

Wisconsin's Direct-Care Workforce

Wisconsin's direct-care workers are the state's frontline paid caregivers providing daily living services and supports to persons with disabilities and chronic care needs, including elders and those with physical or intellectual and developmental disabilities. The majority of this largely female workforce works in the consumer's own home, or in residential or community-based settings such as nursing homes, assisted living facilities, and group homes.

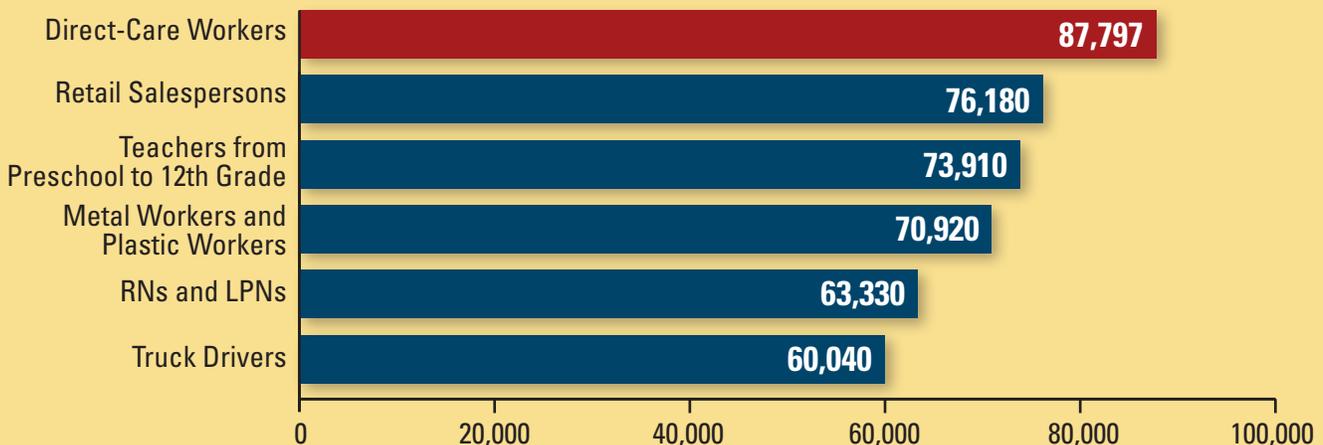
Responsible for 70 to 80 percent of paid hands-on care, these workers attend to the health, well-being, and safety of their clients. They assist with self-care and everyday living activities, such as eating, bathing, and dressing, and sometimes also with paramedical tasks.

In standardized government surveys of employment and compensation,¹ direct-care workers are officially counted as Personal Care Aides;² Home Health Aides;³ and Nursing Aides, Orderlies and Attendants.⁴ The first occupational category also includes direct support professionals—workers who provide services and supports to individuals with intellectual and developmental disabilities.

A large and growing workforce

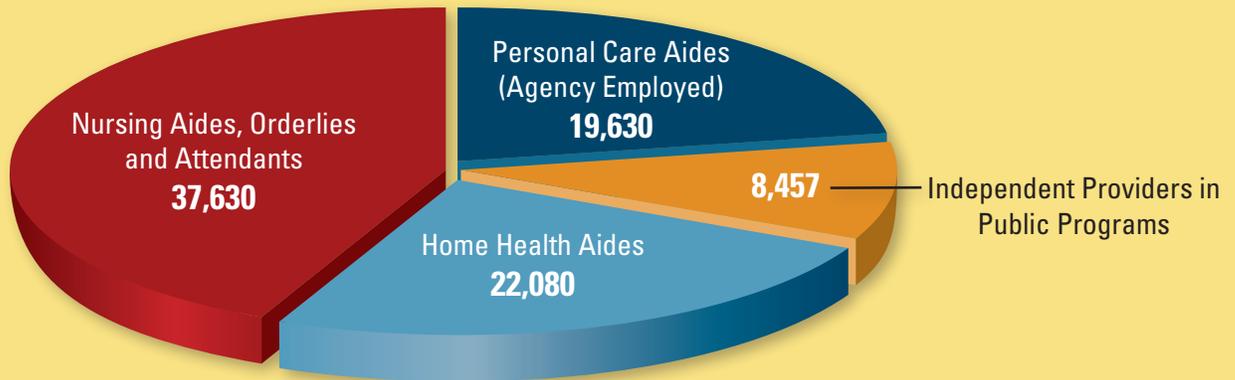
Wisconsin's direct-care workforce today totals nearly 90,000 workers and is larger than any other occupational grouping in the state.

Wisconsin's Largest Occupational Groups



The majority of direct-care workers in Wisconsin (57%) are employed as home health aides, personal care aides, and independent providers hired by consumers receiving services in public programs.⁵ These workers are largely employed in home and community-based settings.

