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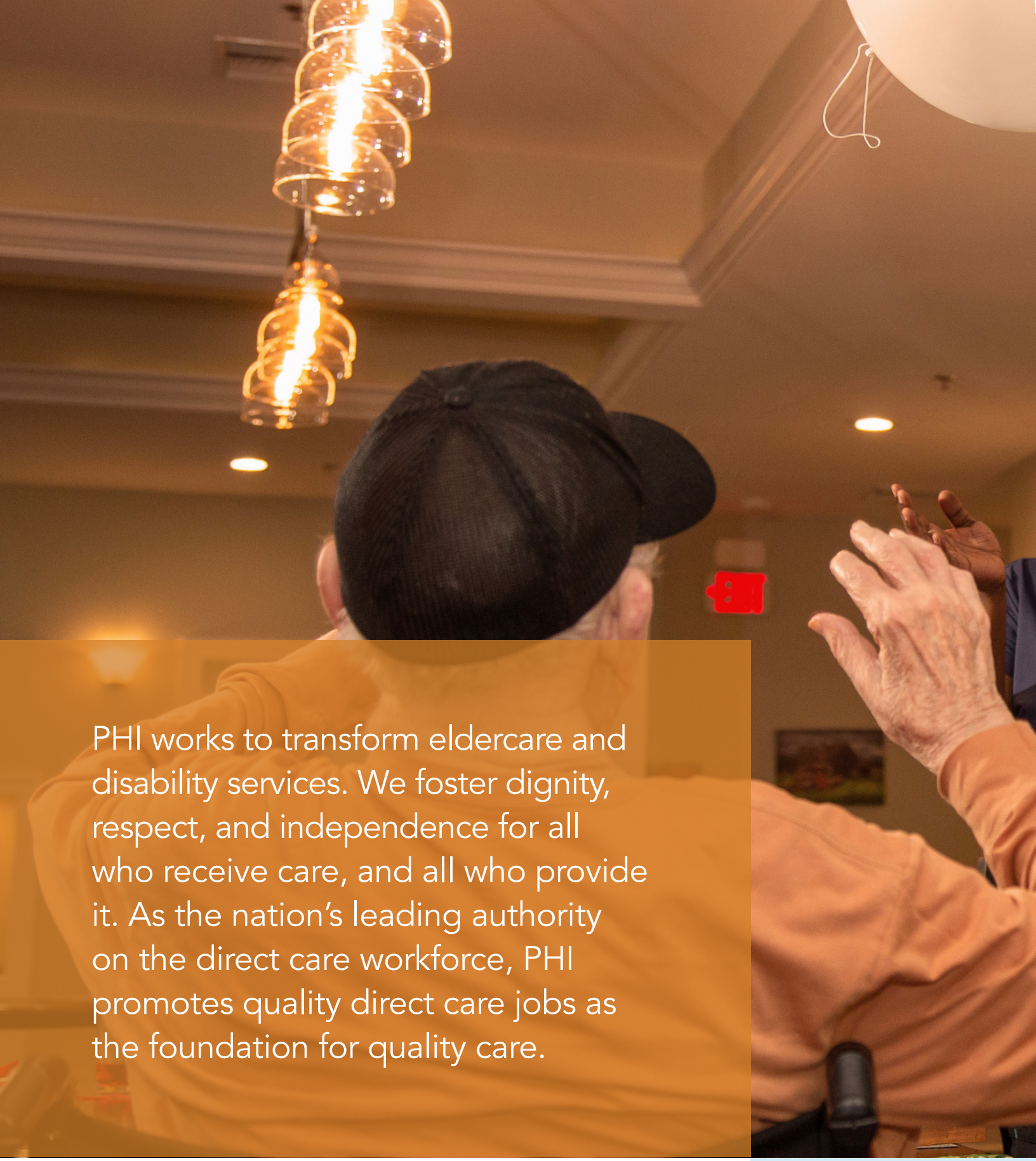
CRISIS ON THE FRONTLINE

NEW JERSEY'S DIRECT CARE WORKFORCE



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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INTRODUCTION

More than ever, direct care workers are a lifeline to older adults and people with disabilities in a variety of settings throughout New Jersey—from private homes to nursing homes to a range of residential care environments. As New Jersey's residents live longer and the number of older adults increases every year, demand for these workers will also multiply. Yet as this report describes, direct care jobs are too often poor in quality, which drives many workers away from these roles at a time when they are much needed. COVID-19 made all of these challenges more salient, which provides a powerful call to action for the state's policymakers, industry leaders, and advocates.

In 2014, with support from The Henry and Marilyn Taub Foundation, PHI studied the home care workforce in Bergen and Passaic Counties and identified a host of challenges that persist to this day: demand for home health aides and personal care aides was outpacing every other occupation in the state; New Jersey was insufficiently funding home and community-based services, even as costs in this sector continued to rise; the state's shift to Medicaid managed care and other policies related to the financing and structure of long-term care were both shaping and straining this sector; employers were struggling to recruit and retain enough workers to meet their needs; and home care jobs lacked adequate compensation, training, career paths, and general respect and recognition to support existing workers and attract new ones. Six years later, all these factors continue to hinder job quality for direct care workers and complicate long-term care delivery for their employers and other stakeholders. The emergence of COVID-19 has tragically aggravated the entire situation and brought new challenges and questions to this critical sector.

Crisis on the Frontline: New Jersey's Direct Care Workforce aims to respond to these developments and imagine a new, improved reality for the state's direct care workforce and long-term care sector. This report begins with a detailed snapshot of direct care workers in New Jersey, examining key demographics, job characteristics, and future job projections. It then provides an investigative look into the direct care workforce and the long-term care sector, based mostly on individual interviews with 10 experienced leaders representing different aspects of New Jersey's long-term care system. Because workers on the frontline of this crisis bring unique expertise to this topic, this report also features two in-depth interviews with direct care workers who share their insights and experiences on the job. Finally, the report concludes with a slate of policy opportunities, recognizing that future action will depend on strategic collaboration among various state leaders and a significant investment in multi-year advocacy to transform policy and practice for this workforce in the years ahead.

More than ever, direct care workers are a lifeline to older adults and people with disabilities in a variety of settings throughout New Jersey—from private homes to nursing homes to a range of residential care environments.

A DETAILED SNAPSHOT OF NEW JERSEY'S DIRECT CARE WORKFORCE[1]

Direct care workers are essential to the lives of older adults and people with disabilities throughout New Jersey. These 111,000 home care workers, residential care aides, and nursing assistants provide critical daily support to New Jersey's residents in all parts of the state. Unfortunately, as the data below illustrates, these workers struggle with poor-quality jobs that lead to poverty, high turnover, and a worsening workforce shortage impacting workers, consumers, and employers alike.

