Profiles of the Direct-Care Workforce and PHI (Paraprofessional Healthcare Institute)

"One out of every 12 low-wage workers is a direct-care worker in the United States. So if you're thinking about having impact on low-income communities, and particularly women, there's no other workforce…no other set of occupations more important."
–Steven Dawson, Strategic Advisor of PHI

Quick Facts

- Direct-care workers are a low-wage, high-turnover workforce with low levels of health insurance. These job conditions are believed to affect the quality of direct-care.
- The direct-care industry is expected to add approximately 1.6 million jobs by 2020.[1]
- PHI (Paraprofessional Healthcare Institute) is a national nonprofit development organization that offers workforce development, training and various supports to the direct-care industry. The organization designs training programs; engages with employers, intermediaries, and consumers; and researches and advocates for public policy improvements.

Introduction

In 2011, nearly 4 million workers in the United States were employed in direct-care positions, including nursing aides, home health aides and personal care attendants.[2] While direct-care workers play a critical role in supporting the lives of people who have functional limitations as a result of age or disability, direct-care jobs are often characterized by low-wages, part-time hours and few benefits or pathways for career advancement.

In 2012, The Aspen Institute's Workforce Strategies Initiative hosted a roundtable discussion titled *Better Care through Better Jobs: Improving Training and Employment for Direct-Care Workers* as part of a discussion series titled *Reinventing Low-Wage Work: Ideas That Can Work for Employees, Employers and the Economy,* which brought together academics, workforce

[1] Bureau of Labor and Statistics, U.S. Department of Labor *Occupational Employment Projections to 2020*, http://www.bls.gov/emp/ep_table_104.htm (accessed 8 April 2012).
[2] PHI, "American's Direct-Care Workforce," Facts #3, May 2012 Update, http://phinational.org/sites/phinational.org/files/phi-facts-3.pdf (accessed 15 December 2012)

development leaders, employers, advocates and philanthropic leaders to explore the challenges of low-wage work as well as strategies for improving low-wage employment.

In this brief, we provide an overview of work in the direct-care industry and profile PHI (Paraprofessional Healthcare Institute), an organization dedicated to improving job quality in the industry. Our goal is to offer information to those involved in workforce development about the challenges of work in the direct-care industry and the strategies PHI uses to promote job quality improvements.

Overview of Direct-Care Workforce

Demographics of Direct-Care Workers

Direct-care workers are predominantly female. Eight-four percent of personal care aides and 90 percent of nursing, psychiatry and home health aides are female, compared to 34 percent of physicians and surgeons.[3] Persons of color, particularly African-Americans and Latinos, are also over-represented in direct-care positions, with 31 percent of direct-care workers being African-American and 15 percent being Hispanic or Latino. The average age of direct-care workers is 42 and 20 percent of workers in this field are foreign-born.[4]

Wages and Benefits

The median wage in 2011 for health care practitioners and technical positions, including registered nurses, various types of physicians and therapists (physical, speech and occupation), was $28.64 per hour. Direct-care workers, on the other hand, fared far worse in terms of earnings. Home health aides were among the lowest paid health care occupations at $9.91 per hour; nursing aides, orderlies and attendants earned a median of $11.63 per hour. Personal care aides made a median of $9.49 per hour.[5]

Home care workers have been exempt from federal minimum wage and hour protection laws since 1974, although the Obama administration recently proposed to narrow the regulatory exemption, in order to provide equal labor protections to home care workers.[6] Still, direct-care workers face many challenges and, as noted in the *Monthly Labor Review*, "constitute a low-wage, high-turnover workforce with low levels of health insurance."[7]

