



June 17, 2011

The Honorable Tom Harkin
Committee Chair
U.S. Senate
Health, Education, Labor and
Pensions Committee
731 Hart Senate Office Building,
Washington, D.C. 20510-1502

The Honorable Mike Enzi
Ranking Member
U.S. Senate
Health, Education, Labor and
Pensions Committee
379A Russell Senate Office Building,
Washington, D.C. 20510-5004

The Honorable Patty Murray
Subcommittee Chair
U.S. Senate
Health, Education, Labor and
Pensions Committee
Subcommittee on Employment and
Workplace Safety Committee
448 Russell Senate Office Building,
Washington, D.C. 20510-4704

The Honorable Johnny Isakson,
Ranking Member
U.S. Senate
Health, Education, Labor and
Pensions Committee
Subcommittee on Employment and
Workplace Safety Committee
131 Russell Senate Office Building,
Washington, D.C. 20510-1006

Dear Senators Harkin, Enzi, Murray and Isakson,

Thank you for the opportunity to comment on the Workforce Investment Act (WIA) reauthorization discussion draft. While we appreciate the interest in getting this legislation moving quickly, the short time in which to review the draft means that we will focus only a few key areas. We look forward to continued discussion on additional provisions of import as the legislation moves forward.

PHI is a national organization that focuses on improving the quality of direct-care workforce jobs. Direct-care workers provide an estimated 70 to 80 percent of the paid hands-on long-term care received by older adults and people with disabilities in the U.S. Our work is grounded in the philosophy that **quality jobs** for direct-care workers will lead to **quality care** for long-term care consumers.



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Currently, the U.S. employs over 3.2 million people in direct-care jobs to assist elders and people with disabilities with personal care needs like dressing, bathing, eating, toileting and mobility. The direct-care workforce will be the second largest occupational group in the U.S. by 2018, second only to retail salespersons. Projected demand calls for an additional 1.1 million new positions by 2018, a 35 percent increase – **faster growth than almost any other occupation** in the U.S. At the same time, the number of women aged 25-54 – the main labor pool from which direct-care workers are drawn – is projected to increase by only 2 percent. It is a workforce in crisis.

Due to this rapid growth in demand, the nationwide nature of this workforce crisis, and the essential societal role that these workers play in caring for those who need long-term services and supports, we recommend that you incorporate strategies and language to bolster the direct-care workforce throughout legislation to reauthorize WIA.

The case for incorporating direct care workforce strategies for the eldercare and disability services industry into WIA is compelling. Employers such as home care agencies, adult day centers and nursing and assisted living facilities face enormous difficulty in hiring and retaining an adequate supply of direct care workers. Furthermore, two of the occupations included in the direct care workforce are certified nurse assistants (CNAs) and home health aides, both of which offer an industry-recognized credential.

PHI's recommendations are as follows:

Title I

- 1) The definition of “in-demand industry sector or occupation” (Sec. 101 (23) (page 14-15)) should be modified in such a way that encompasses direct-care occupations, perhaps by modifying the definition to include occupations which, *with investment*, could lead to economic self-sufficiency.

Direct-care occupations meet all of the other definition elements listed in the discussion draft:

- Direct care occupations have an enormously “significant presence” in the eldercare and disability services sector. (23)(A)(ii)(I)
- There is a well-documented “shortage of available skilled” direct-care workers. (23)(A)(ii)(II)
- Direct-care jobs provide opportunities for career advancement into other areas of nursing. (23)(A)(ii)(IV)

- Finally, direct care occupations are essential to the economic health of low-income communities: In the U.S. one of every 12 low-income jobs belongs to a direct-care worker. They constitute a \$56 billion economic engine fueled by the personal income that over 3 million direct-care workers spend on goods and services in their communities.
(23)(A)(ii)(V)

We acknowledge that direct-care jobs typically do not pay “family-sustaining wages and benefits that enable workers to achieve economic self-sufficiency.” (23)(A)(ii)(III) The median annual earnings for direct care workers is \$16,800, and 46% of direct-care workers receive public benefits such as Medicaid or food stamps. Nonetheless, these occupations represent such a large proportion of available employment—in an otherwise job-starved economy—that they cannot simply be ignored.

Therefore, PHI recommends using WIA as a development mechanism to help improve the quality of these jobs, thereby having a major impact on these workers, their communities, and the capacity of our nation to care for our elders and people with disabilities. National, state and local organizations across the country, including PHI, are engaged in work to improve the quality of direct care jobs, and offer proven approaches for success in this regard.

- 2) In Sec. 112 (b)(1) (page 44-45), we recommend that States be directed to include specific analysis of the knowledge and skills needed to meet the employment needs of long-term care employers, the current status of the state’s direct-care workforce, and an articulation of a strategic vision and goals for building an adequate direct-care workforce in their 4-year strategic plans.
- 3) In Sec. 131 (b)(3)(A)(vi-viii) and (3)(B) (pages 140-142), PHI recommends incorporating the state’s rate of disability and percent of population over the age of 65 into the statistical model to revise state measures of performance. The model should also incorporate the extent to which WIA programs contribute to equipping a workforce to meet the need for long-term care services in the state.

Title II

- 4) In Sec. 270(a) and (b) (page 232-235), PHI recommends that the Secretary of Labor include strengthening the direct-care workforce among the priorities for demonstrations and pilot projects. As noted in (b)(2)(D), projects are necessary to “promote opportunities for dislocated workers and job seekers to receive training and related services for employment and access to career ladders in the high-demand health care sector.” For all of the reasons noted above, PHI believes that the need is particularly acute in the eldercare and disability services sector.
- 5) In Sec. 270(b)(2)(J), direct-care workforce training programs should be noted as a preferred recipient of retention grants. Rates of retention of direct-care workers are very low. In some cases, annual turnover exceeds 100%.

Title IV

- 1) In Sec. 409 (d), PHI recommends that the two-year plan formulated by the Bureau of Labor Statistics for the workforce and labor market information system include data collection about the direct care workforce as a priority.

Thank you for your work on preparing this draft and your commitment to workforce investment. We appreciate having the opportunity to provide comments and would be happy to provide additional information or answer any questions you may have. Please do not hesitate to contact me at cregan@phinational.org or 202-223-8355.

Sincerely,

Carol J Regan

Carol Regan
Government Affairs Director