A Rapidly Growing Job Sector

Because of growing demand, New Jersey's direct care workforce has surged over the previous decade—increasing by 31 percent from more than 84,000 workers in 2009 to approximately 111,000 workers in 2019. The state's direct care workforce currently includes about 57,000 home health aides and personal care aides and nearly 54,000 nursing assistants—and is now the third largest workforce in New Jersey. (For comparison purposes, the U.S. direct care workforce includes 4.6 million workers.)

DIRECT CARE WORKER EMPLOYMENT BY OCCUPATION IN NEW JERSEY, 2009 TO 2019

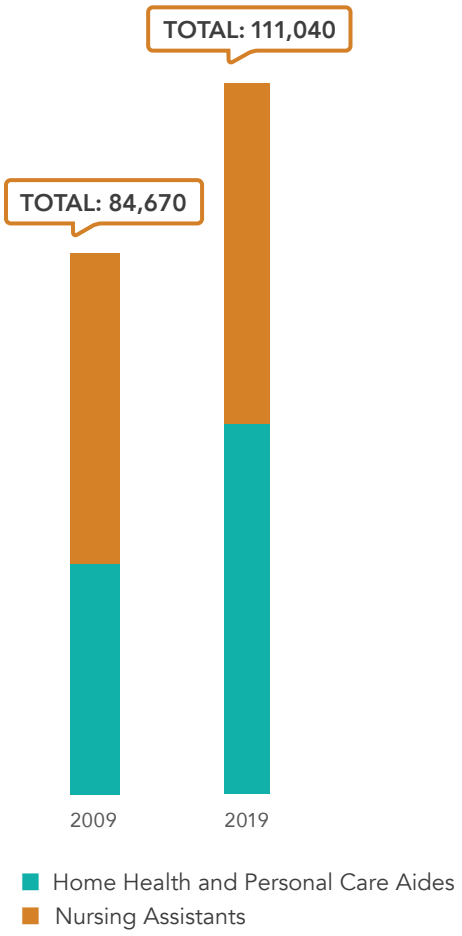


Chart Source: U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics. 2020. *May 2009 to 2019 State Occupational Employment and Wage Estimates New Jersey.* https://www.bls.gov/oes/current/oes_nj.htm; analysis by PHI (September 2020).

DIRECT CARE WORKER TITLES IN NEW JERSEY

Certified Homemaker/ Home Health Aide
These certified agency-employed aides provide personal care as well as health monitoring and maintenance to consumers who live at home or in a residential care setting. They are formally classified as "home health aides" in official labor datasets.

Certified Nurse Aide
These certified aides provide personal care as well as health monitoring and maintenance assistance to residents in nursing homes and other residential care settings. They are formally classified as "nursing assistants" in official labor datasets.

Self-Directed Employee
These non-certified home care workers are employed directly by consumers under state Medicaid programs. They are formally classified as personal care aides but might not be included in official labor datasets due to their status as private household employees.

A Diverse Workforce

In New Jersey, 91% of direct care workers are women, 82% are people of color, and 54% are immigrants. Additionally, while the median age of the state's direct care workforce is 48, people aged 55 and older make up nearly one in three direct care workers (or 32 percent). (Nationwide, 87% of direct care workers are women, 59% are people of color, 27% are immigrants, and 27% are aged 55 and older.)

Poverty-Level Wages, Economic Instability

The median wage for direct care workers in New Jersey is $13.36, which is lower than in 2009, when the median wage in this job sector was $13.95 (adjusted for inflation). Low wages and part-time schedules lead to poverty and economic instability for New Jersey's direct care workers; median annual earnings for these workers is $21,200, 40% live in or near poverty, 43% access some form of public assistance, and 16% have no health coverage. (At the national level, the median wage and median annual earnings for direct care workers is $12.80 and $20,300, respectively—and 45% live in or near poverty, 47% access some form of public assistance, and 15% have no health coverage.)

A NOTE ON SYSTEMIC RACISM AND DIRECT CARE WORKERS

Systemic racism has long harmed the lives and jobs of people of color in direct care—from the creation of these jobs, through the exclusion of home care workers (and other domestic workers) from federal wage and overtime protections, to the widespread racial discrimination that people of color continue to face in regard to employment, housing, education, and access to health care, among others. We must center and uplift women, people of color, and immigrants in strategies that transform direct care jobs. Direct care workers—who are largely women and people of color—deserve great jobs rooted in equity and justice.

DIRECT CARE WORKER WAGES BY OCCUPATION IN NEW JERSEY, 2009 TO 2019

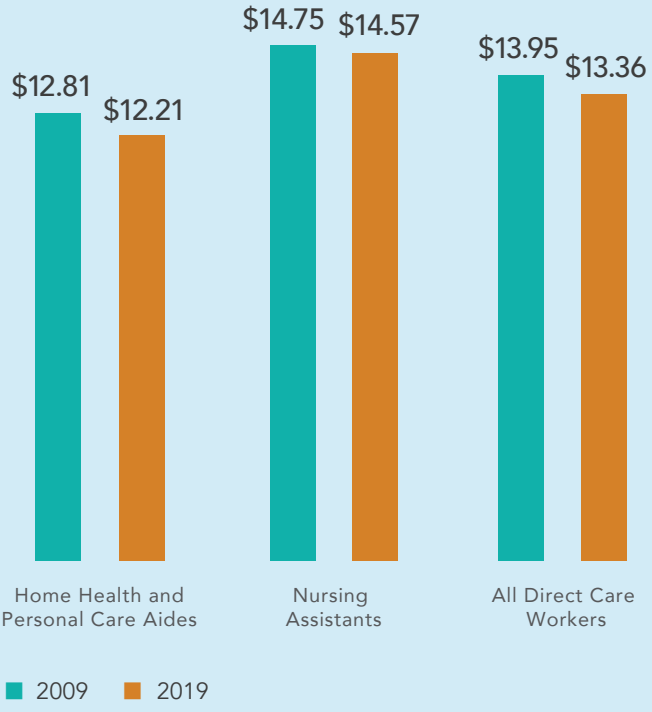


Chart Source: U.S. Bureau of Labor Statistics (BLS), Division of Occupational Employment Statistics. 2020. *May 2009 to 2019 State Occupational Employment and Wage Estimates New Jersey.* https://www.bls.gov/oes/current/oes_nj.htm; analysis by PHI (September 2020).

From Crisis to Emergency

Between 2016 and 2026, New Jersey's long-term care sector will need to fill 185,600 job openings in direct care, including 33,430 new jobs and 152,170 separations caused by workers who leave this occupation or exit the labor force. A variety of trends are converging to spur this emergency: increased longevity and growing demand, retirement trends and other factors that compel workers to leave the labor force, and the persistence of poor job quality in direct care jobs that pushes workers out of this sector and into other careers.

