

# Direct Care Workforce Shortages



## Who is the Direct Care Workforce?

Direct care workers are vital to our economy and community as they reduce abuse, injuries, costly hospitalization and institutionalization of people with all types of disabilities. Staff are called "direct support professionals", "personal care assistants", or "home health aides" according to the 2018 Bureau of Labor and Statistics under the code 31-1120 (1). In the United States there is a grey market for those privately hiring care workers, however, the main revenue stream for most people with disabilities across the lifespan is through Medicaid-based programs such as Personal Care Assistance state plans or Home and Community Based Service waivers (also known as 1915c waivers).

## Factors Contributing to Shortages

### *Low wages, Meaningful Benefits & Inflation*

Hiring shortages have struggled in recent decades as there is limited career opportunities for stable living and advancement opportunities in the care industry. Since the early 1900s, direct support workers have either lived at or below poverty margins due to limited wages and benefits that provide a respectable quality of life. **Nationally, 40% of direct care workers live near the poverty line and 43% of direct care workers rely on public benefits to get by (2). Furthermore, inflation in recently years, has increased the amount necessary for an individual to be able to live. Most states pay an average of \$14.27 hour with limited benefits when a minimum necessary wage is approximately \$22-\$25 an hour, not including a decent benefit package to ensure health care coverage, paid time off, sick time, and retirement (2).**

### *High Turnover Rates*

**Turnover rates nationally are between 40-60% for direct care workers.** (2, 3) Many factors are contributing to significantly high turnover rates including: Limited supervision, lack of professional development or career growth opportunities, low wages, lack of benefits, and rising inflation/cost of living over the past two decades. Care staff cannot provide quality care when they themselves are underemployed.

### *Significant Emotional and Physical Demands*

COVID-19 catalyzed a significant exit of the direct care workforce which compounded the previous crisis. Staff are burdened with overtime, at higher risk for infection, and received minimal wages and benefits to support when

exposure led illness or injury (2). COVID-19 also created additional trauma as patients in congregate care settings at significant risk for infection and died at higher rates than those living in their own homes. In Minnesota, nearly 80% of all COVID-19 deaths occurred in residential facilities (4). With and without the pandemic as a factor, providing cares to persons with disability is often a physically and emotionally demanding job as it requires heavy lifting, long periods of standing, and witnessing trauma which is often associated with discrimination.

### ***Increasing Demand***

Forecasted need continues to indicate that with an aging population, the recent pandemic and other factors, the United States is looking at an increased service need that more than doubles the current need (cite here). This trend combined with the continued decrease of staffing ratios available is alarming. Without a stable direct care workforce, we are already seeing how this gap places pressure on the health care sector, unemployment and underemployment rates, and an increase of civil rights violations.

## **Impacts of the Direct Workforce Shortage**

- Increased rates of hospitalization and nursing home placement
- Increased cases of neglect and all forms of abuse in group homes and nursing facilities
- Extended and unnecessary hospitalization
- Increase of people with disabilities unable to living in a setting of their own choice - Olmsted violations
- Increased abuse of public guardianship by health care and disability service providers to control placement of persons in most convenient settings.
- Loss of home and employment for people with disabilities.
- Workers living in poverty.
- Home and Community Based Waiver services in jeopardy.

## **Policy Recommendations**

Direct Care Workers are the backbone of Home and Community Based Waiver Services which provides cost effective supports to people with disabilities, and in recent years, to our rapidly growing aging population. For the sustainability of our our current system, increasing the strength of our middle class and overall economy, and ensuring equal rights for both the worker and the person with the disability, it is critical at this time to pursue action that will inform policy and reform the gaps in our current system. The following are proposed solutions to help better understand what is happening at present and take action:

- Increase research and data responsibilities of states to report individuals in out-of-community placement or at-risk placement due to staffing shortages.
- Require Administration on Community Living to collect national data on guardianship to collect baseline information and track future trends of quantity, process by state, and potential violations by state.
- Negotiate further policy flexibilities with Centers for Medicare and Medicaid to support at-risk or institutionalized persons to receive additional funding or exceptions to support stabilization or return to community. Examples include additional self-directed service options, increasing rates based on time unable to pay staff, and increasing budgets for by region where staffing is more limited (such as rural locations).
- Increase funding to the Administration on Community Living to supply Aging and Disability Resource Centers, Areas on Aging, Centers for Independent Living and other related non-profit organizations to provide informal, open-door supports.
- Require the Department of Justice to report all complaints relating to direct care workforce shortages to Congress.

**Contact Information:**

Rosalie Eisenreich, Strategic Initiatives Director | Southeastern MN Center for Independent Living

Phone: 507-421-4503 | [rosalie@semcil.org](mailto:rosalie@semcil.org)

**References:**

(1) Labor of Statistics: [https://www.bls.gov/soc/2018/major\\_groups.htm#31-0000](https://www.bls.gov/soc/2018/major_groups.htm#31-0000)

(2) PHI: <https://www.phinational.org/policy-research/key-facts-faq/>

(3) ANCOR: <https://www.ancor.org/wp-content/uploads/2022/10/The-State-of-Americas-Direct-Support-Workforce-Crisis-2022.pdf>

(4) Minnesota Department of Health. (November 3, 2020). Long-Term Care COVID-19 response: November 2020 update. <https://www.health.state.mn.us/diseases/coronavirus/hcp/lcplanupdatenov.pdf>