



September 8, 2011

President Barack Obama
The White House
Washington, D.C. 20500

Dear President Obama,

PHI is a national organization that focuses on improving the quality of direct-care workforce jobs. Direct-care workers — home health aides, certified nurse aides and personal care attendants — 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.

As your Administration renews its push to put Americans back to work, we would like to draw your attention to an **untapped engine for job creation and economic growth – the eldercare/disability services industry**. The eldercare/disability services industry employs more people than nearly any other industry in the country. Direct-care jobs are the employment core of this industry and are among the nation's fastest-growing occupations. **Investing in direct-care jobs, for which there is already enormous demand in the form of waiting lists for services in many states, presents a major opportunity to quickly put thousands of people to work in meaningful and needed positions.** Given the sheer numbers of these positions today, as well as the tremendous demand expected for these jobs in the future, direct-care jobs are uniquely positioned to help repair and stabilize our faltering economy.

Investing resources in these already in-demand jobs is just one step, however, in providing out-of-work Americans with jobs that offer family-sustaining compensation. Direct-care jobs typically do not pay family-sustaining wages and benefits that enable workers to achieve economic self-sufficiency. The most-recent federal data from 2010 show that the median annual earnings for direct care workers is \$16,800, and that 46% of direct-care worker households receive public benefits such as Medicaid or food stamps. In addition to investing in creation of these jobs, we urge you to invest in improving the quality of these jobs by requiring a wage floor for positions created by the investment and by offering health insurance coverage either through Medicaid for



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the workers who fill these newly created jobs or by increasing Medicaid payments to long-term care employers to enable them to offer job-based coverage.

Direct-care occupations represent such a large proportion of available employment—in an otherwise job-starved economy—that they cannot simply be ignored. 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.

And while direct care jobs are significant based on sheer numbers and projected growth, their importance to our economy is greater still. **A stable, well-prepared direct-care workforce is critical for supporting employers and the estimated 16 million workers who work for them and balance full-time employment with caregiving for a family member over 18. Without a sufficient direct care workforce, American business will pay a terrible price in lost time and productivity. In short, the caregiving infrastructure created by the direct care workforce is as essential to a well-functioning economy – and as worthy of investment – as roads and bridges.**

Rather than making speculative investments in other industries in pursuit of job creation, we urge you to seize the opportunities presented by the in-demand direct-care workforce to put thousands of Americans back to work and provide thousands more Americans with the care they need. We stand ready to advise you on strategies for pursuing such an initiative. Please do not hesitate to call on us for assistance.

Sincerely,



Steven Dawson
President

cc:

Kathleen Sebelius, Secretary of U.S. Department of Health and Human Services
Hilda Solis, Secretary of U.S. Department of Labor