

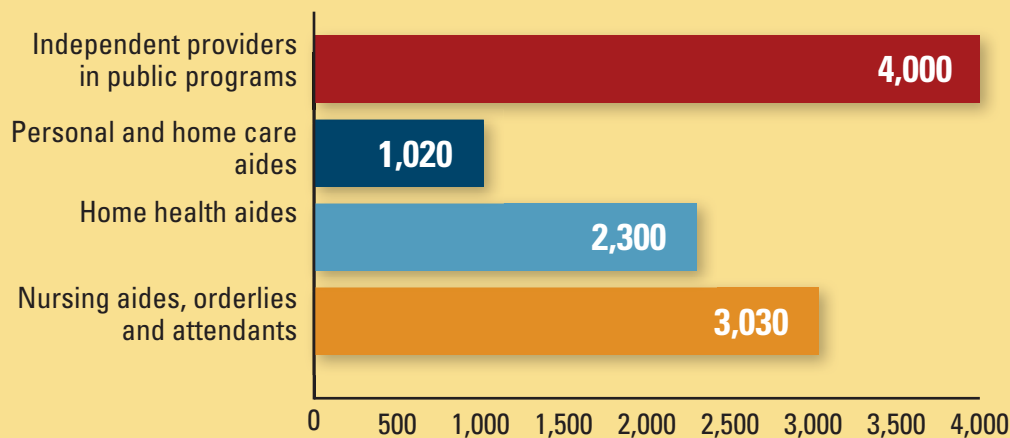
Vermont's Direct-Care Workforce

Vermont's direct-care workers are the state's frontline paid caregivers who provide daily living services and supports to older persons, people living with disabilities, those with intellectual and developmental disabilities, and people with chronic care needs. Direct-care workers are officially counted as Personal and Home Care Aides; Home Health Aides; and Nursing Aides, Orderlies and Attendants.

Helping their clients bathe, dress, and eat, among other daily activities, these workers are employed in a range of eldercare and disability service programs and settings, including the consumer's home or workplace, nursing facilities, and community-based residential settings ranging from group homes to assisted living facilities.

Vermont's direct-care workforce increased by more than half from 1999 to 2007, expanding from just over 4,000 workers to 6,350.¹ However, these estimates do not include Vermont's growing number of "independent providers"—direct-care workers who are self-employed or who work directly for consumers under consumer-directed programs rather than through an agency. In 2007, Vermont's

Vermont's Direct-Care Workforce, 2007



publicly financed eldercare/disability programs relied on an estimated 4,000 independent providers to deliver supports and services to over 3,500 consumers who directly hired their own workers, sometimes their own family members.²

When these providers are included, the state's direct-care workforce totals over 10,000 workers.

Today, direct-care workers in Vermont outnumber: teachers from pre-school through secondary school (9,798), cashiers (9,215), registered nurses (5,741), waiters and waitresses (5,688), and all law enforcement and public safety workers (4,300).³

Why are direct-care jobs important for Vermont's economy?

- **Direct-care jobs constitute the employment core of the state's growing eldercare/disability services industry.** This industry—one of the fastest growing in the state—accounts for roughly a third of overall health care and health assistance employment (see definition on page 7, note 14). Health care, in turn, is Vermont's largest employer, and has been a major engine of economic and employment growth in the state.⁴
- **Direct-care jobs are among the fastest-growing occupations in Vermont.** According to the Vermont Department of Labor, Personal and Home Care Aides and Home Health Aides will be the *first and fourth fastest-growing occupations* between 2006 and 2016, increasing by 64 percent and 44 percent, respectively.⁵

Four Fastest-Growing Occupations in Vermont, 2006–2016

Rank	Occupation	Percent Change
1	Personal and Home Care Aides	64%
2	Pharmacy Technicians	52%
3	Computer Software Engineers, Applications	47%
4	Home Health Aides	44%

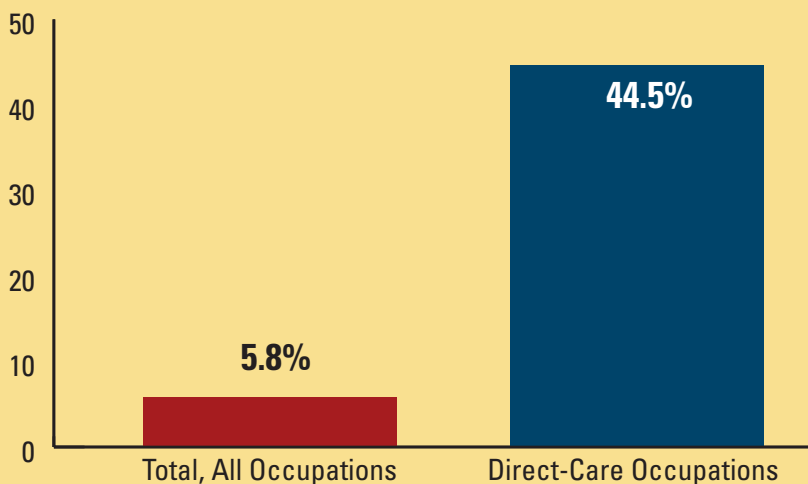
- **Direct-care jobs top the list of jobs expected to add the most positions.** All three direct-care occupations are among the *top twelve occupations* projected to register the largest numeric job growth in Vermont.⁶

