U.S. HOME CARE WORKERS

KEY FACTS
U.S. HOME CARE WORKERS

Over 2.1 million home care workers provide personal assistance and health care support to older adults and people with disabilities in their homes and in community-based settings across the United States.

In the past 10 years, the provision of long-term services and support has increasingly shifted from institutional settings, such as nursing homes, to private homes and communities. To meet this changing need, the home care workforce more than doubled in size between 2007 and 2017. In the years ahead, 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 a projected 88 million in 2050.

As evidenced by the growing workforce shortage in home care, employers are struggling to recruit and retain sufficient numbers of workers to meet demand. Their struggle is exacerbated by the poor quality of home care jobs. With a median hourly wage of $11.03 and inconsistent work hours, home care workers typically earn $15,100 annually. One in five home care workers lives below the federal poverty line and more than half rely on some form of public assistance.

WHO ARE HOME CARE WORKERS?

Home care workers are direct care workers (personal care aides, home health aides, and nursing assistants) who assist older adults and people with disabilities in their homes.

- Nearly 9 in 10 home care workers are women, and their median age is 47.
- Home care roles generally have low legal and employer-based requirements for education, experience, and training. As a result, workers may find opportunities in home care when they would otherwise encounter language, educational, or discriminatory barriers.
- While people of color make up just over one-third of the total U.S. workforce, they comprise 60 percent of all home care workers.\(^6\)
- Over one-quarter of home care workers were born outside the United States. Thirty-two percent report speaking English “not well” or “not at all.”\(^7\)
- Eighty-six percent are U.S. citizens.\(^8\)
- Half of home care workers have completed no formal education beyond high school.

THE ROLE OF HOME CARE WORKERS

All home care workers assist with daily tasks such as eating, dressing, and bathing, while other responsibilities differ across occupational groups. Personal care aides provide social support to help older adults and people living with disabilities remain active in their communities. Home health aides and nursing assistants perform certain clinical tasks under the supervision of a licensed professional. (See Notes on Occupational Titles and Industry Classifications, page 9, for more details.)

- The home care workforce more than doubled in size over the past 10 years, from nearly 840,000 in 2007 to over two million in 2017.

Personal care aides accounted for more than three-quarters of this occupational growth, reflecting the increasing demand for non-medical in-home support.

- PHI estimates that at least 325,000 home care workers are employed directly by consumers as independent providers. Due to recent methodological changes in the Bureau of Labor Statistic’s Occupational Employment Survey, most of these independent providers are included in the 2017 data in the “Home Care Worker Employment by Occupation” figure below. However, due to survey under-reporting, this estimate likely excludes many home care workers who are hired directly by consumers through the “gray market.”

- Home care workers constitute nearly half 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 is 4.3 million workers.

HOME CARE WORKER EMPLOYMENT BY OCCUPATION, 2007 TO 2017

• More than **two-thirds** of the home care workforce is employed by for-profit companies.

• Home care jobs are predominantly government-funded. Payments from public programs (primarily Medicare or Medicaid) constituted **65 percent** of the Home Health Care Services industry’s **$77.6 billion annual revenue** in 2016.¹¹


### THE CHALLENGES FOR THIS WORKFORCE

• **On average, home care workers’ wages have barely risen over the past 10 years:** inflation-adjusted median hourly wages were $10.66 in 2007 and $11.03 in 2017. This means that while goods and services increased in price, the purchasing power of home care workers’ wages remained nearly the same. There was some variation among occupational groups: **personal care aide wages rose by $0.95** over that decade, while **home health aide and nursing assistant wages dropped by $0.11**. However, personal care aide wages remain lower than home health aide and nursing assistant wages, at a median wage of $10.92 compared to $11.24.

• **Two in five home care workers work part time**, defined as less than 35 hours per week. Thirty-two percent work part time for “non-economic reasons,” which include personal or family obligations and health problems. Eight percent work part time for “economic reasons,” which means they are not able to find full-time work due to business conditions at their workplaces or in the broader labor market.\(^\text{12}\)

• Because of low wages and inconsistent hours, **the median annual income for home care workers is $15,100.\(^\text{13}\)**

• Low incomes lead to high poverty rates among home care workers: **nearly one in five lives in a household below the federal poverty line**, compared to 7 percent of all U.S. workers.\(^\text{14}\)

• Because of high poverty rates among home care workers, **more than half receive some form of public assistance.**

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Nearly 20 percent of home care workers lack health insurance. Thirty-nine percent rely on public health care coverage, most commonly Medicaid.

Home care ranks among the top 10 fastest-growing occupations in the U.S. Furthermore, from 2016 to 2026, home care workers are projected to add more jobs than any other single occupation, with over 1 million new jobs anticipated. Personal care aides will account for more than three-quarters of the projected home care employment growth. To note: because Bureau of Labor Statistics employment projection models account for recent industry and employment trends, not projected population growth, these home care projections likely underestimate future demand.