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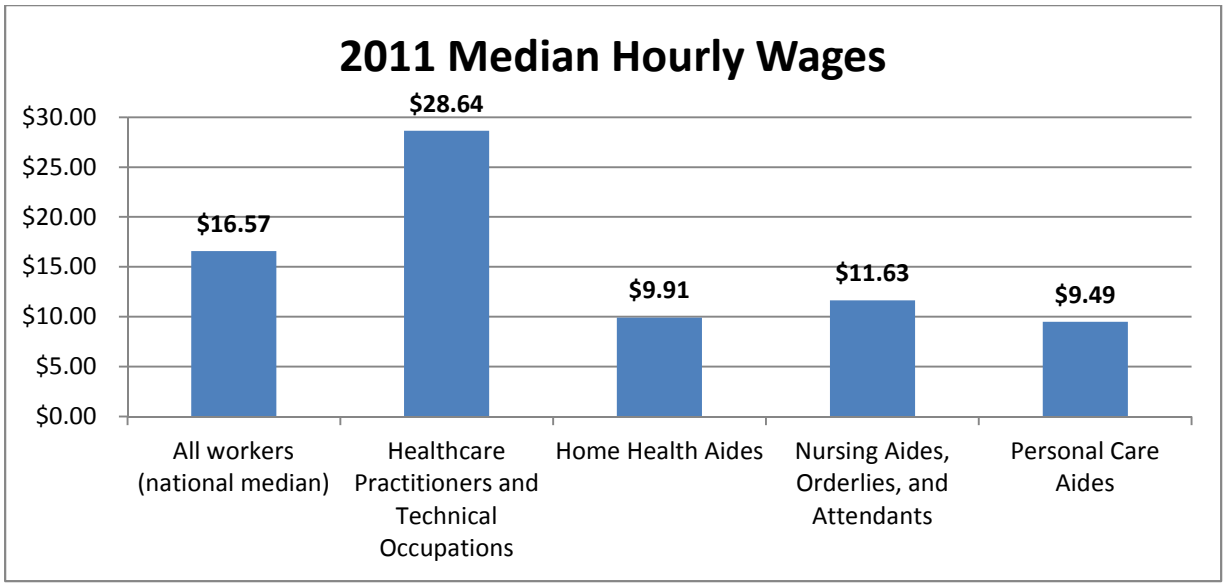
[3] Bureau of Labor and Statistics, U.S. Department of Labor, *Current Population Survey,* http://www.bls.gov/cps/ (accessed 7 April 2012).
[4] (PHI, 2012)
[5] Bureau of Labor and Statistics, U.S. Department of Labor, *May 2011 National Occupational Employment and Wage Estimates*, http://www.bls.gov/oes/current/oes_nat.htm (accessed 1 April 2012).
[6] Roger Runnigen, "Obama Seeks Minimum Wage Coverage for Home Health-Care Aides," *Bloomberg News.*, December 15, 2011, http://www.bloomberg.com/news/2011-12-15/obama-proposes-extending-minimum-wage-rights-to-home-health-care-workers.html (accessed 16 March 2012).
[7] Kristin Smith and Reagan Baughman, "Caring for America's Aging Population: A Profile of the Direct-Care Workforce," *Monthly Labor Review, 130, 20*-26; 2007.



Source: *Bureau of Labor and Statistics, May 2011 National Occupational Employment and Wage Estimates, 2012.*

Similar to wages, the benefits available to direct-care workers vary within the industry. While many other types of workers receive health care insurance, paid sick and vacation time, as well as retirement plans, direct-care workers often do not. According to PHI, 30 percent of direct-care workers lack health care insurance.[8]

Working Conditions and Hours Worked

The health care industry can be divided into the following segments: hospitals, nursing and residential care facilities; offices of physicians, dentists and other health care practitioners; ambulatory care services; and home health care services. In many of these establishments, workers are needed around the clock so they must often work varying shifts or hours. Much of the work in the health care industry is also part-time and it is not uncommon for a worker to have numerous part-time jobs. About 20 percent of the health care workforce works part time.[9] This contrasts sharply, however, with the 49 percent of workers in direct care who work part time.[10]

