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LTSS Workforce Considerations: The Problems & Solutions

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Aging Demographic Trends in CA

Consumers of LTSS are increasing significantly

- ▶ Between 2020 and 2040, the population aged 65+ is expected to grow 64%, by over 4 million people, in CA. 1 in 4 Californians will be 65 or older in 2040. Over the same period, the number of adults aged 18-64 will remain essentially stagnant, growing by less than 400,000 people.¹
- ▶ There is also a growing need for quality, competent care from long term care workers and services:
 - Over 1 million seniors with self-care limitations by 2030, the overwhelming majority living in their homes (Public Policy Institute of California, 2015). The incidence of chronic conditions and disability increases dramatically as people age.²
 - Population aged 65+ will also become more racially and ethnically diverse, signaling the continued need for culturally and linguistically competent caregivers. Latino individuals aged 65+ will more than double from 1.3 million in 2020 to an estimated 3.2 million in 2040. (CA Department of Finance)³

Sources: (1)California Department of Finance. Demographic Research Unit. Report P-1B: Population Projections by Individual Year of Age, California, 2010-2060 (Baseline 2019 Population Projections; Vintage 2020 Release). Sacramento: California. July 2021; (2) "Planning for California's Growing Senior Population." Public Policy Institute of California, 2015. Retrieved from: <https://www.ppic.org/publication/planning-for-californias-growing-senior-population/>; (3)"Report P-3: Population Projections Race/Ethnicity and Sex by Individual Years of Age, 2010 to 2060." CA Department of Finance; July 19, 2021. Retrieved from: https://dof.ca.gov/wp-content/uploads/Forecasting/Demographics/Documents/P3_California-and-Counties.xlsx

Long-Term Care Workforce Trends in CA

Surging demand, but constrained supply

- The CA Department of Aging estimates that by 2030 there will be a shortage of between 600,000 and 3.2 million direct care workers across HCBS and institutional LTSS.¹
- EDD projects that personal care aides will have the most job openings of any occupation in CA, with 1.1 million openings between 2018 to 2028 and total growth of the workforce of over 30%.² The median age of home care workers in CA is 50 years old, significantly older than the median age of 40 for all workers in CA.³
- IHSS relies on family caregivers with over 70% of providers related to their consumer. Demographic shifts though mean the pool of both paid and unpaid family caregivers is becoming smaller.⁴
- Nursing home were hit the hardest in employment levels throughout the pandemic compared to other healthcare or LTC settings, down by 15%. Assisted living was second in line with a drop of 6.7%.⁵

Sources: (1) "Direct Care Workforce Current Investments", CDoA, CalHHS & LWDA, February 1, 2022 (pp. 4). Retrieved from: <https://aging.ca.gov/download.ashx?IE0rcNUV0zagL8ytK7IKxw%3d%3d>; (2) "Personal Care Aides Estimated Employment and Projected Growth" EDD, Labor Market Info. Retrieved from: <https://www.labormarketinfo.edd.ca.gov/Occguides/AllOccPrj.aspx?soccode=399021>; (3) Analysis from Public Use Microdata Sample (PUMS) from the 2020 American Community Survey (ACS); "Lives and Livelihoods: California's Private Homecare Industry in Crisis." UCLA, March 2022 (pp. 12). Retrieved from: <https://www.labor.ucla.edu/wp-content/uploads/2022/03/Lives-and-Livelihood-Report-1.pdf>; (4) "Monthly IHSS Program Data" CDSS, February 2022. See "Provider Details" tab. Retrieved from: https://www.cdss.ca.gov/Portals/9/IHSS/Data/IHSS_Program_Data-Feb2022.xlsx; (5) "State of Skilled Nursing Facility (SNF) Industry." CLA, March 2022 (pp. 21). Retrieved from: <https://www.ahcancal.org/News-and-Communications/Fact-Sheets/FactSheets/2022%20State%20of%20the%20SNF%20Industry%20Report.pdf>;

Workforce Shortage Causes

- ▶ Multiple surveys have found workers reporting poor compensation or conditions on the job as causes. In home care¹:
 - Almost 30% of non-family IHSS workers indicated that they were likely to leave their position in the next year. IHSS workers with household incomes below \$50,000 were more likely to indicate a likelihood to leave.
 - Retirement insecurity and low pay were home care workers' top issues. 58% of IHSS workers also felt that they did not have opportunities to grow in their careers.
- ▶ As well as in institutional care settings:
 - 60% of nurses who are contemplating leaving cited low staffing as one of the reasons.²
 - 58% of workers in nursing homes or assisted care facilities said their employer is “falling short” when it comes to providing additional pay for employees working in the most high-risk situations.³
 - 56% of nursing home workers reported feeling burnt out³

Sources: (1) EMC Research surveys of SEIU Local 2015 Members and CNA Registrants in February 2022; (2) "Nursing in 2021 Retaining the healthcare workforce when we need it most." May 11, 2021. Retrieved from: <https://www.mckinsey.com/industries/healthcare-systems-and-services/our-insights/nursing%20in-2021-retaining-the-healthcare-workforce-when-we-need-it-most>; (3) KFF.org "The Washington Post Frontline Health Care Workers Survey" April 6, 2021. Retrieved from: <https://www.kff.org/report-section/kff-the-washington-post-frontline-health-care-workers-survey-toll-of-the-pandemic/>;

Workforce Solutions

- ▶ LIVING WAGE
 - ▶ Average IHSS wage = \$16/hour
 - ▶ Average CNA wage =
- ▶ BENEFITS
 - ▶ Limited to no health benefits in IHSS
- ▶ ACCESS TO SICK LEAVE AND PAID TIME OFF
 - ▶ 16 hours of state sick leave for IHSS
 - ▶ No paid time off
- ▶ PAID TRAINING
 - ▶ AB 172 (2021-22 Budget Act) is first statewide paid training pilot for IHSS
- ▶ WORKER VOICES AT THE DECISION MAKING TABLES

Who are unpaid family caregivers?

