

# Women Caring for Women: Coverage is Critical to Care

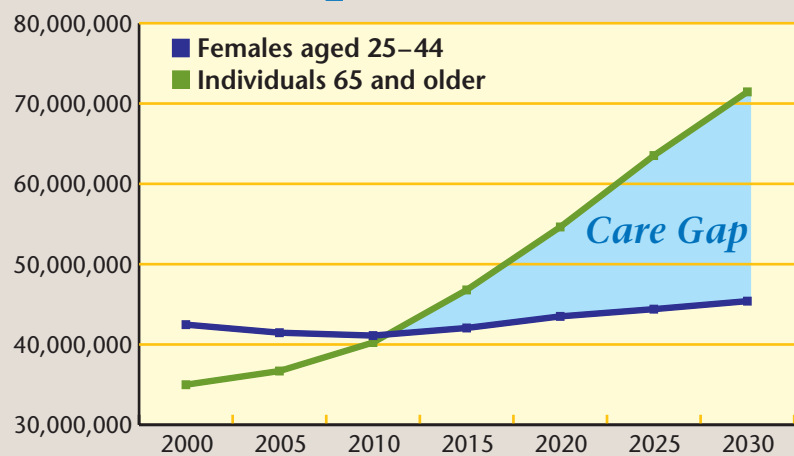
Women are the providers *and* consumers of caregiving services in the United States.

- Women comprise 90 percent of the 3.1 million paid, professional caregivers. These caregivers provide the estimated 70 to 80 percent of the hands-on long-term care and personal assistance received by Americans who are elderly or living with disabilities or other chronic conditions.<sup>1</sup>
- Two-thirds (65 percent) of consumers who receive caregiving services are women.
- The typical family caregiver is a 46 year old woman who provides more than 20 hours per week of care and support to her mother.<sup>2</sup>
- Paid caregivers—direct-care workers—tend to be older (average age of 41), earning a median hourly wage of \$9.56, of whom slightly less than half are women of color, and between one quarter and one third are unmarried living with children.
- One in three direct-care workers lack health insurance coverage.

## The growing care gap

As the population ages in this country, we are faced with a crisis in finding qualified and committed staff to provide care to elders and people with disabilities. By 2030, the number of elders will increase by 104 percent. During this same period, the number of women age 25 to 44—the group which direct-care workers traditionally come from—will only grow by 7 percent.

### Care Gap: United States



Source: U.S. Census Bureau, Population Division, Interim State Population Projections, 2005

Given this looming care-gap and the continued strain on family caregivers, it is important to take a closer look at the direct-care workforce and identify strategies to make paid caregiving a higher quality job. Receiving quality care for our family members depends on making the caregiving job a viable career—both for those who are currently caregivers, as well as for those who may enter the caregiving workforce in the future.

### **Unique workforce characteristics**

While direct-care work is predominately women's work, there are additional factors that make the caregiving workforce unique when compared to all women in the U.S. workforce:<sup>3</sup>

- Of the leading occupations for women, caregiving is the sixth largest in the country.<sup>4</sup>
- About one-third of female direct care workers are women of color. Black women are disproportionately more likely to do direct-care work compared to all female workers.
- Only 38 percent of direct-care workers are married compared to 54 percent of all female workers. They are also more likely to be single parents (25 percent) than all female workers (13 percent). The marital and family status of direct-care workers put them at greater risk of poverty.
- The median hourly wage for direct-care workers is \$9.56, significantly less than the \$13.46 per hour that all female workers earn.
- In addition, median family income is almost \$30,000 less for direct-care workers than the average female workforce

These demographic findings factor largely into the high rates of uninsurance among direct-care workers.

### **Insurance Status of Direct-Care Workers**

Access to affordable health care coverage is a key component in making sure that there will be enough direct-care workers to care for our aging parents in the near future. The uninsurance rate of direct-care workers is 50 percent higher than the general population under 65 and 11 percent higher than all women in the U.S.

- National figures show 29 percent of all direct-care workers are uninsured.
- Personal and home care aides—the fastest growing segment of the workforce—have even higher levels of uninsurance, with one in three workers lacking coverage.

## When Workers Can't Care for Themselves

One-third of low-income women report that lack of health coverage influences their access to needed health care services.<sup>5</sup> This rate was 2.5 times higher than women with higher incomes. As a workforce with significantly lower wages—when compared to other women and the general population—lack of health coverage not only impacts their health status but also their decision to remain in these jobs.

