



COLORADO
Department of Health Care
Policy & Financing

2021 Office of Community Living (OCL) Report

Stance on Colorado's Direct Care Workforce for Home and Community-Based Services (HCBS)



Challenges Facing Colorado's Direct Care Workforce

The direct care workforce is one of the fastest growing sectors in Colorado. Direct care workers provide 80 percent of the hands-on assistance to older adults and individuals with disabilities in community, facility, and hospital-based settings. From 2009 to 2019, it grew by 53 percent (87 percent among personal care and home health aides and 18 percent among nursing assistants). Between the ongoing growth of the industry and anticipated separations, there will be 116,100 job openings that will need to be filled between 2018 and 2028. The vast majority of these openings will be among personal care aides (65,700; 51 percent growth), compared to home health aides (17,600; 43 percent growth) and nursing assistants (32,800; 25 percent growth) (PHI, 2020). Despite the historical and anticipated growth in the field, employers are already facing shortages among their workforce. Data collected during the COVID-19 pandemic months of December 2020 to February 2021 shows that within residential care settings across the state there was an average shortage of approximately 650 direct care staff. Despite COVID-19 cases and outbreaks vastly decreasing in the Spring of 2021, these shortages persist, with the most recently reported data from April 30th showing shortages of 683 staff, the highest during the reporting period.

Despite their devotion and skill, Colorado direct care workers' pay remains low and has actually declined by two percent over the last 10 years. Colorado personal care aides (PCAs) earn an hourly wage of \$11.68, which is the lowest among the direct care workforce. Home health aides earn an average hourly wage of \$12.14/hour and nursing assistants \$14.19/hour. One reason for the lower wages among PCAs is a smaller percentage worked full-time in 2018. Half of PCAs worked full-time while 44 percent worked part-time for non-economic reasons (personal or family obligations and health problems) and five percent were part-time for economic reasons (business conditions at the organization or in the broader labor market). This compares to 87 percent of aides who worked full-time in nursing homes and 92 percent in residential care homes. Low incomes mean higher poverty rates. In 2018, 16 percent of Colorado's direct care workforce lived in households below the federal poverty line. Because poverty rates are high, nearly half rely on some form of public assistance—21 percent relied on food or nutrition assistance and 35 percent relied on Medicaid. The uninsured rate was 11 percent and 43 percent relied on public health care coverage, most often Medicaid or Medicare (PHI, 2020). A minority and female-dominated workforce, many are single mothers, making this calling to serve others all the more difficult. Not surprisingly, a high proportion of workers can't stay in their position. Turnover rates range from 40 to 60 percent per year, with a survey last year finding the rate as high as 83 percent.

A large driver of the exploding demand for the direct care workforce is Colorado's older adult population, which is increasing and growing faster than most other states. In 2017, approximately 714,000 people in Colorado were 65 and older and the number is expected to double to 1.7 million older adults by 2050, representing approximately 20 percent of Colorado's population (Gomez, 2019). Estimates suggest that nearly 70 percent of U.S. adults aged 65 and older will need some level of long term services and supports (at home with paid or informal caregivers or at nursing homes or assisted living facilities) due to physical, cognitive, development, and/or behavioral conditions (LongTermCare.gov, 2017). Adults 85 and older are four times more likely to need LTSS compared to people 65 to 84 (PHI, 2020a).



Colorado House and Senate passed two bills to help build the capacity and stability of the PCA workforce. [House Bill 18-1407](#) required the Department of Health Care Policy & Financing (the Department) to seek federal approval for a 6.5 percent increase in the reimbursement rate to fund enhanced compensation for direct support professionals who provide services to people with intellectual and developmental disabilities starting Fiscal Year (FY) 2018-19 (Colorado 72nd General Assembly, 2018). [Senate Bill 19-238](#) required, among other actions, an 8.1 percent increase in reimbursement rates to providers for FY 2019-20 and the additional reimbursement funding go towards increased compensation for PCAs. The bill also established a minimum wage for PCAs employed at home care agencies that receive Medicaid reimbursement. The minimum wage was set at \$12.41 per hour effective July 1, 2020 (Colorado 72nd General Assembly, 2019). In addition, [Senate Bill 19-238](#) required stakeholder-driven recommendations for review and enforcement of initial and ongoing training requirements for personal care aides. The stakeholders included a range of representatives such as consumer advocacy organizations, home care agencies, worker organizations, disability, senior, and children advocacy organizations, and personal care workers. The stakeholder group also was mandated to determine notification requirements for personal care aides about the compensation increases and minimum wage.

Based on the legislative bill requirements to improve and stabilize the direct care workforce, the Department, in collaboration with CDPHE, established a Training Advisory Committee (TAC) to review the current state of initial and ongoing training for agency-based personal care aides, enforce the training, and make training and worker notification of pay increase recommendations (Government Performance Solution, Inc., 2019). The TAC held learning sessions to hear from key stakeholders regarding the current and proposed training and notification requirements as well as meetings to understand the issues facing personal care aides, the agencies, and the members receiving the care. A report containing recommendations was released in December 2019.¹

References

Government Performance Solutions, Inc. (2019). Senate Bill 19-238: Improve Wages and Accountability for Home Care Workers: Recommendations regarding home care worker training and notification of compensation and wage changes. Denver, CO: Department of Health Care Policy & Financing.

LongTermCare.gov. (2017). *How much care will you need?* Washington, DC: U.S. Department of Health and Administration on Aging. Retrieved from <https://longtermcare.acl.gov/the-basics/how-much-care-will-you-need.html>.

PHI. (2020a). *It's time to care: A detailed profile of America's direct care workforce*. Retrieved from <https://phinational.org/resource/its-time-to-care-a-detailed-profile-of-americas-direct-care-workforce/>.

PHI. "Workforce Data Center." Last modified September 14, 2020. <https://phinational.org/policy-research/workforce-data-center/>.

¹ View the full report compiled by Government Performance Solutions, Inc. at the following URL: <https://hcpf.colorado.gov/sites/hcpf/files/Training%20Advisory%20Committee%20Final%20Report.pdf>