Vermont's Top 12 Occupations with Largest Job Growth, 2006–2016

Rank	Occupation	Number of positions to be added
1	Personal and Home Care Aides	3,308
2	Registered Nurses	1,397
3	Home Health Aides	1,039
4	Retail Salespersons	895
5	Customer Service Representatives	719
6	Computer Software Engineers, Applications	503
7	Child Care Workers	502
8	Social and Human Service Assistants	493
9	Bookkeeping, Accounting, and Auditing Clerks	473
10	Combined Food Preparation and Serving Workers, Including Fast Food	448
11	Nursing Aides, Orderlies, and Attendants	434
12	Carpenters	408

■ The state's direct-care workforce is projected to increase by 45 percent over the decade beginning in 2006, increasing by about 4,800 new positions. This expansion contrasts sharply with the state's overall growth rate expected for this period—5.8 percent.⁷

Projected Job Growth in Vermont All Occupations vs. Direct-Care Jobs, 2006–2016



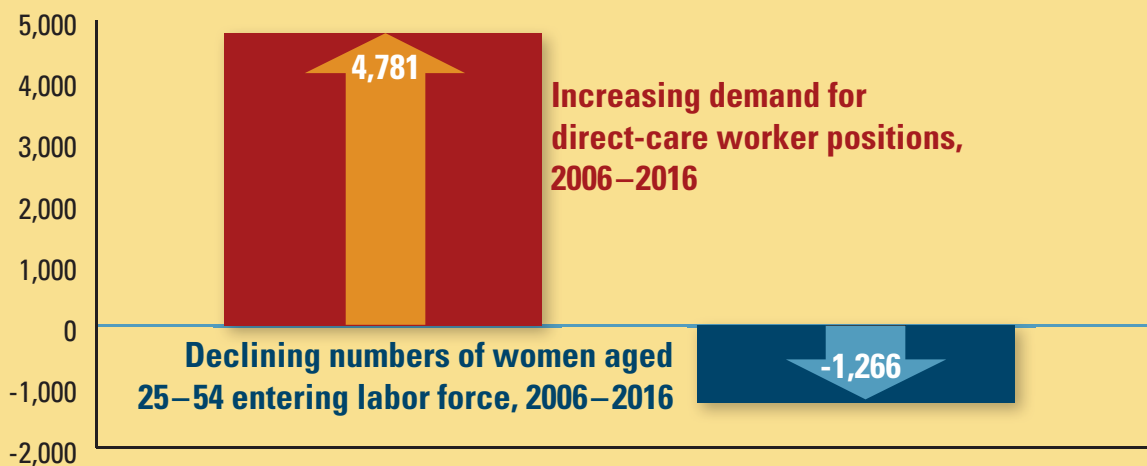
■ **Direct-care jobs are Vermont's jobs of the future.** These jobs are plentiful; they can't be outsourced; they are nearly recession-proof; they offer opportunities for displaced workers; and they can become powerful economic drivers for improving the lives of many low-income families while spurring community revitalization. At the same time, direct-care workers are delivering invaluable services and supports to growing numbers of individuals with disabilities and their family members who, with this support, are able to participate in the economy and receive needed respite.

What are the labor market challenges for Vermont's eldercare/disability services employers?

Record demand for direct-care workers does not mean that these positions will be easy to fill.

■ **Core labor pool is declining.** Over the period 2006 to 2016, Vermont will need at least 4,800 new direct-care workers to provide services and supports for those needing eldercare/disability services, but at the same time, **the number of women aged 25–54 entering the labor force is expected to decline by nearly 1,300** due to the decreasing numbers of women in that age group in the overall population.⁸

