U.S. HOME CARE WORKERS: KEY FACTS
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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.¹ 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 2050.²

Employers struggle to recruit and retain adequate numbers of home care workers, as evidenced by growing workforce shortages.³ 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.⁴ One in four home care workers lives below the federal poverty line (FPL) and over half rely on some form of public assistance.⁵

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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.

- 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.” 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.

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. 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. 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.


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 $13,800.10

• 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.11

Chart Sources:

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. Coverage gains are largely attributable to the Affordable Care Act, which expanded health care coverage through Medicaid, employer-sponsored plans, and individual plans.

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**HOME CARE WORKERS ACCESSING PUBLIC ASSISTANCE, 2015**

- Any Public Assistance: 52%
- Food and Nutrition Assistance: 32%
- Medicaid: 31%
- Cash Assistance: 3%

**HOME CARE WORKERS BY HEALTH INSURANCE STATUS, 2015**

- Health Insurance Purchased Directly: 13%
- Health Insurance Through Employer / Union: 37%
- Medicaid, Medicare, or Other Public Coverage: 40%
- Any Health Insurance Coverage: 82%

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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

- Home Care Workers: 633,100
- Registered Nurses: 439,300
- Retail Salespersons: 343,500
- Customer Service Representatives: 252,900
- Restaurant Cooks: 158,900

- Home Health Aides and Nursing Assistants
- Personal Care Aides

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.

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.


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/.

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<tr>
<th>TITLE</th>
<th>OTHER TITLES</th>
<th>JOB DESCRIPTION</th>
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<tr>
<td><strong>Personal Care Aides</strong></td>
<td>Personal Care Attendant, Personal Assistant, Direct Support Professional</td>
<td>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.</td>
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<tr>
<td>(SOC 39-9021)</td>
<td>(for people with intellectual and developmental disabilities); also includes Independent Providers (employed directly by consumers)</td>
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<td><strong>Home Health Aides</strong></td>
<td>Home Hospice Aide, Home Health Attendant</td>
<td>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.</td>
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<td>(SOC 31-1011)</td>
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<tr>
<td><strong>Nursing Assistants</strong></td>
<td>Certified Nursing Assistant, Certified Nursing Aide, Nursing Attendant, Nursing Aide, Nursing Care Attendant</td>
<td>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.</td>
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<td>(SOC 31-1014)</td>
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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/.

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<tr>
<td><strong>Home Health Care Services</strong></td>
<td>Home Health Care Agencies, Visiting Nurse Associations, In-Home Hospice Care Services</td>
<td>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.</td>
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<td>(NAICS 621610)</td>
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<tr>
<td><strong>Services for the Elderly and Persons with Disabilities</strong></td>
<td>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</td>
<td>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.</td>
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<td>(NAICS 624120)</td>
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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.


5. U.S. Census Bureau, 2016.

6. 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.

9. 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.


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 and 60CaregiverIssues.org.