# NELSON HARDIMAN

## Need for CA Home Health Workers Outpaces the Workforce Itself



Demographic experts say that by the year 2050, the nation's population

will be comprised of 88 million senior citizens. Considering the fact that that particular demographic needle currently hovers around the 48-million mark, that figure represents a sizable leap.

When one looks at that growth through a healthcare lens, it's impossible to ignore the reality that there will be a greater demand for medical services in the home with the passage of time. If the country is currently struggling to service all elderly or disabled patients in need of home healthcare, the forecast is a bleak one.

#### Employment crisis: "...people don't want to do this work."

This is certainly a nationwide issue. But even just here at home, California's Employment Development Department estimates that by 2024 it will require over 700,000 personal care aides, or roughly 200,000 more than it needed in 2014. This is an increase of 36% in just one decade. Also, the state demand for certified home health aides in 2024 will be at around 45,000, a jump from about 32,000 ten years prior.

Susan Chapman is a professor at the University of California, San Francisco school of nursing and a researcher of health workforce issues. "The problem is continuing to get worse because of our aging population and our economy," she told <u>California Healthline</u>. "When there are other opportunities in the economy, people don't want to do this work."

Of course it would be overly reductionistic to attribute the current (and even more dramatically impending) shortage of a home healthcare workforce to salary only, but it's hard to imagine that it isn't exacerbating the problem. The typical hourly wage for a home health aide is \$10 per hour, and that clearly isn't enough to incentivize many to sign up for work that is often quite taxing on several levels.

PHI is an entity that analyzes direct-care employment; it states that the \$10.11 average hourly pay-rate for home health workers is actually slightly *lower* than it was ten years ago.

### Stronger economy has indirectly hurt federally-funded home health agencies

For the years following the 2008 recession, Medicaid-underwritten home health agencies did not experience too much trouble in staffing. However, today's economy is more robust, which means there are jobs with higher wages in other sectors (for instance, retail), and that employment competition has led to many individuals opting for the better paycheck.

The direct-care shortage affects the entire state, but it's especially problematic in and around San Francisco and



Los Angeles, areas notorious for soaring housing costs.

Chapman says that home healthcare workers usually are not offered health benefits as part of their employment, nor are they typically shown a path for career advancement. Personal care aides in the state are paid the median hourly rate of \$10 per hour; certified home health aides, \$11.65.

Mark Burns is the executive director of Homebridge, a San Francisco-based agency for home care workers. He said Homebridge has lost about 20 percent of its workforce of 500 just in the past 90 days, which he calls a "terrible crisis."

"We are expending great efforts to recruit and retain, but ultimately believe the wages and career opportunities of this field have to be transformed in order to attract a new cadre," he told *California Healthline* in an email.

Despite the attempts within the state to provide home care workers with health insurance and additional training, the relatively low salary will likely pose a problem for broader recruitment, according to Chapman. She predicts that in the absence of substantial changes in the field that attract a reliable workforce, affected individuals' "health will deteriorate and families might have to jump in. Some people just won't get care and might end up in institutions."

#### For-profit businesses forced to get resourceful

The issue isn't exclusive to Medicaid or not-for-profit entities either.

Carrie Bianco is the owner of Torrance-based Always Best Care Senior Services, an organization that provides companionship and light housekeeping to self-pay senior citizens. The company has franchises across 30 states. "All the experienced workers are already placed with families," she reported to *California Healthline*. "They're off the market."

Last year, Bianco decided to do what she could to incentivize individuals to consider employment in the field: rather than rely on candidates finding their own way to the necessary training, she began her own program to educate potential caregivers. She offers a tuition waiver for the 14-week training if students agree to work for Always Best Care upon completion of the program. Additionally, she lined up advertising that would appeal to females who had a strong bond with their grandparents or had once been part of the workforce and later exited it.

This blog post is provided for educational purposes only and is not offered as, and should not be relied on as, legal advice. Any individual or entity reading this information should consult an attorney for their particular situation. For more information/questions regarding any legal matters, please email <u>info@nelsonhardiman.com</u> or call 310.203.2800.