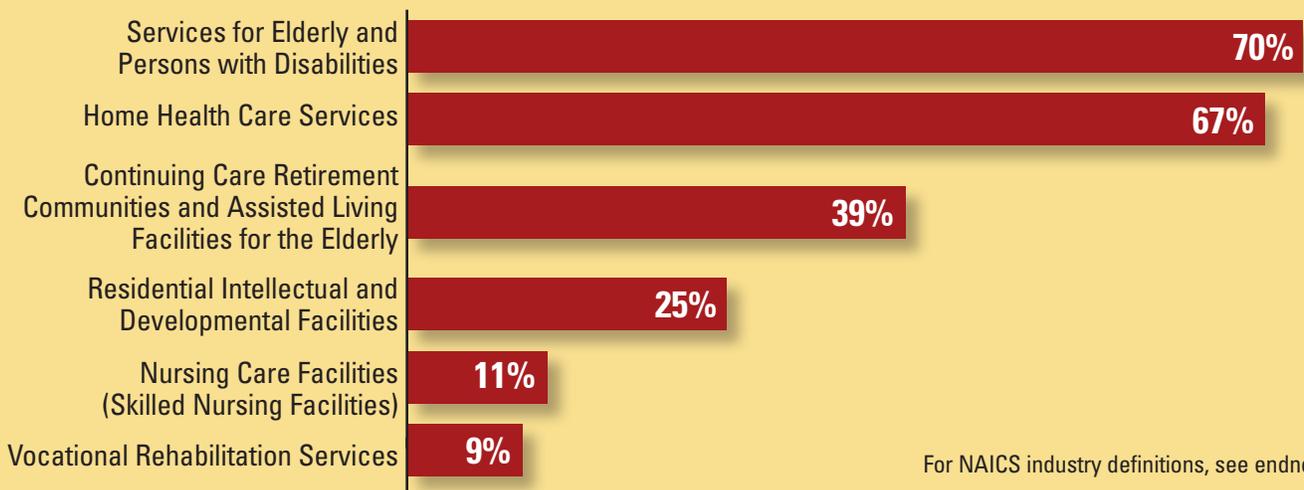
Rank	Occupation	Median Hourly Wage
1	Combined Food Preparation and Serving Workers, Including Fast Food	\$8.81
2	Personal Care Aides	\$9.67
3	Home Health Aides	\$10.10
4	Retail Salespersons	\$10.16
5	Janitors and Cleaners, Except Maids and Housekeeping Cleaners	\$10.86
6	Nursing Assistants	\$11.97
7	Construction Laborers	\$14.64
8	Customer Service Representatives	\$14.84
9	Secretaries and Administrative Assistants, Except Legal, Medical, and Executive	\$15.79
10	Registered Nurses	\$31.84

Given such low wages, without intervention, recruitment and retention of direct-care workers will become increasingly challenging, compromising the stability of the nation’s long-term care system.

Employment Growth Highest in Home and Community-Based Care

The greatest employment growth for direct-care workers is expected to occur in the two industries that deliver the majority of home and community-based care services: “Services for the Elderly and Persons with Disabilities” and “Home Health Care Services.”²

Projected Growth in Direct-Care Worker Employment by Selected Industries, 2012–2022

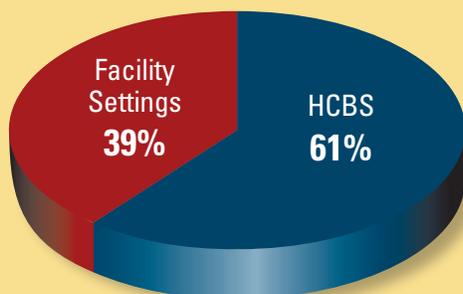


Significant Shift in Employment Settings

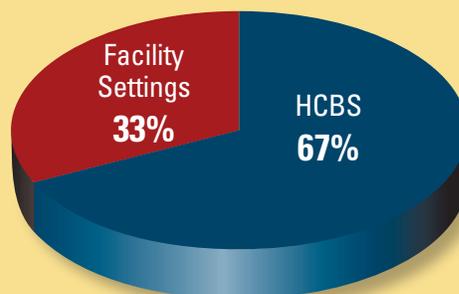
The growth of Services for the Elderly and Disabled and Home Health Services is causing a shift in the settings in which direct-care workers are employed.

Growth in home and community-based settings. The majority of direct-care workers are now employed in home and community-based settings, not in facilities. By 2022, home and community-based direct-care workers are expected to outnumber facility workers by more than two to one.