FUTURE DEMAND FOR HOME CARE WORKERS


From 2016 to 2050, the population of adults over age 65 will nearly double, from 47.8 million to 88 million. The number of adults over 85 is expected to more than triple over the same period, from 6.3 million to 19 million. This demographic shift is the primary driver of employment growth for home care workers.

In contrast to this rapid growth in the older adult population, the population of working-age adults (aged 18 to 64) is expected to remain relatively static. Currently, there are 32 working-age adults for every adult over age 85; by 2050, that number will drop to 12.

Labor force participation among women ages 20 to 64, who currently comprise the majority of the home care workforce, is declining, with fewer women now entering the workforce than in previous generations. This workforce will increase by 3.5 million in the next decade, compared to 7.7 million in 1996 to 2006.

This trend suggests the need to recruit new, “non-traditional” workers to the home care field. For example, another 2.2 million men aged 20 to 64 will join the labor force in the next decade. The number of older adults (above the age of 65) who participate in the labor force is expanding significantly, with an expected increase of 5.3 million from 2016 to 2026.

### INCREASE IN LABOR FORCE PARTICIPATION BY GENDER AND AGE, 1996 TO 2026
(In Thousands)

<table>
<thead>
<tr>
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<th>1996 to 2006</th>
<th>2006 to 2016</th>
<th>2016 to 2026</th>
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<tbody>
<tr>
<td>Women 20 to 64 Years</td>
<td>7,686</td>
<td>3,210</td>
<td>3,544</td>
</tr>
<tr>
<td>Men 20 to 64 Years</td>
<td>8,669</td>
<td>2,153</td>
<td>2,173</td>
</tr>
<tr>
<td>All Genders 20 to 64 Years and Over</td>
<td>1,656</td>
<td>3,788</td>
<td>5,345</td>
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The home care field is experiencing a significant and growing shortage of home care workers due to greater demand for home care services, paired with limited growth in the labor force. To bridge this gap, it will be necessary to improve the quality of home care jobs to make them more competitive, including by offering higher wages and benefits, full-time hours, better training and advancement opportunities, and improved working conditions.
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/SOC.

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<tr>
<th>TITLE</th>
<th>OTHER TITLES</th>
<th>JOB DESCRIPTION</th>
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<tbody>
<tr>
<td>Personal Care Aides</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</td>
<td></td>
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<tr>
<td></td>
<td>Independent Providers (employed directly by consumers)</td>
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<tr>
<td>Home Health Aides</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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<tr>
<td>(SOC 31-1011)</td>
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<tr>
<td>Nursing Assistants</td>
<td>Certified Nursing Assistant, Certified Nursing Aide, Nursing 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>
</tr>
<tr>
<td>(SOC 31-1014)</td>
<td>(Nursing Aide, Nursing Attendant, Nursing Care Attendant)</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 https://www.census.gov/eos/www/naics/.

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<tr>
<th>TITLE</th>
<th>EXAMPLES</th>
<th>INDUSTRY DESCRIPTION</th>
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<tbody>
<tr>
<td>Home Health Care Services (NAICS 621610)</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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<tr>
<td>Services for the Elderly and Persons with Disabilities (NAICS 624120)</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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DATA SOURCES AND METHODS

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. All numbers are rounded to the nearest whole number unless shown otherwise.

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 were 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 a small proportion of atypically high-paid home care workers. The Consumer Price Index (CPI) for All Urban Consumers (Current Series) was used to adjust wages for inflation.
Home care worker demographics, annual earnings, poverty status, reliance on public assistance, and health insurance status were sourced from the U.S. Census Bureau’s American Community Survey (ACS), as was the estimate on independent providers. Employment status was sourced from the U.S. Census Bureau’s Current Population Survey. Since these surveys do not provide data at the level of the Services for the Elderly and Persons with Disabilities industry, the parent industry (Individual and Family Services) was used instead.

NOTES


7. U.S. Census Bureau, 2017a.

8. The unrounded numbers for U.S. citizens by birth and by naturalization are 70.5 percent and 15.9 percent, which is why this summary percentage (86 percent) does not align directly with the percentages shown in the figure on citizenship status.

9. This estimate of independent providers includes home care workers who report that they are self-employed or government-employed in the American Community Survey (ACS). As the ACS surveys individuals, this estimate cannot be combined with the workforce data from the BLS Occupational Employment Survey, which surveys establishments.

10. Other industries employing direct care workers include (but are not limited to) continuing care retirement communities, assisted living facilities, residential facilities, employment services, and vocational rehabilitation services.


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](http://www.PHInational.org) and [60CaregiverIssues.org](http://60CaregiverIssues.org).