The Impact of COVID-19

The COVID-19 crisis has profoundly impacted this sector, claiming thousands of lives in long-term care while straining employers and federal and state budgets. This pandemic has also amplified the many challenges facing direct care workers, including low compensation, inadequate training, limited access to benefits (such as paid sick days and paid family and medical leave), and a general lack of support, as evidenced by the ongoing shortage of personal protective equipment and other supplies in this sector.[2]

DID YOU KNOW?

According to *The New York Times*, as of October 29, 2020, more than 236,000 people have been infected with COVID-19 in New Jersey and more than 16,000 have died.

Source: *The New York Times.* "Covid in the U.S.: Latest Map and Case Count." https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html#states

PHI'S HOME CARE WORKFORCE LANDSCAPE ANALYSIS OF BERGEN AND PASSAIC COUNTIES

In 2014, with support from The Henry and Marilyn Taub Foundation, PHI conducted an analysis on the home care workforce, training, and provider landscape in Bergen and Passaic Counties in New Jersey. The analysis offered a variety of recommendations, including:

- Creating demonstration projects and interventions—"from adult learner-centered training design, to training of trainers, to peer mentorship programs"—that would promote better training and supervision among home care workers
- Developing an "Advanced Aide" position that would offer "an important career path and greater care delivery to consumers"
- Undertaking "a comprehensive effort to build the home care workforce" through a statewide policy initiative that would address compensation, training, career ladders, data collection, public funding, and more
- Acknowledging the state's shift to managed care by "requiring that managed care organizations develop specific plans to identify workforce needs" and the funding required to implement these ideas
- Building a matching service registry that would connect home care consumers to workers based on needs, preferences, and availability

CERTIFIED NURSING ASSISTANT (CNA) AND HOME HEALTH AIDE AT HOMECARE OPTIONS IN TOTOWA, NJ

18 YEARS AS A DIRECT CARE WORKER

MILTA AYALA

ON WHY SHE DECIDED TO BECOMEA HOME HEALTH AIDE:

"Before I became a CNA, I was working in a factory but was very unhappy. So I decided to become certified and now work as a home health aide. I have been doing this work for 18 years. I am so much happier now because I get to help people. To be successful in this job, you need to have a good heart and feel love and respect for others. I just try to do the best I can for my clients each day."

ON HER RELATIONSHIP WITH HER CLIENTS:

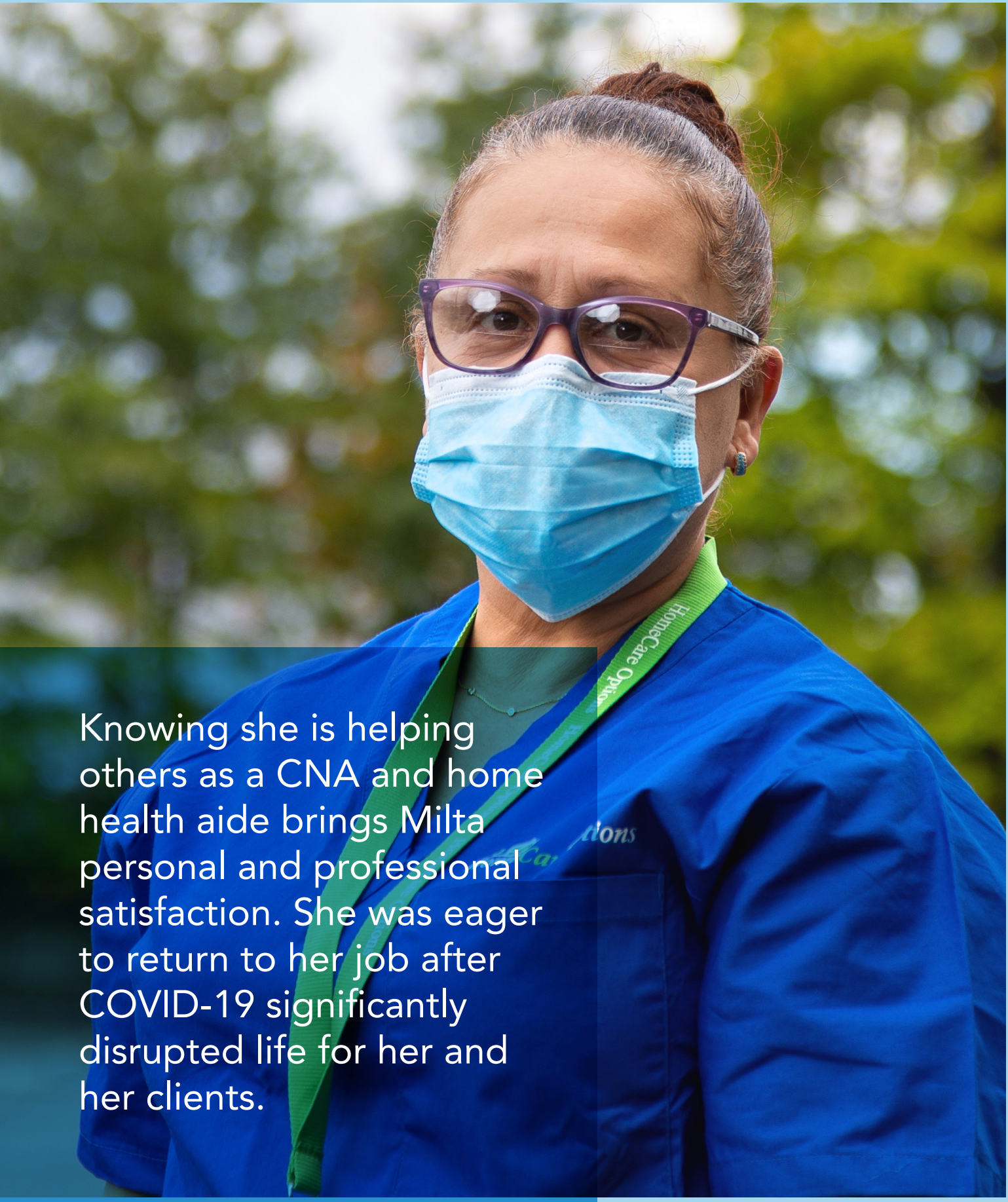
"Once I meet a client, it feels like I've already known them for a long time. They are happy to see me when I arrive and are waiting to say 'good morning' and have a conversation. That makes me happy, too. But sometimes they are lonely and sometimes they cry in front of me. One client who has Alzheimer's gets frustrated very easily. But I always put myself in their position so I can care for them with compassion and love, and we can work together.

When your clients get really sick, it is so hard. It can seem very sudden, that one day they are healthy and then the next they are carrying themselves differently. You think that you can do more, but you can't if it is their time. It makes me so sad when a client passes away, but that is part of the work, too."