Breakdown of Wisconsin’s Direct-Care Workforce, 2010



Among the state’s fastest-growing occupations creating the most new jobs

All three direct-care occupations make the list of occupations projected to create the most new jobs in Wisconsin between 2008 and 2018.

Occupations Generating the Most New Jobs, 2008–2018

Occupation	Openings due to growth
1. Registered Nurses	10,600
2. Home Health Aides	7,900
3. Personal Care Aides	7,400
4. Food Prep, Serving & Fast Food Workers	7,300
5. Customer Service Reps	6,000
6. Nursing Aides, Orderlies, & Attendants	5,100

Furthermore, Home Health Aides and Personal Care Aides are projected to be the fastest and third fastest-growing occupations in the state, increasing by 38 percent and 34 percent, respectively. In contrast, jobs overall in the state of Wisconsin are expected to increase by 3 percent over the same period.

In total, the Wisconsin Office of Economic Advisors projects **demand for nearly 30,000 direct-care jobs from 2008 to 2018**, with two-thirds due to new growth and an additional one-third due to replacement needs.⁶

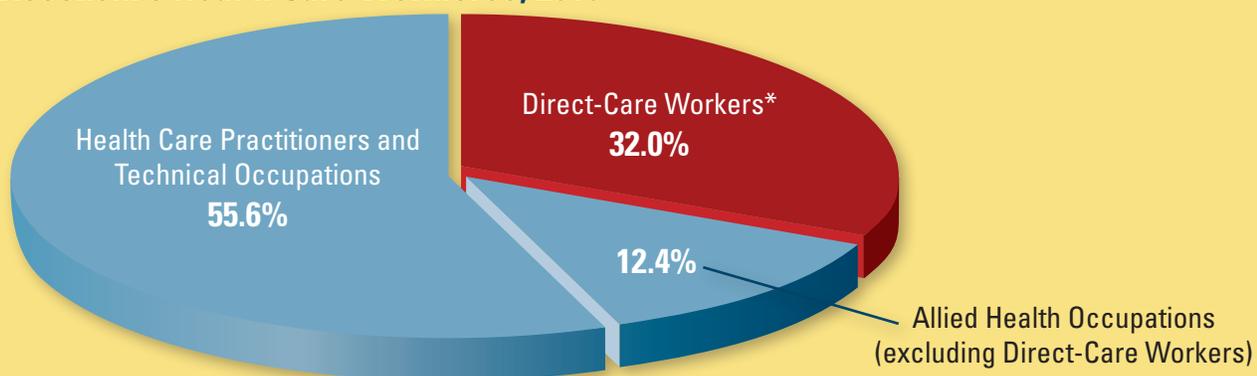
Fastest-Growing Occupations, 2008–2018

Occupation	Growth Rate
1. Home Health Aides	38.3%
2. Network Systems and Data Communications Analysts	36.9%
3. Personal Care Aides	34.0%
4. Financial Examiners	31.8%
5. Ambulance Drivers/Attendants, Exec. EMTs	32.1%
6. Athletic Trainers	27.3%

Significant proportion of Wisconsin's health care workforce

Direct-care workers account for **32 percent** of Wisconsin's entire health care workforce, far outnumbering other health care practitioners such as physicians, nurses, and therapists. Direct-care workers also outnumber by nearly three to one all allied health occupations, such as medical and dental assistants, and therapy assistants and aides.⁷