Direct-care workers help the elders and people with disabilities eat, bathe, dress, go to the bathroom and perform a variety of daily tasks. In general, incidences of occupational injury and illness are higher in hospitals than the average for the industry overall. Nursing care facilities have even higher rates than hospitals. Direct-care workers face many physical and safety challenges. These workers "must take precautions to prevent back strain from lifting patients and equipment, to minimize exposure to radiation and caustic chemicals, and to guard against infectious diseases,"[11] according to the Bureau of Labor and Statistics. Direct-care workers who provide in-home services and other workers who must travel often as part of their job are vulnerable to highway accidents and must have reliable means of transportation to maintain employment.[12]

[8] (PHI, 2012)
[9] Bureau of Labor and Statistics, U.S. Department of Labor, *Occupational Outlook Handbook, 2012-2013 Edition,* http://www.bls.gov/ooh/ (accessed 23 March 2012).
[10] (PHI, 2012)
[11] (*Occupational Outlook Handbook, 2012)*
[12] Ibid.

Education and Advancement Opportunities

Many higher paying jobs in health care, such as registered nurse, physical therapist and doctor, require at least a bachelor's degree or higher. Conversely, many technical positions, such as radiologic technician, dental hygienist or vocational nurse, require a one- or two-year certificate or degree. Direct-care positions, however, such as personal and home care aides or nursing assistants require little or no specialized education or training, with much of the training occurring on the job. Of workers in nursing and residential care facilities, 47 percent have a high school diploma or less. Those employed in direct-care positions may advance to higher level positions or occupations with more training or education, although the path to these jobs may take several years of additional schooling. Hospitals and larger establishments are more likely than other facilities, such as nursing homes, to offer their workers additional training opportunities.[13]

Employment Projections

Based on current projections, 20.5 million jobs will be added to the economy by 2020, an increase of 14 percent. Much of this job growth will come in the health care sector. Registered nurses are expected to add 712,000 jobs, the largest increase in jobs of all occupations. Employment in home health care services and services for people who are elderly or disabled are each expected to grow by over 80 percent. This growth will result in the direct-care workforce growing 48 percent to nearly 5 million jobs, which is an increase of 1.6 million new jobs for home health aides, nursing assistants and personal care assistants.[14] However, the number of females in the workforce between the ages of 25 and 54, who make up the majority of the direct-care workers, is not expected to keep pace with the fast growth in these particular jobs.[15]

Profile of PHI (Paraprofessional Healthcare Institute)

PHI (www.PHInational.org) is a national nonprofit organization working to improve the quality of eldercare and disability services by improving the quality of direct-care jobs. PHI is committed to achieving quality care through quality jobs by helping direct-care workers gain family-sustaining wages, affordable health insurance, full-time hours, stable work schedules, training and opportunities for career advancement, as well as supportive supervision. In addition, PHI is focused on fostering understanding of the important and unique relationship between the consumers of care and the direct-care workers who provide that care.

The organization was founded in 1991 in the South Bronx as an extension of a local worker-owned, for-profit home care agency, Cooperative Home Care Associates (CHCA). PHI began as the training provider for CHCA's workforce, while using its nonprofit status to access philanthropic support. Today, PHI has an annual budget of $7.5 million, works in more than a dozen states and has a staff of 32, with offices in the South Bronx, Washington, D.C. and Lansing, Michigan. In New York City, PHI is part of a network of affiliated nonprofit and cooperative enterprises. Collectively, these organizations have created a $200 million home care

[13] Ibid.

[14] Bureau of Labor and Statistics, U.S. Department of Labor, *Occupational Employment Projections to 2020*, http://www.bls.gov/emp/ep_table_104.htm (accessed 8 April 2012).

[15] Bureau of Labor Statistics, U.S. Department of Labor, *"Employment Outlook 2010-2020," Monthly Labor Review*, Volume 135, Number 1, January 2012, Table 2, http://www.bls.gov/opub/mlr/2012/01/mlr201201.pdf (accessed 6 April 2012).

system that provides care to more than 6,000 individuals, employs 2,200 and directly trains 600 people each year for careers in the industry. [16]

PHI works with various agents in the long-term care industry, including employers, unions, workers, policy makers, training organizations and workforce advocates. As an employer, trainer, research organization and advocate, PHI is strategically and uniquely positioned within the industry it seeks to change. In this short profile, we discuss the different roles, strategies and activities PHI adopts and implements within the direct-care industry to support its mission.