ON HOW THE COVID-19 PANDEMIC HAS IMPACTED HER WORK:

"When the pandemic started, HomeCare Options provided us with all the gloves, masks, and gowns we needed to stay safe at work. They were communicating regularly with aides and did a good job helping us protect ourselves and our clients. My clients are older adults and many of their families stopped services because they didn't want to take the chance of having anyone bring the virus into the home. But I still called them almost every day to ask how they were doing.

I was unemployed for three months, which was very hard on my family. I was home and not working, but I also could not even see my own kids who usually visit me often. Now I am very glad to be back working. Wearing a mask and gloves all day and taking all the precautions is challenging sometimes, but we have to take care of ourselves so we can take care of our clients."



Knowing she is helping others as a CNA and home health aide brings Milta personal and professional satisfaction. She was eager to return to her job after COVID-19 significantly disrupted life for her and her clients.

DID YOU KNOW?

New research from PHI shows that in all 50 states and the District of Columbia, the direct care worker median wage is lower than the median wage for other occupations with similar entry-level requirements, such as janitors, retail salespersons, and customer service representatives.

Additionally, in 46 states and the District of Columbia, the direct care worker median wage is less than a dollar higher than the median wage for occupations with lower entry-level requirements (like housekeepers, groundskeepers, and food preparation workers). In New Jersey, direct care wages are $3.06 lower than similar entry-level occupations and $0.23 less than lower entry-level occupations.[3]

PANDEMIC PUTS SPOTLIGHT ON NEW JERSEY'S DIRECT CARE WORKFORCE SHORTAGE

by COLLEEN DISKIN

Editor's Note: This article does not reflect any policy developments in New Jersey after October 1, 2020.

The 53-year-old Paterson grandmother often works seven days a week, seeing as many as four or five clients a day, preparing meals or helping them bathe, dress, or move from bed to chair—physical work that can leave her back aching at the end of her shift.

The schedule, the description of her duties, the heavy toll of the work—that's typical.

Here's what isn't: Viola Mahan has worked in this role for Home Care Options in Totowa, New Jersey for 29 years, having cared for many of the agency's clients for years at a stretch, including one 84-year-old man she's been supporting for 12 years.

"A lot of people come and go in home care, but not me," Mahan said. "I have my regular patients I've been going to for years, and I just really like working with people."

When the novel coronavirus raged across New Jersey in spring and summer 2020, Mahan donned protective gear and didn't miss a day of work, even accepting fill-in shifts for absent co-workers.

Mahan's longevity and exemplary attendance make her one of the most-requested aides at the home care agency where she works. She's the type of worker that long-term care employers across New Jersey seek but often struggle to recruit and keep, given the comparatively low compensation that is offered for such a highly challenging job.

"A lot of people come and go in home care, but not me. I have my regular patients I've been going to for years, and I just really like working with people." — Viola Mahan

Paid caregiving is soulful and sometimes soul-wrenching work. The direct care workers—officially classified by the U.S. Department of Labor as personal care aides, home health aides, and nursing assistants—who support older adults and people with disabilities in New Jersey often do it for the same (or even lower) wages than they would earn in a less stressful job at a restaurant or retail store.

In 2019, the median wage for home care workers in New Jersey was just $12.21 per hour. Certified nursing assistants working in nursing homes made only slightly more, at $14.57 per hour. What's more, median wages for all direct care workers in the state actually declined by four percent over the previous decade.

As described earlier in this report, PHI's latest analysis finds the direct care workforce in New Jersey is comprised of approximately 111,000 people—mostly women, immigrants, and people of color. Many live in or near poverty and rely on public assistance.

According to the most-recent projections, New Jersey will need over 33,000 more direct care workers in 2026 than in 2016

Those demographics reveal a core truth about New Jersey's long-term care system: by and large, home care agencies, nursing homes and other long-term care providers rely on a workforce burdened by the pressures of economic insecurity, social disparities, and racial discrimination.

WORKFORCE SHORTAGE HAS SYSTEMIC CAUSES, NEEDS SYSTEMIC SOLUTIONS

"The primary problem in recruiting and retaining a caregiving workforce is that the wages don't equal what the work is," said Brian Fitzgibbons, president of Heightened Independence and Progress, which provides a range of programs and services for people with disabilities through Centers for Independent Living in Bergen and Hudson County. "It's work that requires special training and a special temperament to be able to juggle a lot of responsibilities, and yet we pay these professionals barely a living wage."

In the coming years, New Jersey and the nation will need far more direct care workers than ever before as the baby boom generation continues to age into their 70s, 80s and beyond—but long-term care providers are already experiencing a workforce shortage.

"There are a number of factors that have combined to shrink the pool of front-line health professionals in New Jersey and across the country," said Jim McCracken, president and CEO of Leading Age New Jersey & Delaware, a regional association of nonprofit senior care organizations.

Among those factors are increased immigration restrictions, rising wages in other sectors, and the lack of a statewide workforce development program specifically targeted to the goal of recruiting direct care workers, McCracken said.

DID YOU KNOW?

Too often, poor job quality in this sector is shaped and reinforced greatly by limited government funding and inadequate reimbursement rates under Medicaid. Home care agencies, residential care settings, and nursing homes that rely on public funding to deliver services regularly report not being able to make substantive improvements in compensation, training, career advancement, and other aspects of the direct care job without more public funding. For this reason, measures that increase wages for these workers should come with additional funding for employers to avoid further straining this sector and decreasing its services.

"The industry can't solve these workforce challenges on its own; there really needs to be a coordinated effort to attract more people to these positions," he said.

According to the most-recent projections, New Jersey will need over 33,000 more direct care workers in 2026 than in 2016. But in the same 10-year span, about 152,000 additional jobs will need to be filled as existing workers change occupations or leave the field altogether.

In other employment sectors, a workforce shortage as substantial as the one afflicting the long-term care industry might translate into employers offering substantially higher wages. But the economic principles of supply and demand don't apply to the beleaguered long-term care industry, nor its over-stretched workforce.

Direct care workers' wages are tied to Medicaid and Medicare reimbursement rates as well as to the prices that private-pay clients—few of whom have long-term care insurance or enough money saved for late-in-life care—can afford.

