

EXECUTIVE SUMMARY

Turnover in the long-term care industry is at a crisis point and threatens quality of care and quality of life for vulnerable adults who rely on long-term care services. A 2005 national survey found more than 76 percent of states reported that home care worker recruitment and retention were major policy issues. Even given the economic downturn and rising unemployment rates, the vast majority of states still experience significant difficulty in recruiting and retaining qualified direct care workers. These shortages are likely to worsen over time as demand increases.

This paper, developed with support from Service Employees International Union Healthcare 775NW, provides a broad overview of home care workforce issues in Washington State including findings from a 2011 survey project and interviews designed to further understanding of the needs of Washington's home care workers and what motivates them to both enter and leave this profession.

A Crisis in Care: The Impending Shortage of Home Care Workers

Washington's home care consumers and providers are facing a crisis in care related to the high turnover among and shortage of nursing assistants, home health and

home care aides, and other direct care workers. National data on turnover rates show wide variation, depending on the source of the data: One source suggests turnover rates average about 25 percent for home care workers, while other data pegs the average annual home care turnover at 200 percent or more per year. Data for Washington State suggest that about half of all home care workers leave their jobs every year. High rates of home care worker turnover have negative effects on providers, the state, and consumers. The cost of replacing workers is high (with the average cost of turnover estimated at \$981 to \$6,368); and quality of care declines for consumers experiencing significant worker turnover.

The future availability of a sufficient number of home care workers does not look promising. There will be an unprecedented increase in the size of the elderly population as the "baby boom" generation ages. In 2012, the number of individuals in Washington's aged 65 and older is expected to increase from 25,000 people per year to more than 40,000 people per year. By 2030, individuals aged 65 and older will represent one-fifth of the state's population. If the number of Medicaid consumers receiving home and community-based services from home care workers in Washington increases



at the same rate as the general population, the Medicaid caseload will grow by 56 percent by 2030. To meet this demand, Washington is estimated to need about 35,000 more home care workers by 2030. Assuming a 35 percent annual turnover rate, nearly 440,000 total home care workers would need to be trained from 2010 to 2030 to meet this demand.

Washington's Home Care Workforce

Washington's home care workforce is comprised of approximately 42,300 workers. The overwhelming majority of home care workers are women. About 72 percent of Washington home care workers are White, 14 percent are Asian/Pacific Islander, 9 percent are Hispanic, 5 percent are Black, and less than 1 percent are American Indian/Native Alaskan. Most workers are disadvantaged economically and have low levels of educational attainment. While these workers are engaged in physically and emotionally tolling work, they are among the lowest paid in the service industry, making little more than the minimum wage with few benefits. In 2010, over one in five Washington home care workers and their families lived in poverty.

Turnover in the Home Care Workforce: Why Do They Leave?

Efforts to recruit, retain and maintain a stable, quality home care workforce rely on a variety of interdependent factors. Our April 2011 survey of former Washington home care workers found those who leave tended to be wealthier and more educated, suggesting they had other options than continuing employment in home care. This conclusion is supported by findings that re-employed job leavers were substantially more likely to achieve better benefits, wages, hours and career mobility in positions outside home care. Additionally, the survey found the primary reasons cited for leaving this profession were the pursuit of better career opportunities and/or a job that would provide better hours, wages, and/or benefits.

Solutions to High Turnover: Improved Recruitment and Retention Strategies

Health and long-term care policies significantly affect workforce recruitment and retention. The April 2011 survey respondents indicated increasing hourly wages, providing better training and opportunities for career advancement, and improving benefits are the best ways to create incentives for individuals to enter home care. Additionally, a literature review of prior research on home care turnover confirms these factors are most important to improve turnover.

State and federal funding through Medicaid and Medicare accounts for the majority of long-term care expenditures and therefore play a substantial role in determining worker wages, benefits and training opportunities. Given the unique and important relationship between home care workers and consumers, it is critical to understand what home care workers need to sustain high quality, long-term care services. The future of cost-effective, quality home care depends on the develop-

ment and support of a quality workforce. As such, policymakers, providers and consumers must work in partnerships to create laws and policies that address both home care recruitment and retention goals by providing adequate compensation and investing in the training, ongoing education, and supports needed to produce and sustain quality home care workers.

Recommendations

State and private payers of home care services should focus their efforts on best practices to recruit, retain and maintain a quality home care workforce. These policies should include the following options:

- Raise the hourly wage to at least \$17.58 per hour – the living wage for a single wage earner household supporting one dependent in Washington;
- Implement strategies to help home care workers find reliable hours of work and a stable predictable income, including an improved referral registry;
- Improve health insurance benefits for home care workers by expanding eligibility, providing more comprehensive benefits, and expanding coverage for home care workers' spouses and dependents;
- Provide Washington's home care workforce, many of whom don't even qualify for Social Security, with some form of retirement security;
- Increase and improve training requirements; and
- Develop career advancement opportunities that allow workers to develop additional skills and move into a job specialty within the home care profession or move into more advanced health care or social service positions (e.g. licensed practical nurse, registered nurse).

The future of the home care workforce is a barometer for the health of our communities. Stakeholders at the federal, state and local levels and in the public and private sectors must come together to find effective solutions for improving recruitment and retention among this workforce.