Workforce and Curriculum Development

PHI's work to improve job quality for home care workers begins with designing training programs for the industry. PHI believes that better jobs begin with supportive, well-informed training curricula and an adult learner-centered approach to delivery.[17]

PHI develops training tools and curricula based in part on its acquired knowledge as a trainer of home health care workers through its partnership with CHCA. The organization also partners with a variety of agencies and organizations involved in the home health care industry, such as employers, unions, training organizations, disability advocates, workers and policymakers, to identify gaps in training standards and develop credible training programs. PHI argues that there is substantial opportunity in the industry to rethink the way that the direct-care workforce is recruited, trained and supported.

PHI's organizational framework includes a Workforce and Curriculum Development Team that designs services for a wide spectrum of training programs. For instance, this team designs recruitment and selection strategies as well as on-the-job supports, all of which are services that generally target employers, training organizations, advocates and policymakers. Specifically, the team designed a 77-hour entry-level training curricula for personal care assistants. The program is designed to introduce a wide range of personal care and communication skills to meet the needs of an industry involving intimate and relationship-based work.

PHI's entry-level curricula for home health aides isis designed to meet the specific needs of the trainees as well as federal and state certification standards. In terms of on-the-job supports, the PHI team has developed a three-day peer mentor training workshop for workers who seek to develop skills in leadership, communication and problem-solving.[18]

In addition to designing programs for direct-care workers across the country, PHI develops curricula aimed at training supervisors as well as professionals who train direct-care workers. PHI notes that "few trainers in long-term care settings are familiar with adult learner-centered teaching methods. This interactive form of education has proven to be highly successful with trainees facing language and literacy barriers."[19] Train-the-trainer programs include workshops

[16] Steven Dawson, "Improving Jobs and Care: A National Sector Strategy," PHI, May 2011.
[17] PHI, "Designing Training and Support Programs for Direct-Care Workers and the people They Assist," February 2012, http://phinational.org/sites/phinational.org/files/phi-wcd-brochure.pdf (accessed 10 January 2013).
[18] PHI, "PHI Curricula," www.phinational.org/curricula (accessed 10 January 2013).
[19] PHI, "Designing Training and Support Programs for Direct-Care Workers and the People They Assist," http://phinational.org/workforce (accessed 7 January 2013).

and online resources, as well as on-site consultation from PHI to co-facilitate the initial training programs.

Further, PHI works to train supervisors and consumers of direct-care services (people who are elderly, chronically ill and disabled, as well as family caregivers) in using communication skills and complimentary tools to build stronger relationships with direct-care workers. Through these efforts, PHI makes a point to inform supervisors—the managerial workers at the intersection of staff policies to produce more while using fewer resources— about some of the systemic challenges that routinely face their low-wage employees. For example, PHI reminds supervisors and consumers that low-wage workers may have few resources to rely upon when emergencies and family obligations conflict with workplace responsibilities. PHI also notes that building problem-solving and communication skills has a significant impact on reducing the high rate of turnover among newly hired paraprofessional workers.[20]

Employer and Industry Engagement: Changing the Industry from Within

PHI and its affiliate organizations refer to themselves as having created a "$200 million 'social enterprise system' in New York City to create good jobs and high-quality services and supports."[21] The organization's approach to improving jobs in the direct-care industry is essentially to engage from within the industry as a credible and valued actor at "the intersection of the two fields of eldercare/disability services and low-income workforce development,"[22] according to former PHI President Steven Dawson, who is now Strategic Advisor to PHI. As was previously mentioned, a notable piece of PHI's strategic model is to change employers' behavior by training them on successful practices to build a healthier, more economically stable workforce. PHI engages with employers in several distinctive ways.