Wisconsin's Health Care Workforce, 2010

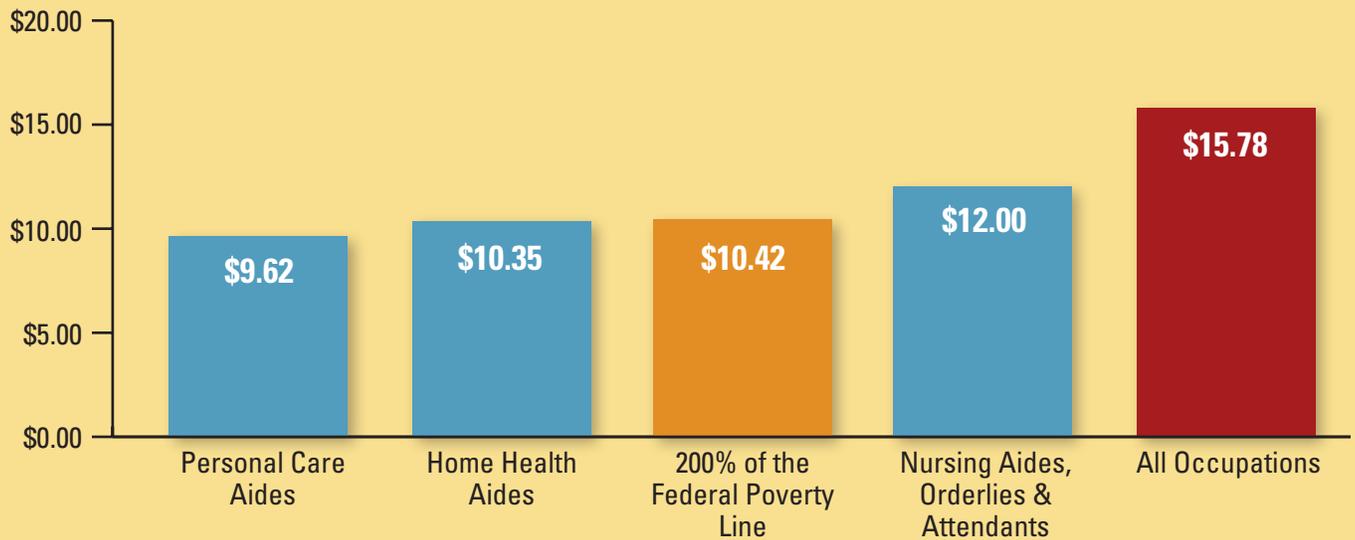


*Includes Independent Providers in public programs

Uncompetitive wages for home and community-based direct-care jobs

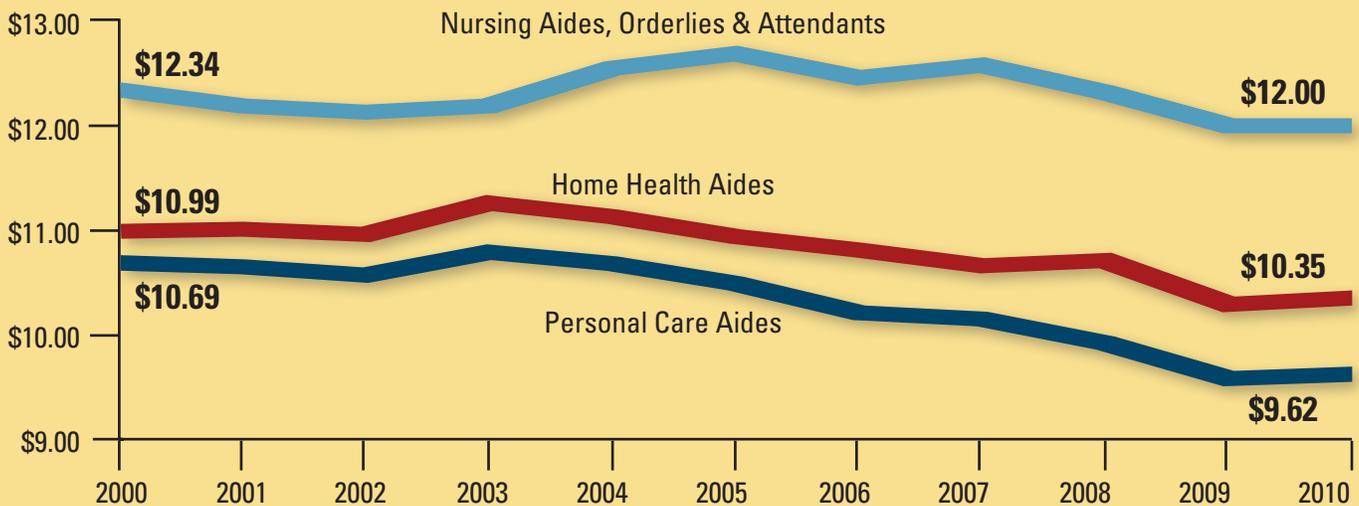
The median hourly wage for all occupations in Wisconsin was \$15.78 in 2010. In sharp contrast, wages for Personal Care Aides and Home Health Aides are among the state's lowest, with levels that fall between 150 percent and 200 percent of the federal poverty line for a single person. The 200 percent poverty level (\$10.42) 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.

Median Hourly Wages in Wisconsin, 2010



Over the last 10 years, inflation-adjusted hourly wages (*i.e.*, “real wages”) for all three direct-care worker occupations have declined. Personal Care Aides experienced the greatest decline in real wages, at 10 percent.

Wisconsin’s Median Wages for Direct-Care Workers, adjusted for inflation (2010 dollars)



Public subsidies required to meet basic needs

- **Earnings and labor force participation.** A high incidence of part-time work combined with low wages limits the annual earnings of Wisconsin’s home care

workers. Of aides employed in home health care services in Wisconsin and other states in the East North Central Region,⁸ 62 percent report working part time, compared to 44 percent of aides working in nursing care facilities.