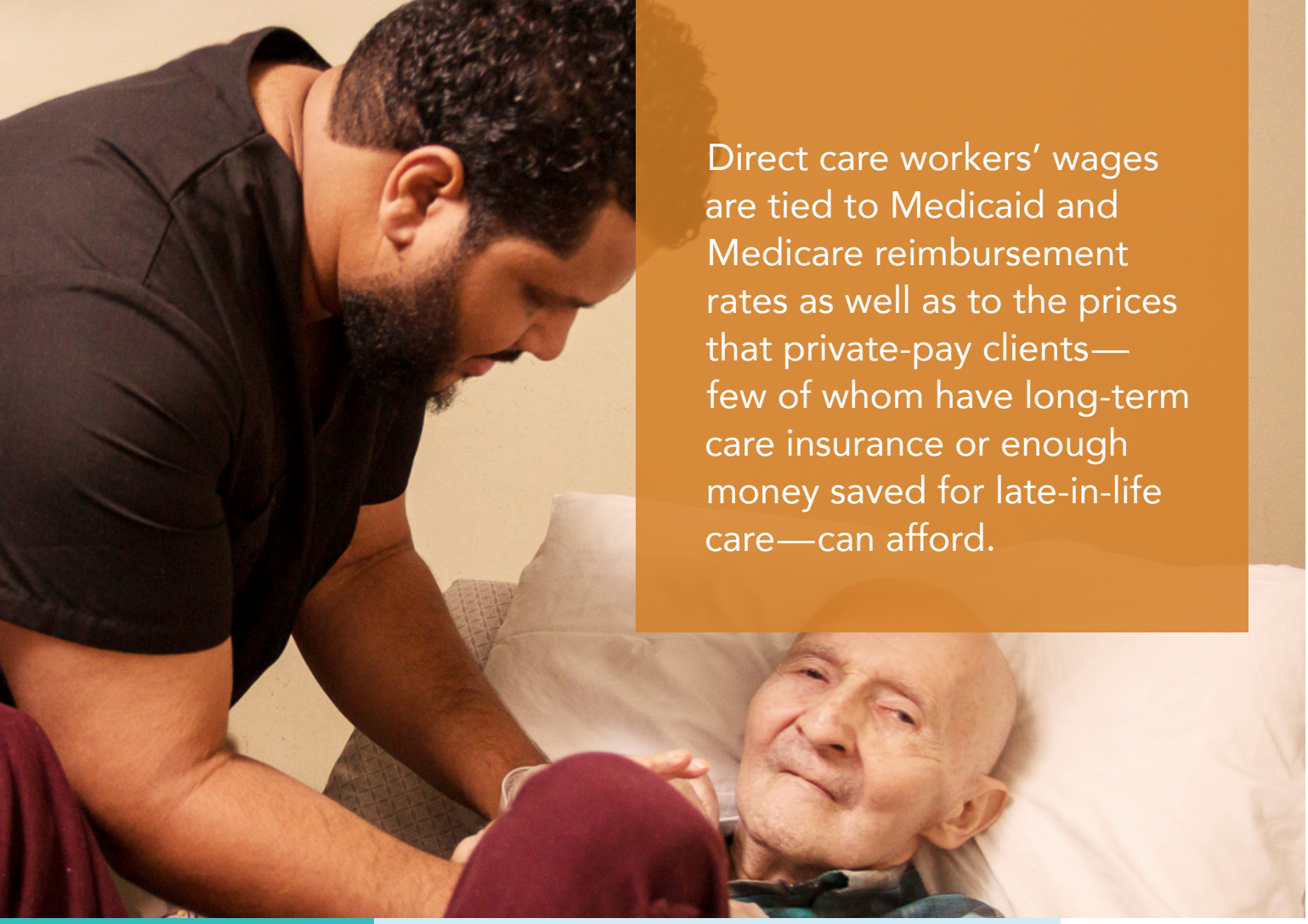
"We can't afford to pay workers more than we do because we aren't adequately reimbursed for the cost of the care we provide," said Elizabeth Davis, executive director of The Bright Side Family, which operates senior housing and supportive care programs in Bergen County.

EMPLOYERS' EFFORTS TO SUPPORT WORKERS STRAINED BY SLIM MARGINS, RISING COSTS

Nonprofits such as The Bright Side Family and Home Care Options (Mahan's employer) serve high percentages of low-income individuals enrolled in Medicaid, which reimburses long-term care providers at rates far below that of Medicare and private insurance.

Constrained by those inadequate reimbursements, the two nonprofits look for other ways to ensure that their workers feel valued.

For years, Home Care Options offered a scholarship program for their workers who wanted to go to nursing school, in order to provide a "career ladder" for aides who want to stay in the field, said executive director Diane Silbernagel.



Direct care workers' wages are tied to Medicaid and Medicare reimbursement rates as well as to the prices that private-pay clients—few of whom have long-term care insurance or enough money saved for late-in-life care—can afford.

When the pandemic started, the agency decided to pay for Uber and Lyft rides so employees wouldn't have to risk more exposure by riding buses to their jobs.

Even so, Silbernagel said 31 of the agency's 110 home care workers opted not to return to work because of fear of exposure to the virus. Those departures, combined with other unrelated absences and the decision by another 16 workers to serve fewer clients to lessen their risk of virus exposure, left the agency very short-staffed in the early weeks of the pandemic. Some clients paused their services for fear of virus spread, but even with fewer client appointments, the agency had to place prospective clients on a waiting list, which still had about 10 names as of late August.

Bright Side Manor, the 62-unit assisted living residence that Davis's nonprofit runs, found itself so understaffed during the worst days of COVID-19 that housekeepers and recreational aides voluntarily obtained emergency certifications to be able to help provide personal care to residents. At the same time, administrators and other staff pitched in with serving meals and providing hands-on care—activities not usually in their job descriptions.

Davis said her organization strives to be a collaborative workplace environment, with good two-way communication between managers and employees, so "that everybody together shares in the responsibility of caring for our residents, especially in a time of crisis."

That cooperative atmosphere was what kept Bright Side nursing aide Gleni Roque feeling protected during the hardest COVID-19 days.

"I like it at Bright Side because we're working together as a team," Roque said. "I feel safe here."

Before joining the Bright Side staff three years ago, Roque, a 46-year-old Teaneck resident, worked as a home health aide for a company that didn't pay health benefits and constantly kept changing her schedule, making home life difficult for the mother of two.

Davis and Silbernagel say they want to continue to find ways to support workers' needs for the remainder of the pandemic but worry about the financial strain their agencies are experiencing from increased overtime and training costs and the inflated prices they've been forced to pay for personal protective equipment (PPE).

"I like it at Bright Side because we're working together as a team, I feel safe here."
— Gleni Roque

In August, the state gave Medicaid-reimbursed home care providers a temporary, retroactive $3 per hour increase in the personal care assistant reimbursement rate, said Nancy Fitterer, president and CEO of the Home Care & Hospice Association of NJ, a nonprofit organization that advocates on behalf of providers. That increase—from $18 to $21 an hour—applied to the period from June 1st to August 31st, so providers could recoup some of the extra costs they incurred in those months.

"Many of my providers paid more to their aides, covered transportation costs and of course paid for PPE—so it really didn't amount to much," Fitterer said.

