California is home to the largest direct-care workforce in the country. Each day, over a half million personal attendants, home health aides, and nursing aides provide essential daily living services and supports to persons with disabilities and chronic care needs, including elders and those with physical or intellectual and developmental disabilities.1

Responsible for 70 to 80 percent of paid hands-on care, these workers attend to the health, well-being, and safety of their clients or patients in their own homes, in residential settings, and in non-residential programs. Direct-care workers assist with self-care and everyday living activities, such as eating, bathing, and dressing, and sometimes also with medical services. In addition, these workers also serve as the “eyes and ears” for licensed professionals, including nurses and physical therapists, and provide critical support for family members seeking to balance employment with caregiving for a family member.

A sizeable and diverse workforce

California’s direct-care workforce today totals over 500,000 workers and is larger than almost any other occupational grouping in the state.

California’s Largest Occupational Groups

<table>
<thead>
<tr>
<th>Occupational Group</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teachers from Pre-School to 12th Grade plus Special Ed</td>
<td>572,500</td>
</tr>
<tr>
<td>Direct-Care Workers</td>
<td>508,900</td>
</tr>
<tr>
<td>Retail Salespersons</td>
<td>499,400</td>
</tr>
<tr>
<td>Law Enforcement/Public Safety Workers</td>
<td>376,700</td>
</tr>
<tr>
<td>Cashiers</td>
<td>363,300</td>
</tr>
<tr>
<td>Farm and Agricultural Workers</td>
<td>272,300</td>
</tr>
</tbody>
</table>

California’s direct-care workforce is one of the most diverse in the country: 70 percent of direct-care workers in the state are non-white and nearly 50 percent are foreign-born.

This Fact Sheet was supported by The SCAN Foundation, www.TheSCANFoundation.org, and prepared by PHI. State Facts is a series of short issue briefs and fact sheets on the regional status of the direct-care workforce. For more information about PHI and to access other PHI publications see www.PHInational.org/policy/publications.
Largely employed in home and community-based settings

The occupational makeup of California’s direct-care workforce is unique. Over two-thirds of the workforce consists of Personal Care Aides (PCAs) and 80 percent of PCAs work directly for private households. Home Health Aides (HHAs) comprise only 11 percent of the workforce, compared to 29 percent nationally, and Nursing Aides, Orderlies and Attendants constitute 21 percent compared to 46 percent nationally.

Roughly three-quarters of California’s direct-care workers are employed in home and community-based settings. Another 20 percent are employed in nursing care facilities and hospitals. Nationally, 35 percent of direct-care workers are employed in these settings.

The dominance of home- and community-based service delivery systems in California primarily reflects the substantial size of the state’s consumer-directed in-home care program—the In-Home Supportive Services (IHSS) Program. IHSS is the largest personal care program in the nation and is funded through a combination of state, county, and federal Medicaid funds.²

Among the fastest-growing occupations creating the most new jobs

PCAs top the list of occupations projected to create the most jobs in California between 2008 and 2018. Over 200,000 job openings for PCAs are expected.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Openings due to growth &amp; replacements³</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Personal Care Aides</td>
<td>201,410</td>
</tr>
<tr>
<td>2. Retail Salespersons</td>
<td>198,970</td>
</tr>
<tr>
<td>3. Cashiers</td>
<td>188,560</td>
</tr>
<tr>
<td>4. Waiters &amp; Waitresses</td>
<td>169,820</td>
</tr>
<tr>
<td>5. Food Prep, Serving &amp; Fast Food Workers</td>
<td>103,450</td>
</tr>
<tr>
<td>6. Registered Nurses</td>
<td>102,090</td>
</tr>
</tbody>
</table>
Furthermore, PCAs and HHAs are projected to be the third and fourth fastest-growing occupations in the state, increasing by 45.7 percent and 43.6 percent, respectively.

In total, the California Employment Development Department projects demand for over 260,000 direct-care jobs from 2008 to 2018.

**Growing role of eldercare/disability services in California’s economy**

Direct-care jobs constitute the employment core of eldercare/disability services, far outnumbering doctors, nurses, and other professional health care workers. This sector has assumed a pivotal role in the California economy, accounting for a striking 41 percent of overall health care and health assistance employment.\(^4\)

**Uncompetitive wages poorly aligned with training standards**

The median hourly wage for all occupations in California was $17.92 in 2009. In sharp contrast, wages for PCAs and HHAs are among the state’s lowest, with levels that fall below 200 percent of the federal poverty line for a single person. The 200 percent poverty level is low enough to qualify households for many state and federal assistance programs. Wages for Nursing Aides are higher, yet still far below the state’s median wage.
Over the last 10 years, inflation-adjusted hourly wages (i.e., “real wages”) for Nursing Aides, Orderlies and Attendants increased by 17 percent. PCA wages have shown modest positive growth since 2003, but real wages for HHAs have declined. The gap between Nursing Aide and HHA wages in California is relatively large—23 percent—the eighth largest gap across all states and the District of Columbia.