Median annual earnings for direct-care workers averaged \$17,000 during this period. Earnings ranged from \$12,000 in home health care agencies to \$19,000 in nursing care facilities.

- **Poverty status.** A high percentage (43 percent) of direct-care workers in Wisconsin and nearby states live in households with incomes at or below 200 percent of the federal poverty line, a near-poverty threshold that typically makes households eligible for public assistance programs. In this region, half of Personal Care Aides live in these very low-income households and 41 percent of Nursing Aides.
- **Reliance on public benefits.** Over 40 percent of direct-care workers in Wisconsin and surrounding states rely on some form of public assistance such as food stamps or Medicaid. The estimated fiscal cost of providing these benefits in 2009 was upwards of \$180 million. These benefits are tantamount to a public subsidy of \$1 to \$2 for every hour worked by a Wisconsin direct-care worker.

Summing up

Wisconsin's direct-care workers now constitute the largest occupational grouping in the state. Totaling nearly 90,000, the number of direct-care workers exceeds the state's core manufacturing employment (metal and plastic workers and machinists), RNs and LPNs, and teachers from kindergarten through high school. The magnitude of this workforce reflects the fact that these have been among the fastest-growing jobs in the state.

In addition, direct-care workers have assumed a pivotal role in Wisconsin's health care workforce, accounting for nearly a third of the state's health care workforce and far outnumbering doctors, nurses, and other health care occupations.

At the same time, poor job quality—more than four in ten direct-care workers rely on public assistance as a result of low wages and part-time hours—hampers recruitment and retention for this workforce. Wisconsin's booming demand for direct-care workers cannot be met without making these jobs more competitive so that they attract enough workers, especially at a time when the state has set goals to offer more long-term supports and services options to elders, their families, and persons living with disabilities. Careful injection of public and private investment can help re-shape the structure and quality of these vital occupations so that they can reflect the importance of this work and these jobs to Wisconsin families and communities.

Endnotes

1. These surveys are conducted under the auspices of the Bureau of Labor Statistics, the Census Bureau and state labor market information agencies.
2. *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. 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 independent providers employed and supervised directly by consumers.
3. *Home Health Aides* provide essentially the same care and services as nursing assistants, 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.
4. *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.
5. Independent Providers tend to be heavily undercounted in government surveys. For source of PHI estimate of independent providers, see Data Sources below.
6. Total demand includes new jobs due to growth as well as replacement needs, which refer to the number of workers leaving an occupation due, for example, to voluntary or involuntary turnover, retirement, promotion, labor force withdrawal, or death.
7. *Allied Health Occupations* refer to Healthcare Support Occupations (SOC Code 31-0000).
8. The East North Central Region consists of the following states: IL, IN, MI, OH, and WI.

Data Sources

Occupational projections data are from Wisconsin Workforce and Labor Market Information System, available at: <http://worknet.wisconsin.gov/worknet/default.aspx>.

Employment and wage data are from the U.S. Department of Labor, Bureau of Labor Statistics, Occupational Employment Statistics (OES) Program, available at: <http://www.bls.gov/oes/tables.htm>.

PHI's estimate of the number of independent providers (IPs) working in public programs is derived from counts provided by IRIS and the Family Care Program.

Data on **health insurance coverage, earnings, labor force participation, poverty status and reliance on public benefits** are from PHI's analysis of U.S. Census Bureau, Current Population Survey, pooled state data for East North Central Census Division from the 2008, 2009, and 2010 Annual Social & Economic (ASEC) Supplements. The East North Central Census Division includes IL, IN, MI, OH, and WI.

PHI's estimate of the **total fiscal cost of the reliance of Wisconsin direct-care workers on public benefits** includes Wisconsin's state and federal costs for Food Stamps, School Lunch, WIC, and Medicaid for adults and children in the BadgerCare Program. Estimates of the percentage of direct-care worker households relying on each public assistance program are for the East North Central Division and are derived as specified in the data source above. Average annual costs per WI participant or household were obtained from program data published by the Food and Nutrition Service at the U.S. Department of Agriculture for food and nutrition programs, and the Kaiser Family Foundation's State Medicaid Fact Sheets for Medicaid.



PHI (www.PHInational.org), works to improve the lives of people who need home and residential care—and the lives of the workers who provide that care. Using our workplace and policy expertise, we help consumers, workers, employers, and policymakers improve eldercare/disability services by creating quality direct-care jobs. Our goal is to ensure caring, stable relationships between consumers and workers, so that both may live with dignity, respect, and independence.

For more information contact:

Hollis Turnham, PHI Midwest Director • 517.327.0331 • E-Mail: hturnham@PHInational.org

Also see PHI PolicyWorks, our policy website: www.PHInational.org/policy