RAPID VIRUS SPREAD HAS MADE PUBLIC AND LAWMAKERS MORE AWARE OF WORKERS' CHALLENGES

The pandemic has raised the public's awareness of the crucial role of direct care workers, many of whom were celebrated as "heroes" alongside doctors and nurses as they put their own health on the line to care for individuals who were at highest risk from the virus (and who were often cut off from their loved ones and other localized supports by quarantine orders).

"I think the public is paying more attention to the importance of front-line health care workers, including direct care workers," said Dr. Steven H. Landers, president and CEO of VNA Health Group, which is one of the country's largest nonprofit, independent home care providers. "The amount of good will that has been generated has been quite widespread."

Whether that will translate into the political will needed to remedy the many systemic weaknesses in New Jersey's long-term care industry remains to be seen.

Through the first six months of the pandemic, New Jersey ranked first among the states in the number of COVID-19 infections per 1,000 nursing home residents, and second in the number of deaths per 1,000 residents. Those troubling rates prompted state leaders to hire a consulting firm to investigate what went wrong.

According to the consultants' report, "nursing homes were largely underprepared for the threat of a widespread infection and under-resourced due to long-standing staffing shortages or low staffing ratios." The report points out that the virus spread quickly through long-term care centers because direct care workers in New Jersey often work multiple jobs in different facilities to make ends meet, and many also lack paid sick leave benefits.

In response, several new laws were adopted, including a measure that would raise the minimum wages of direct care workers in certain long-term care facilities to $3 above the prevailing minimum wage.

> "I think the public is paying more attention to the importance of front-line health care workers, including direct care workers." — Dr. Steven H. Landers, President and CEO of VNA Health Group

Home care advocates urged lawmakers to include all direct care workers in the measure but lawmakers rejected that idea, arguing that the state is limited in what it can spend on increasing reimbursements to providers. The Legislature and Governor Phil Murphy also approved an additional $62.3 million in increased state Medicaid reimbursements to nursing homes to help cover the wage increases.

A still-pending legislative proposal would require that all nursing home workers receive paid sick leave. In addition, lawmakers have revived a proposal to create minimum staff-to-resident levels for certified nursing assistants working in nursing homes. (Despite years of advocacy, federal nursing home regulations do not stipulate any minimum-staffing levels.)

The minimum staffing bill is supported by direct care worker unions and AARP New Jersey, both of which argue that direct care workers are often forced to rush through care tasks because they are assigned too many residents each shift. Industry groups oppose state-mandated staffing ratios, however, saying that nursing home operators need more flexibility because the health needs of their resident populations can vary from facility to facility.

HOME CARE WORKERS LEFT OUT OF THE CONVERSATION

The debate over how to better support caregivers inside nursing homes has generated the most headlines, but advocates are urging the state's governing leaders to expand the conversation to include home care workers and the resources and strategies needed to strengthen the state's long-term care system as a whole.

"Home health providers were largely on their own in the early weeks of the pandemic," Fitterer said.

As the Department of Health moved to consolidate and distribute PPE supplies to providers, New Jersey's 1,100 health service firms that provide personal care assistance weren't initially included, Fitterer said.* Likewise, no protocol was developed to ensure home care workers were routinely tested for virus exposure, as was required of workers in nursing homes and assisted living residences.

Home care providers suffered significant Medicaid reimbursement cuts when managed care organizations took over administration of the program in 2012, and it's been an "uphill battle" for the industry to get the payment increases needed in recent years to pay their workers the state's increased minimum wage, Fitterer said.

Consumer advocates such as AARP New Jersey argue that the state's Medicaid program would be able to support larger wage increases for direct care workers if a stronger commitment was made to increasing home and community-based care alternatives.

New Jersey ranks 48th among the states in the percentage of Medicaid and other state-funded long-term care spending on home and community-based care, according to the Long-Term Services and Supports Scorecard, a report published by the AARP Foundation and other groups.

"If the state shifted more of those dollars into more affordable home care programs, we would have more choice in our long-term care system and more resources available to raise the wages and benefits of the direct care workforce," said Evelyn Liebman, director of advocacy for AARP New Jersey.

* In New Jersey, health service firms are licensed under the Division of Consumer Affairs and provide Medicaid PCA services, while home-health agencies provide nursing care under Medicare or hospice services and are licensed by the Department of Health. See Home Care & Hospice Association of NJ. "What is Personal Care." https://www.homecarenj.org/HCNJ/Consumers/What-is-Personal-Care/HCNJ/Consumers/what-is-personal-care.aspx?hkey=ce9ab5e4-e4df-4610-a5f2-54ed58a78710

TRAINING REQUIREMENTS FOR NEW JERSEY'S CERTIFIED HOMEMAKERS-HOME HEALTH AIDES

New Jersey requires all home care workers to be certified homemakers-home health aides (CHHAs). State training regulations for CHHAs require 76 hours of instruction on 15 detailed topics, but many elements of this training are not standardized, like competency evaluation and instruction methods. Training credentials are transferable from one employer to the next, but some employers still feel the need to retrain new workers because training quality varies so much. Also, training is not well-funded, and some employers have determined that in-house training programs are unfeasible, which can place the financial burden to cover training courses and materials on prospective CHHAs.

WITH STATE RESOURCES LIMITED, MORE INNOVATIVE SOLUTIONS NEEDED

The increased attention that the pandemic has focused on the direct care workforce is an encouraging sign that growing and sustaining this workforce will become a higher priority for New Jersey. But many advocates are cautious in their optimism, recognizing that the state's resources are also severely strained by the prolonged economic shutdown, with some officials projecting that state revenue shortfalls could be as much as $20 billion by the end of 2021.

While raising wages is a top priority, advocates also say there's a need to look at other remedies to address the workforce shortages.

One strategy that's been successful in other states has been to establish home care cooperatives, where the workers are also owners who can share in the business profits, said Candace Robinson, director of strategy for aging initiatives for Capital Impact Partners. There are 14 such cooperatives around the country.

A 2019 Benchmarking Report found that home care cooperatives pay 54 cents more per hour on average than their non-cooperative industry peers (exclusive of benefits). In addition, profitable cooperative agencies share those profits with caregivers through patronage dividends, effectively increasing their overall pay, in some cases by as much as 30 percent, while also giving them a voice in creating better workforce practices.

"We need to ensure we are creating a job that people want to have," Robinson said. "A way to do that is to empower the system to create more invested workers who can have more personal relationships with clients and more of a say in how care is delivered."

Another needed strategy is for direct care workers to receive more ongoing training and peer support so they are better equipped to support clients with specific care needs, such as those with autism or dementia, Fitzgibbons said.

"I think you have to do everything you can to take better care of the caregiver, and I don't think that gets stressed enough," Fitzgibbons said.