Where Direct-Care Workers Worked
2012



Where Direct-Care Workers Will Work
2022



This data reflects the rapidly aging baby boomer generation’s preference for home and community-based care over institutional care. Demand for paid home care aides will intensify due to a shrinking pool of informal caregivers—such as friends and family—and public health issues such as increased rates of obesity and associated chronic illnesses.³

The trends are compounded by a recent shift of Medicaid spending away from institutional settings and toward home and community-based settings. This “rebalancing” is in response to increased legal recognition of consumer rights and preferences—as well as the relative cost savings of home and community-based services compared to services provided in institutional settings.⁴

Growth in participant-directed care. PHI estimates that at least 800,000 independent providers are employed across the country in Medicaid-funded programs that provide personal care services—reflecting significant growth in the participant-directed model of delivery for long-term services and supports.⁵ These independent providers are not fully captured by the Bureau of Labor Statistics’ surveys of businesses, as they are employed directly by participants.

Demand for Services Growing Faster than Labor Pool

Overall demand for direct-care workers is projected to increase by 37 percent over the next decade, adding 1.3 million new positions by 2022. At the same time, the number of women aged 25–54—the main labor pool from which direct-care workers are drawn—will grow by less than one percent. In sharp contrast, during the period 1992 to 2002, the number of women aged 25–54 increased at a double-digit rate—14 percent—providing a more sufficient labor pool.⁶

Workers Needed, and Women of Caregiving Age, 2022



Action Is Needed

Pressure is building for improving the quality of direct-care jobs. The economy’s booming demand for direct-care workers—particularly home health and personal care aides—only increases the challenge. Making these jobs competitive is essential to attracting enough workers, especially at a time when labor force growth is slowing significantly.

Since public funding accounts for roughly two thirds of spending on long-term services and supports, action by federal and state policymakers is needed to ensure that the workers delivering the services receive decent wages and benefits along with high-quality training.⁷ The growth of the home and community-based sector, in which aides tend to earn lower wages and have fewer benefits than in facility-based settings, demands particular attention.

Endnotes

1. Direct-care workers—including home health aides, personal care aides and certified nurse aides, among others—are our nation's paid caregivers, most of whom serve consumers within our country's eldercare/disability services system. The majority of these staff work in the consumer's home, or in residential settings such as nursing homes and assisted living facilities. A smaller portion of these staff work in acute care settings, such as hospitals and clinics.
2. According to the Bureau of Labor Statistics (BLS), direct-care workers are concentrated in four main industries: Home Health Care, Hospitals, Nursing and Residential Care, and Services for the Elderly and Persons with Disabilities. In addition to these industries defined by the North American Industry Classification System (NAICS), the BLS captures direct-care workers who are self-employed, employed by private households, or working in the employment services industry. For industry definitions, see U.S. Department of Labor, Bureau of Labor Statistics, NAICS Codes and Titles, available at: <http://www.census.gov/eos/www/naics/>
3. Freedman, Vicki A., and Brenda C. Spillman. "Disability and Care Needs Among Older Americans." *The Milbank Quarterly* 92.3 (2014): 509-41.
4. O'Shaughnessy, Carol V. "National Spending for Long-Term Services and Supports (LTSS), 2012." *National Health Policy Forum*, 2014.
5. The number of independent providers (IPs) employed in publicly funded long-term care programs is estimated using PHI's counts of independent providers in 18 states, which are available at the PHI State Data Center: www.PHInational.org/statedata
6. Toosi, Mitra. "Labor Force Projections to 2022: the Labor Force Participation Rate Continues to Fall," *BLS Monthly Labor Review*, December 2013, <http://www.bls.gov/opub/mlr/2013/article/labor-force-projections-to-2022-the-labor-force-participation-rate-continues-to-fall.htm>
7. O'Shaughnessy, op cit.

Data Sources

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 projections data are from DOL/BLS, Employment Projections Program, 2012–2022 National Employment Matrix, available at: <http://www.bls.gov/emp/>

Wage data are from the current and archived estimates of the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics (OES) Program, available at: <http://www.bls.gov/oes/#data>

For more information on the direct-care workforce, contact Director of Policy Research Abby Marquand at amarquand@phinational.org or Policy Research Assistant Stephen Campbell at scampbell@phinational.org. Additionally, to learn more about occupational projections for individual states, visit the PHI State Data Center at www.PHInational.org/statedata.

Facts is a series of short issue briefs and fact sheets on the national and regional status of the direct-care workforce. For more information about PHI and to access other PHI publications see www.PHInational.org

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PHI works to transform eldercare and disability services. We foster dignity, respect, and independence—for all who receive care, and all who provide it. 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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