PHI grew out of a for-profit employer of home health aides in the South Bronx—the previously mentioned CHCA--which was designed as a model employer of home health aides that would, as a cooperative company, uphold the interests of the workforce. Founded in 1985, CHCA employs 2,200 home care workers—nearly all of whom are Latina or African-American women—and generates $60 million in revenue annually.[23] CHCA is recognized as the largest worker cooperative in the country.[24] This worker-owned employer's self-proclaimed goals are "to offer the highest possible salaries and benefits while building a profitable worker-owned company; give workers opportunities to learn and grow as members of a health care team, and in doing so provide reliable, high-quality home health care services to individuals who are elderly, chronically ill or living with disabilities."[25] PHI works in partnership with CHCA to design, implement and fundraise for a training program for the worker-owned company. This program trains about 600 employees annually; CHCA employs most of the graduates, with the remainder placed at another New York City home care employer, Partners in Care. In May 2011, the program's graduation rate stood at 75 percent.[26]

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[20] PHI, "Creating a Culture of Retention: A Coaching Approach to Supervision," November 2008, http://phinational.org/sites/phinational.org/files/clearinghouse/PHI-CoachingOverview.pdf (accessed 8 January 2013).
[21] (Dawson, 2011)
[22] Ibid.
[23] Cooperative Home Care Associates, "About-Us," http://www.chcany.org/index-1.html (accessed 10 January 2013) .
[24] (Dawson, 2011)
[25] (Cooperative Home Care Associates, 2012)
[26] (Dawson, 2011)

PHI also offers consultation services to employers of direct-care workers. These services emphasize changing the employer, as well as the employee, through methods collectively referred to as the "PHI Coaching Approach[SM]." The Coaching Approach provides services aimed at organizational transformation and cultural changes that begin with assessing the successful strategies the organization already employs. Next, PHI's organizational change consultants develop approaches to strengthen the employer's structure—its infrastructure, policies and practices—to ensure effective, consistent and supportive caregiving relationships. This includes executive coaching and leadership development, communication skills development at all levels of the organization, peer mentoring programs, developing career ladders, and comprehensive organizational assessments, among other services. PHI says that the PHI Coaching Approach produces significant improvements in staff satisfaction, retention, managerial capacity and quality of direct care. [27]

Train-the-trainer workshops are offered to staff educators in order to build capacity to teach the PHI Coaching Approach. This work includes supporting organizations' efforts to integrate communication and problem-solving skills at all levels of their company or organization. The PHI Coaching Approach is designed to foster a "relationship-centered" environment where caregivers and their co-workers create and sustain positive relationships with each other, their organization's leadership and patients. [28]

In addition to providing training support to agencies that hire direct-care workers, PHI works with a variety of intermediary parties, such as managed care organizations; agencies that support family caregivers and people living with disabilities; and family caregivers.

Similar to other components of PHI's strategy, the organization seeks to lead by example in creating its own enterprise in this arena of the industry. PHI helped found a nonprofit New York-based Medicaid managed care organization called Independence Care System (ICS). This enterprise manages and coordinates home health care for 3,600 members in Manhattan, Brooklyn, Queens and the Bronx, providing approximately $170 million in services annually. ICS manages the care for adults with disabilities and chronic conditions through a Medicaid managed long-term care plan to ensure that low-income individuals with functional limitations can receive quality care. Founded in 2000, this managed care organization has working relationships with over 40 direct-care service providers. As such, a key component of the strategy of ICS is strengthening its working relationship with employers of low-wage direct care workers—a strategy that supports PHI's goals for the industry by attending to the critical intersection of low-wage consumers and low-wage employees. In addition to having PHI serve as a consultant providing training support and executive leadership coaching, ICS is in close partnership with CHCA. Specifically, ICS contracts with CHCA to create approximately one-third of CHCA's employment demand.[29] The three organizations—PHI, CHCA and ICS—have cross-board memberships, common origin and shared mission.