Advocates also suggest that the state could look for other ways to improve the lives and livelihoods of direct care workers, such as by enhancing their access to affordable housing and childcare. Further, the state could address the problem of "benefit cliffs," whereby direct care workers risk losing eligibility for much-needed public supports—and therefore see a decrease in their total compensation—if they receive modest wage increases. Communities could also help solve the many transportation problems workers face by opening the door to them using the same paratransit programs that serve their clients.

"The direct care workforce shortage is a systemic problem that has to get tackled from all sides," Fitzgibbons said. "There is a need to explore some creative solutions."

CERTIFIED HOME HEALTH AIDE (CHHA)
AT HOMECARE OPTIONS IN TOTOWA, NJ

18 YEARS AS A DIRECT CARE WORKER

MARIA MARRERO

ON WHY SHE DECIDED TO BECOME A HOME HEALTH AIDE:

"From a very young age, I have always liked to help others. Even at age 11, when I was living in Puerto Rico, I loved working with older adults and helped take care of my older neighbor. I feel very lucky that I can do work that I love.

I have been working with HomeCare Options for 18 years. After a neighbor told me about the classes he was taking to become an aide, I decided to get my CHHA license. I'm very happy with the agency. They are always there for us and, with the pandemic especially, they protect us at all times."

ON HER RELATIONSHIP WITH HER CLIENTS:

"My clients are very special to me. From the first day I meet them, they are not only my clients but they are part of my family. Many of them don't have any other help and might be alone at home the entire week except for when an aide is there. They are happy to see me and usually a couple of minutes after I arrive, they are already smiling. That's a beautiful gift you get being a home care aide. I know they appreciate the work I do for them."

ON WHAT SHE FINDS MOST CHALLENGING IN HER ROLE:

"I really enjoy my job and love what I do. But you need to work really hard as a home care aide, and the pay is very, very low. If you're just working for the money, then forget about it. I'm lucky my husband has a good job, because if it was just me, I could not survive on my salary alone."

ON HOW THE COVID-19 PANDEMIC HAS IMPACTED HER WORK:

"Before the pandemic, I was working more than 30 hours each week. Then everyone was too scared to let aides come into their homes and canceled services, which I understood. I was home without work for a couple of months, but I was still communicating with my clients every day on the phone to check in on them. Eventually I went up to four or six hours a week, and now my hours are back to what they were before. But it was very hard in the beginning. I went on unemployment, but it wasn't enough to even buy food for the week.

Working during the pandemic has caused a lot of stress. I always tell my clients that we need to act as if everybody is infected because we just don't know. I wear my PPE all the time when I go out and take every precaution I can, so I don't risk infecting my family or clients. I don't go to restaurants, even to eat outside. I can't take that chance. I really get mad when I go out and see people that wear their mask below their nose or don't use a mask at all. I think, 'Come on. A lot of us are sacrificing so much to take care of people. Wear your mask out of respect for them.'"

As a home health aide who is deeply dedicated to her clients, Maria stayed connected to them while navigating the emotional and financial stresses that COVID-19 placed on her family.

POLICY OPPORTUNITIES

As this report illustrates, direct care workers and their employers in New Jersey face several barriers that reinforce poor job quality in this essential sector. Recent policy reforms in New Jersey for this workforce are a step in the right direction, but the long-standing challenges facing direct care workers and the recent devastation from COVID-19 merit a long-term intervention comprised of multiple strategies that address all aspects of this workforce and sector. Below are seven opportunities that would help strengthen New Jersey's direct care workforce and the long-term care sector.

1 **Poor job quality in direct care hurts workers, consumers, and the entire long-term care sector in New Jersey—transforming this workforce would reap benefits in all directions.** Direct care workers in New Jersey struggle with many of the same challenges as their peers in other states: low compensation, high poverty, inadequate training, limited career advancement opportunities, and a job that remains undervalued in a chronically underfunded system. Jobs that do not support workers' economic wellbeing lead to high turnover—and workers, consumers, and employers suffer. Low-wage jobs also hurt the economy, as consumer spending decreases and public assistance utilization increases.

2 **Improving compensation for New Jersey's direct care workers will stabilize them economically and help reduce turnover, yet any policy that raise wages for this workforce must be paired with increased funding for their employers.** The employers featured in this policy brief described an all-too-common barrier: limited public funding and insufficient reimbursement rates under Medicaid (and other payers) prevent many employers from delivering sufficient levels of care and improving jobs for direct care workers. As state leaders consider increasing wages for this job sector (or all New Jersey workers), they should ensure that employers receive a commensurate level of funding to implement these new wage laws without cutting service hours.

3 **New Jersey's direct care workforce would benefit from a range of job improvements such as enhanced training requirements and programs, career advancement opportunities, and widespread support, respect, and recognition for the essential role they play throughout the state.** What does it take to create a quality job in direct care? PHI's new framework for direct care job quality (included in Appendix 2) outlines 29 concrete strategies across five dimensions: quality training, fair compensation, quality supervision and support, respect and recognition, and real opportunity. New Jersey's long-term care sector has taken important steps in this direction but needs multiple interventions and a significant investment to fully transform these jobs.

4 **Given the demographics of this workforce and a long history of discrimination, workforce interventions in New Jersey must explicitly address the unique barriers facing women, people of color, and immigrants in this job sector.** These populations enter these roles having lived through the ongoing reality and effects of gender injustice, structural racism, and other inequalities, only to encounter a sector where bias and discrimination are ubiquitous. As described in our new framework on direct care job quality, employers should consider collecting race-related outcomes data to understand where disparities are occurring, and set hiring and retention goals to promote opportunity at all levels throughout the organization—among other diversity, equity, and inclusion approaches. Policymakers should also consider funding strategies that strengthen the social safety net for low-wage workers (paid leave, childcare, etc.), as well as fund organizations rooted in communities of color that provide support to workers of color, as two examples.[4]

5 **State leaders would benefit from more research and analysis on New Jersey's direct care workforce and a stronger data infrastructure to better understand and track these workers.** New Jersey should consider investing in building a data system that allows state leaders to easily track data on workforce volume, stability, compensation, and other variables related to this workforce. Such a system would help identify workforce shortages within the state, and could also include data related to workers' experiences and needs in the field, their access to public safety net policies, training and skill-related data, and disparities within the workforce, among other areas of interest.

6 **Similar to many other states around the country, New Jersey should consider forming a statewide workgroup that can effectively advocate for policy changes in support of direct care workers and their employers.** Since 2003, stakeholders across the spectrum have formed workgroups in at least 11 states to begin solving the problems facing the direct care workforce and design ambitious plans that increase compensation, improve training, boost public awareness, develop career advancement opportunities, and establish workforce data systems, among other goals.[5] New Jersey is ready for this type of collaborative strategy.