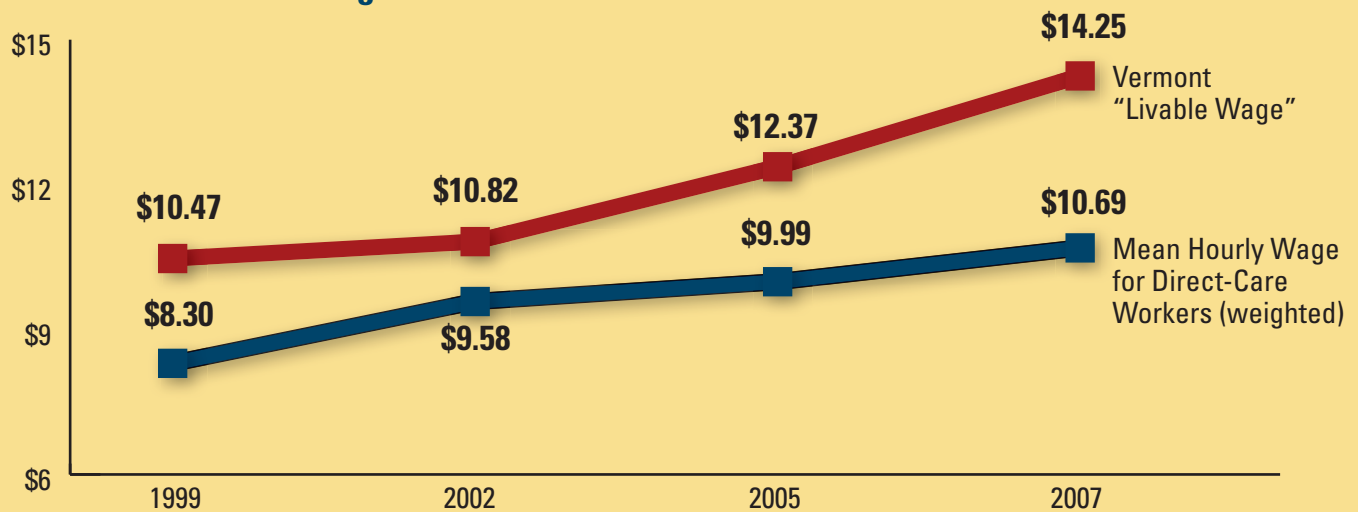
Vermont Faces Growing Demand for Direct Care but Fewer Potential Workers



■ **Poor job quality hampers the competitiveness of direct-care jobs in Vermont.**

- **Wages cannot meet basic needs.** Although Vermont has seen some of the largest improvements in direct-care worker wages in the nation, average hourly wages for direct-care workers consistently lag behind the state’s “livable wage”—an estimate of the hourly wage a Vermont resident needs to meet basic needs. For example, in 2007, the average hourly wage earned by a direct-care worker in Vermont was 25 percent lower than the livable wage for a single person.

Wages for Vermont’s Direct-Care Workers Consistently Lag Behind the State’s “Livable Wage”



Livable wage calculations are from the Vermont Joint Fiscal Office, and indicate the hourly wage sufficient to meet the basic living needs of a single individual, assuming employer-assisted health care.⁹ The wage series for direct-care workers is derived from estimates available from the Vermont Department of Labor.¹⁰

- **Hours are unpredictable and often part time.** The irregular, part-time nature of many direct-care jobs—particularly those in home care—contribute to low and unpredictable income. In the New England region, over 50 percent of Personal and Home Care Aides work part time or full time for only part of the year.¹¹
- **Many workers don’t have health coverage.** While only 12 percent of Nursing and Home Health Aides in the New England region lack some type of health coverage, nearly one in three (31 percent) Personal and Home Care Aides—the fastest-growing occupation in the state—lack coverage.¹²
- **Many direct-care workers must rely on public benefits.** In the New England region, 44 percent of Personal and Home Care Aides and 36 percent of Nursing and Home Health Aides live in households that rely on one or more public benefit programs, such as Medicaid or food stamps.¹³

Summing Up

Direct-care jobs constitute the employment core of the eldercare/disability services industry, one of Vermont's fastest-growing industries. Demand for these jobs is at historic highs but, in sharp contrast, the numbers of women aged 25–54 entering the labor force—the traditional labor pool from which these workers have been drawn—is declining. Poor job quality is adding to these demographic pressures, leading to a potential workforce crisis for this industry and for the families who rely on eldercare/disability services and supports.

Yet, there is nothing inherent about direct-care jobs that make them low quality. Careful injection of public and private investment can help re-shape the structure and quality of these vital occupations. With improvements in job design, compensation, supervision, and training and credentialing systems—along with strengthened recruitment and selection, and linkages to community resources and services—the quality of direct-care jobs can reflect the importance of this work and these jobs to Vermont families and communities.

Vermont'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 ambitious goals to serve an increasing number of older individuals and persons living with disabilities in home- and community-based settings.