One recent trend in direct-care consumption has been the rise in long-term care workers operating in homes and community-based settings, as opposed to nursing homes and other

[27] PHI, "Coaching and Consulting Services," March 2012, http://phinational.org/sites/phinational.org/files/phi-ccs-brochure.pdf (accessed 10 January 2013).
[28] For more information, visit "The PHI Coaching Approach" available at http://phinational.org/sites/phinational.org/files/phi-ccs-brochure.pdf
[29] (Dawson, 2011)

institutionalized health care settings. This trend is seen in conjunction with greater numbers of family members supplementing or taking charge of the direct care of their family members who are chronically ill and elderly. These trends prompted PHI to advocate for a reformed intermediary infrastructure that includes: web-based registries, resources to assist consumers in their roles as supervisors, access to replacement workers when regular caregivers are unavailable and one-stop agencies to help consumers identify their needs.[30]

Policy Research

PHI also conducts policy research. PHI's research is produced by its PolicyWorks national strategy center. PHI's research involves the collection, analysis and dissemination of state and national-level data on the direct-care workforce. The results of these research efforts are used to strengthen PHI's advocacy work and training programs by informing employers and policymakers of relevant issues. Areas of focus include the demand for direct-care services, demographics of the workforce, information on consumers, dynamics of direct-care relationships, as well training and credentialing of direct-care workers, among others.

PHI houses a State Data Center with state-by-state information on the direct-care workforce plus national-level data.[31] PHI tracks wages across states for various direct-care occupations based on Bureau of Labor Statistics data. It also analyzes the effects of state policies to raise wages, such as wage floors, reimbursement enhancements and wage pass-throughs. As previously mentioned, PHI analyzes changes in where and how people are receiving direct-care services.

PHI's research on the direct-care workforce is made available through its National Clearinghouse on the Direct-Care Workforce, which acts as a national library on direct-care workforce issues, with more than 1000 publications.[32] These publications cover many areas, including workforce policy, career ladders, cultural change, and much more.

Policy Advocacy

A substantial component of PHI's research is in the service of promoting policy innovations at the state and federal level. These policies aim to support a skilled, prosperous direct-care workforce that is able to meet the growing demand for long-term services and direct-care. In addition, PHI aims to create tools that advocate for improvements in state and federal regulations to strengthen the direct-care workforce. Specifically, PHI seeks to create policy options for raising wages and benefits through reform of public payment policies. One of the principal federal changes that PHI seeks is the incorporation of home care workers under the Fair Labor Standards Act, which would ensure these workers receive at least minimum wage and overtime protections.

PHI worked with the U.S. Department of Labor to implement a certified national apprenticeship program for four types of direct-care workers. The PHI Policy Team advocated for state and federal policy legislation on training and credentialing systems available for certified nursing assistants, health support specialists, direct support professionals and home health aides. It also was deeply involved in the Personal and Home Care Aide State Training (PHCAST)

[30] PHI, "PHI National Policy Agenda: Consumer Direction and Family Caregiving," http://phinational.org/sites/phinational.org/files/wp-content/uploads/2008/11/phi-policy-agenda-consumer-direction-and-family-caregiving.pdf (accessed 10 December 2012).

[31] For more information, visit "PolicyWorks" available at http://phinational.org/policy

[32] For more information, visit PHI's National Clearinghouse on the Direct-Care Workforce, at http://phinational.org/clearinghouse

demonstration, sponsored by the federal government in six states. These nationally recognized programs help create a training floor and career pathways for workers as well as recruit and train a more skilled workforce. While these programs deal with advocacy and policy reform, they also are directly related to employer engagement since they are aimed at reducing the turnover rates and strengthening the direct-car workforce.

Final Thoughts on Improving Work in the Direct-Care Industry

As the nation ages, the direct-care industry will add millions of jobs and play an increasingly important role in our economy. However, low-wages, part-time work, few benefits and limited opportunities for career advancement are common for direct-care workers. We hope this brief about the challenges of direct-care workers and the work of PHI offers workforce development leaders useful ideas about how they can play a role in improving employment for direct-care workers in their communities.