7 **Together, New Jersey's public and private sectors should consider funding and sparking this long-term, systemic transformation of the direct care workforce, beginning with a joint, statewide advocacy effort led collaboratively by advocates, providers, and other critical players throughout the state.** This report's policy measures will take a concerted effort among the many stakeholders impacted by the direct care workforce shortage. New Jersey should consider investing in a multi-year advocacy project that brings together diverse—and sometimes divergent—voices from across the state to agree on a shared policy vision for this job sector. Policy transformation takes time and commitment, and this comprehensive approach would ensure that all the right leaders are advocating in unison for a healthier, more stable direct care workforce.

CONCLUSION

New Jersey has a profound opportunity to stabilize the direct care workforce by improving the quality of these jobs through higher compensation, stronger training and career advancement opportunities, and a full range of additional job supports. Central to these improvements is the need to dedicate more public funding to the long-term care sector, which would bolster the abilities of direct care employers to deliver optimal care and create quality jobs.

COVID-19 has devastated thousands of people throughout New Jersey and strained the state's long-term care system. It has also shed much-needed light on the essential role of direct care workers and what they need to perform their jobs safely and effectively. The state's long-term care sector should be fully equipped to manage both future health crises and the growing demographic of older adults and people with disabilities who rely on direct care workers to get through the day.

It's time to prioritize this workforce.

PROFILE OF DIRECT CARE WORKERS IN NEW JERSEY, 2018

	Home Care	Residential Care Homes	Nursing Homes	All Direct Care Workers
Gender				
Male	7%	14%	13%	9%
Female	93%	86%	87%	91%
Age				
16-24	5%	13%	10%	8%
25-34	14%	28%	18%	16%
35-44	18%	17%	20%	19%
45-54	26%	22%	25%	25%
55-64	27%	17%	23%	24%
65+	10%	4%	4%	7%
Median Age	49	41	46	48
Race and Ethnicity				
White	20%	22%	16%	18%
Black or African American	32%	58%	62%	45%
Hispanic or Latino (Any Race)	39%	15%	13%	28%
Asian or Pacific Islander	6%	2%	7%	6%
Other	3%	3%	2%	2%
Children				
Own Child in Household	23%	27%	30%	25%
Own Child Under Age 5 in Household	7%	12%	9%	9%
Own Child Aged 5 To 17 in Household	20%	24%	25%	22%
Citizenship Status				
U.S. Citizen by Birth	42%	57%	48%	46%
U.S. Citizen by Naturalization	33%	27%	35%	33%
Not a Citizen of the U.S.	25%	16%	17%	21%

PROFILE OF DIRECT CARE WORKERS IN NEW JERSEY, 2018 (CONT.)

	Home Care	Residential Care Homes	Nursing Homes	All Direct Care Workers
Educational Attainment				
Less than High School	21%	8%	12%	17%
High School Graduate	40%	46%	46%	44%
Some College, No Degree	20%	27%	28%	23%
Associate's Degree or Higher	18%	18%	14%	17%
Employment Status				
Full-Time	69%	86%	91%	77%
Part-Time, Non-Economic Reasons	22%	12%	7%	17%
Part-Time, Economic Reasons	9%	2%	2%	5%
Annual Earnings				
Median Personal Earnings	$17,300	$25,800	$26,400	$21,200
Median Family Income	$40,300	$49,900	$61,100	$46,600
Federal Poverty Level				
Less than 100%	17%	8%	7%	12%
Less than 138%	29%	17%	17%	24%
Less than 200%	46%	37%	30%	40%
Public Assistance				
Any Public Assistance	50%	36%	31%	43%
Food and Nutrition Assistance	24%	18%	20%	22%
Medicaid	35%	25%	16%	28%
Cash Assistance	2%	1%	1%	2%
Health Insurance Status				
Any Health Insurance	81%	90%	86%	84%
Health Insurance through Employer/Union	35%	60%	67%	48%
Medicaid, Medicare, or Other Public Coverage	42%	29%	20%	34%
Health Insurance Purchased Directly	12%	8%	6%	9%
Affordable Housing				
Has Affordable Housing	49%	53%	54%	51%
Lacks Affordable Housing	51%	47%	46%	49%

Source: Ruggles, Steven, Sarah Flood, Ronald Goeken, Josiah Grover, Erin Meyer, Jose Pacas, and Matthew Sobek. 2020. *IPUMS USA: Version 10.0.* https://doi.org/10.18128/D010.V10.0; Flood, Sarah, Miriam King, Renae Rodgers, Steven Ruggles and J. Robert Warren. 2020. *Integrated Public Use Microdata Series, Current Population Survey: Version 7.0.* https://doi.org/10.18128/D030.V7.0; analysis by PHI (September 2020).

PHI FRAMEWORK: THE 5 PILLARS OF DIRECT CARE JOB QUALITY

QUALITY TRAINING

- Training is accessible, affordable, and relevant to the job
- Content covers a range of relational and technical skills associated with quality care
- Competency-based, adult learner-centered instruction with opportunities for hands-on learning
- Programs account for cultural, linguistic, and learning differences
- Documentation and verification of program completion and /or certification, with connections to employment

FAIR COMPENSATION

- Living wage as a base wage
- Access to full-time hours
- Consistent scheduling and notice of scheduling changes
- Employer- or union-sponsored benefit plans
- Paid sick days and paid family and medical leave
- Grief support and bereavement leave
- Financial support and asset development programs
- Access to merit, longevity, and other base pay increases

QUALITY SUPERVISION & SUPPORT

- Clear presentation of job requirements, responsibilities, workflows, and reporting structures
- Consistent, accessible, and supportive supervision
- Access to personal protective equipment and other supplies to ensure worker and client safety
- Connection to peer mentors and peer support networks
- Connection to community-based organizations to address employment-related barriers

RESPECT & RECOGNITION

- Direct care workers reflected in organizational mission, values, and business plans
- Diversity, equity, and inclusion formalized in organizational practices
- Consistent feedback is given on work performance and retention is celebrated
- Opportunities for direct care workers to influence organizational decisions
- Clear communication about changes affecting workers, with opportunities for feedback
- Direct care workers empowered to participate in care planning and coordination
- Other staff trained to value direct care workers' input and skills

REAL OPPORTUNITY

- Employer-sponsored continuous learning available to build core and specialized direct care skills
- Opportunities for promotion into advanced direct care roles with wage and title increases
- Organizational commitment to cross-training workers and promoting from within
- Connections to external training and job development programs for other health care and social service careers

Source: PHI. *The 5 Pillars of Direct Care Job Quality.* PHI: Bronx, NY. https://phinational.org/resource/the-5-pillars-of-direct-care-job-quality/

NOTES

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4. Espinoza, Robert and Jean C. Accius. 2020. "The Case for Racial Equity in Aging Has Never Been Stronger." *American Society on Aging Blog.* https://www.asaging.org/blog/case-racial-equity-aging-has-never-been-stronger.
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