Endnotes

1. **Employment estimates** for direct-care workers largely employed by agencies are taken from the VT Department of Labor (VT DOL), Economic & Labor Market Information (ELMI), Occupational Employment Statistics (OES) Program, available at: <http://www.vtلمي.info/occupation.cfm>. The OES Program did not publish statewide employment estimates for Personal & Home Care Aides for 2007. In the figure on p. 1, the derived employment estimate is equal to the sum of the 3 regional estimates.
2. **The estimate of the number of independent providers** working in publicly funded long-term care programs in Vermont is based on unpublished data provided by the VT DOL, ELMI, from the Quarterly Census of Employment & Wages (QCEW), May 2007, NAICS 62412.
3. **Occupational projections data** are taken from: VT DOL, ELMI (July 2008) *Occupational Projections 2006-2016, Vermont Statewide*. Available at: <http://www.vtلمي.info>.
4. **Industry employment data** is from the VT DOL, ELMI, Quarterly Census of Employment & Wages (QCEW), 2007, available at: <http://www.vtلمي.info/indareanaics.cfm>, plus unpublished information provided through a special request to the VT DOL, ELMI.
5. See note 3
6. See note 3
7. See note 3

8. **Labor force participation statistics** are calculated from U.S. Department of Labor, Bureau of Labor Statistics, Division of Local Area Unemployment Statistics, *Preliminary 2006 Data on Employment Status and Demographic Group* (see Vermont, p. 48). Available at: <http://www.bls.gov/lau/ptable14full2006.pdf>. Also see note 3.
9. **Hourly livable wage calculations** are taken from the VT Joint Fiscal Office, *Basic Needs Budgets and the Livable Wage, Revised March 2007*, page 3B. The wages presented are an average of urban and rural estimates and include: food, rent and utilities, transportation, child care, clothing and household expenses, telephone charges, a personal expense allowance, health care (assuming employer assistance), dental care, renter's insurance, life insurance, and savings. Available at: <http://www.leg.state.vt.us/jfo/Reports/2007%20Basic%20Needs%20Budgets%20REVISED%203-2007.pdf>.
10. **Wage estimates** for direct-care workers presented in the figure on p. 4 are derived from published and unpublished statewide estimates available from the VT DOL, ELMI, based on the OES Program (<http://www.vtmi.info/occupation.cfm>). The mean wage for direct-care workers is calculated as a weighted average of the estimated wages for Nursing Aides, Orderlies & Attendants, Home Health Aides, and Personal & Home Care Aides.
11. Statistics regarding **direct-care workers in the New England Region** are from PHI analysis of the U.S. Census Bureau, Current Population Survey, Annual Social & Economic (ASEC) Supplement, pooled data from 2006, 2007, and 2008, with statistical programming and data analysis provided by Carlos Figueiredo.
12. See note 11.
13. See note 11.
14. Services provided through the eldercare/disability services industry span both the conventional health care sector and health assistance services. **Health care** is traditionally defined to include three industry groupings: Hospitals, Ambulatory Health Care, and Nursing and Residential Care Facilities. **Health assistance services** refer to non-residential and non-medical personal and social assistance services and supports delivered in homes and settings such as day programs that complement health-oriented services and provide people assistance with essential activities of daily living.

More Information about Quality Care and Quality Jobs

PHI offers both public policy and workplace solutions to the workforce crisis in eldercare/disability services. Visit our website at www.PHInational.org to find out more about how our experts can help you address recruitment and retention of workers and improve quality of care for consumers.

To learn more about our Vermont services, contact Alexandra Olins, PHI Northern New England Regional Director, at aolins@PHInational.org. Ph: 802.655.4615.

For more information about national direct-care workforce, occupational projections, the economic impact of this workforce, download the PHI FACTS series, www.PHInational.org/policy.

Four Ways to Improve Vermont's Direct-Care Jobs

In keeping with the recent *Legislative Study of the Direct Care Workforce in Vermont*, submitted to the Vermont Legislature in March 2008, PHI recommends the following policy actions to improve Vermont's direct-care jobs:

- 1.** Increase and improve effective **training and advancement opportunities** for all direct-care workers and their supervisors to enable motivated and competent people to enter and remain in the field.
- 2.** Continue to improve the availability and affordability of **health benefits** for direct-care workers in order to support workforce recruitment and retention.
- 3.** Improve **state collection and reporting of core direct-care workforce data** and calculate key indicators of workforce stability, size, and compensation in order to build an adequate and stable eldercare/disability services workforce to deliver high-quality supports and services.
- 4.** Continue to increase **wages and benefits** to make direct-care jobs more attractive to workers in order to meet current and future demand for eldercare/disability supports and services.



PHI Northern New England, a regional program of 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 PHI Northern New England Regional Director Alexandra Olins at aolins@PHInational.org, Ph: 802.655.4615.