- ▶ **Family caregivers are prevalent.** Approximately 1 in 5 American adults, or 48 million Americans, provide unpaid care to a family member. An additional estimated 3.4 million Americans under the age of 18 act as family caregivers, although this is believed to be under-reported. (AARP, 2020)¹
- ▶ The care provided by unpaid family caregivers was estimated to be \$470 billion in value in 2017.²
- ▶ Most caregivers of adults care for a relative (89%).²
- ▶ **Family caregivers will be less available over time.** Family and household sizes in California have been dropping over the past decade and this trend is projected to continue.³
- ▶ By 2030, there may be only 4.1 potential caregivers for every person 80+, compared to 7.1 in 2010.⁴ Currently, 16.5% percent of seniors aged 60+ in California live alone.⁵

Sources: (1)"Caregiving in the U.S." AARP, 2020. Retrieved from: <https://www.aarp.org/content/dam/aarp/ppi/2020/05/executive-summary-caregiving-in-the-united-states.doi.10.26419-2Fppi.00103.003.pdf>; (2)"Family Caregivers Provide \$470 Billion in Unpaid Care as Role Becomes More Complicated" AARP; November 14, 2019. Retrieved from: <https://press.aarp.org/2019-11-14-Valuing-the-Invaluable-Series>; (3) "P-4: State and County Projected Households, Household Population, and Persons per Household 2020-2030." CDoF, 2020. Retrieved from: https://dof.ca.gov/wp-content/uploads/Forecasting/Demographics/Documents/P4_HHProjections_B2019.xlsx; (4)Reinhard, Susan C. Lynn Friss Feinberg, Ari Houser, Rita Choula, and Molly Evans. Valuing the Invaluable: 2019 Update – Charting a Path Forward. Washington, DC: AARP Public Policy Institute. November 2019. <https://doi.org/10.26419/ppi.00082.001>; (5)"California Aging Population Demographic Projections for Intrastate Funding Formula (IFF)" California Department of Finance, 2022 dataset. Retrieved from: <https://aging.ca.gov/download.ashx?IE0rcNUV0zYSDQkxTL1zkg%3d%3d>;

Who is providing California's (informal) Care?

Financial strain, lack of formal training, and low wages are **key concerns** for informal caregivers in California

Family caregiver¹ demographics (2020)

6.7 million Estimated family caregivers¹ in California

This is almost a **50%** increase since 2018

58% are women

59% are 45 years of age or older

13% are between ages 18 and 25

Cost of family caregiving

1 in 4 California informal caregivers¹ provide **20+ hours** of care to a family or friend in a typical week

↳ **91%** of California's informal caregivers¹ were unpaid

Designing a statewide LTC insurance program that would provide financial support to informal caregivers could significantly reduce this percentage

What do family caregivers do?

- ▶ Overall, family caregivers provide an estimated 24 hours of care to their loved ones per week, for an average duration of 4.5 years, although the proportion of those who provide care for more than five years (29% in 2020) is growing.¹
- ▶ **Often, family caregivers are the only source of care for their loved ones. Finding help is difficult.**
 - 3 in 10 caregivers report their recipient has any paid help.
 - 26% of caregivers in 2020 said it is difficult to coordinate their recipient's care across various providers (up from 19% in 2015).
 - 1 in 4 caregivers report that it is difficult to get affordable services in their recipient's area.
- ▶ **Family caregivers are providing care for family members who have increasingly complex needs or co-morbidities.**
 - Caregivers in 2020 reported their recipient has 1.7 conditions categories on average, up from 1.5 in 2015.
 - Family caregivers are increasingly reporting their adult recipient needs care because of long-term physical conditions (63% in 2020 versus 59% in 2015).
 - Caregivers are also reporting a higher prevalence of emotional or mental health issues (27%, up from 21%), and memory problems (32%, up from 26%), including Alzheimer's or dementia (26%, up from 22% in 2015).

How are family caregivers impacted?

- ▶ **High Out-Of-Pocket Expenses:** 8 in 10 family caregivers report routine out-of-pocket spending related to providing care for their loved ones, expenses which include household-related expenses, housing costs, home modifications, and medical expenses.¹
- ▶ **Burden On Family Income:** On average, an annual amount of \$7,242 was spent by in 2021, or 26% of their income. The burden is higher for those whose family members have complex needs and co-morbidities.
- ▶ **Disparate Racial & Gender Impacts:** Due to lower overall earnings, the annual financial strain on annual income is highest among women (27%), Hispanic/Latino families (47%) and African American families (34%).
- ▶ **Employment Strains:** 59% of family caregivers provide care while still holding a full-time or part-time job. Of those still working, 53% report an impact to their job such as using paid and unpaid time off or having to change their working hours. Other impacts include reduced job security, fewer employment opportunities, and ultimately, lower retirement savings.



QUESTIONS?