For home- and community-based workers, training standards are poorly aligned with wages. PCAs tend to earn slightly higher wages than HHAs yet HHAs in California must complete 75 hours of state-mandated training. No comparable training standards exist for PCAs, although various county-based IHSS intermediaries offer and encourage a range of training opportunities for independent providers. Furthermore, while California regulations encourage the dual certification of Nursing Aides and HHAs, the wage gap between the two positions provides a disincentive for CNAs to move from nursing facilities and hospitals to in-home settings.
Part-time work common for home-based workers

Roughly three-quarters of direct-care workers employed in California’s nursing care facilities and hospitals work full-time full-year. In contrast, workers in home and community-based settings are more likely to work part time, either by choice or because full-time opportunities are lacking: 47 percent of direct-care workers employed by private households work part time as do 56 percent of those employed by home health care agencies.

This high incidence of part-time work, combined with lower wages, limits the annual earnings of California’s home care workers. From 2007 to 2009, median annual earnings for aides employed by private households and by home health care agencies averaged $14,000 and $15,000 respectively. In contrast, aides working in nursing homes earned $20,000 and those employed in hospitals earned $27,500.

Public subsidies required to meet basic needs

Poverty status. Of direct-care workers in California, 43 percent live in households with incomes at or below 200 percent of the federal poverty line. Nearly a third of Nursing Aides live in these very low-income households along with half of PCAs.

Reliance on public benefits. Just over half of direct-care workers in California rely on some form of public assistance (e.g., food stamps, housing, Medicaid). Of the state’s direct-care worker households, 44 percent rely on Medicaid for health coverage.

Endnotes

1. In standardized government surveys of employment and compensation, direct-care workers are officially counted as Personal Care Aides; Home Health Aides; and Nursing Aides, Orderlies and Attendants.

Personal Care Aides may work in either private or group homes. They have many titles, including personal care attendant, personal assistant, and direct support professional (the latter work with people with intellectual and developmental disabilities). In addition to providing assistance with activities of daily living (ADLs)—such as eating, dressing, bathing, and toileting—these aides often help with housekeeping chores, meal preparation, and medication management. They also help individuals go to work and remain engaged in their communities. A growing number of personal assistance workers are employed and supervised directly by consumers.

Home Health Aides provide essentially the same care and services as nursing aides, but they assist people in their own homes or in community settings under the supervision of a nurse or therapist. They may also perform light housekeeping tasks.

Nursing Aides generally work in nursing homes, although some work in assisted living facilities, other community-based settings, or hospitals. They assist residents with ADLs, and also perform clinical tasks such as range-of-motion exercises and blood pressure readings. In some states, they may also administer oral medications.

Endnotes continued on page 6
Endnotes continued

2 In 2009, the IHSS program employed approximately 376,000 providers [see M. Taylor (January 2010) Considering the State Costs and Benefits: In-Home Supportive Services Program, CA Legislative Analyst’s Office, available at http://www.lao.ca.gov/reports/2010/asrv/ihss/ihss_012110.pdf]. Note that this IHSS provider count exceeds the CA Employment Development Department’s 2008 estimate of the number of PCAs working directly for households of 278,900. Nearly two-thirds of IHSS recipients receive care from a provider who is related to them (a “relative provider”), and in about half of cases, IHSS providers live in the same home as IHSS recipients.

3 Replacement needs refer to the number of workers leaving an occupation due, for example, to voluntary or involuntary turnover, retirement, promotion, labor force withdrawal, or death.

4 Services provided through the eldercare/disability services industry span both the conventional health care sector and health assistance services. Health care is traditionally defined to include three industry groupings: Hospitals, Ambulatory Health Care, and Nursing and Residential Care Facilities. Health assistance services refer to non-residential and nonmedical personal and social assistance services and supports delivered in homes and settings such as day programs that complement health-oriented services and provide people assistance with essential activities of daily living.

Data Sources


Industry employment data are from CA Employment Development Department, Labor Market Information, Quarterly Census of Employment & Wages (ES-202), available at http://www.labormarketinfo.edd.ca.gov/?pageid=1016

Statistics relating to direct-care worker demographics and employment/income characteristics are based on PHI analysis of U.S. Census Bureau, Current Population Survey, pooled data from the 2008, 2009, and 2010 Annual Social & Economic (ASEC) Supplements for California, with statistical programming and data analysis provided by Carlos Figueiredo.