*Health insurance is a motivating factor in whether women accept or stay at a job.<sup>6</sup> The same is true for direct-care workers.*

- Health insurance may be more important than wages in reducing turnover and increasing the number of direct-care workers and hours worked.<sup>7</sup>
- Direct-care workers enrolled in employer-sponsored health insurance plans stay at their jobs twice as long as those who do not have employer coverage.<sup>8</sup>

*Direct-care workers belong to demographic groups—women of color and women over 40—that have higher levels of chronic conditions or report their health status as poor.*

- Fifty percent of all women over age 45, and 53 percent of African-American women over 45, have a chronic health condition requiring ongoing treatment.<sup>9</sup>

*Direct-care work is dangerous work with high levels of injuries and fatalities.<sup>10</sup>*

- Direct-care workers in nursing homes have the highest incidence of workplace injuries and illnesses in the country.
- Workers in home and community based settings—who have to travel to and between clients—face significant risks just getting back-and-forth to work. Transportation accidents are the leading cause of fatalities for this workforce.

When direct-care workers cannot continue their work due to health concerns—or forced to leave the field for better opportunities that allow them to care for themselves and their families—this directly impacts the quality of care that long-term care consumers and their families rely on.

## **Current Coverage Options for Direct-Care Workers are Limited**

*Employment is not a guaranteed path to coverage.*

- Just over half—52.4 percent—of direct-care workers are covered by employer-sponsored insurance. Others work for employers — most of which are small businesses that cannot purchase affordable plans — that do not offer health coverage.
- A growing number of caregivers are hired directly by consumers and do not have access to employer-based health insurance.
- Thirty-four percent of direct-care workers work part-time or have to piece together hours from multiple employers and are either ineligible or can't afford the coverage offered by their employers.<sup>11</sup>

*Cost is the greatest barrier for direct-care workers getting health insurance.*

- Many caregivers cannot afford health insurance even when it is offered by their employer. With annual employer premiums averaging \$694 for single coverage, and deductibles at \$401, health insurance is unaffordable for workers who earn, on average, \$9.56 per hour.<sup>12</sup>

*Public insurance programs have restrictive eligibility requirements.*

- As is true for other low-wage women workers, Medicaid is an important coverage option for many direct-care workers.<sup>13</sup> Thirteen percent of direct-care workers rely on public insurance programs. Yet for those workers who do not have children, a disability, or who live in states with restrictive eligibility guidelines, Medicaid is not a viable option.

## Solutions

Providing health insurance for direct-care workers involves changes in public policy that increase access to coverage in public programs and/or provides incentives to make employer-sponsored health insurance more affordable.

The Health Care for Health Care Workers campaign has identified key principles for insurance coverage that should be considered in evaluating whether state health care reform efforts will meet the needs of direct-care workers. Health care coverage should be:

- **Accessible** to all individuals regardless of their family status, their employment status, or how many hours they work.
- **Affordable** for all workers and their employers.
- **Adequate** with a full range of benefits and services to protect older workers, those with chronic health conditions, and injured workers.
- **Simple**, easy to understand and enroll in.

In addition to these principles, there are strategies that are working now in several states to expand coverage to direct-care workers.<sup>14</sup> These include:

- Making employer-sponsored health insurance more affordable.
- Expanding public insurance coverage.
- Establishing coverage through collective bargaining.
- Building health insurance into Medicaid reimbursement for long-term care services.
- Assisting workers with health care expenses.

## Endnotes:

- 1 Steven L. Dawson and Rick Surpin, *Direct-care health workers: The unnecessary crisis in long-term care* (Washington, DC: The Aspen Institute, May 2001). <http://www.directcareclearinghouse.org/download/Aspen.pdf>
- 2 MetLife Mature Market Institute, National Alliance for Caregiving, & The National Center on Women and Aging. (1999, November). *The MetLife juggling act study: Balancing caregiving with work and the costs involved*. Available on-line at: <http://www.caregiving.org/data/jugglingstudy.pdf>
- 3 Smith, K., Baughman, R. (2007). "Caring for America's Aging Population: A Profile of the Direct-Care Workforce." *Monthly Labor Review*. September 2007. <http://www.bls.gov/opub/mlr/2007/09/art3full.pdf>
- 4 Bureau of Labor Statistics (2008). *20 Leading Occupations of Employed Women, 2007 Annual Averages*. Available on-line at <http://www.dol.gov/wb/factsheets/20lead2007.htm>
- 5 Kaiser Family Foundation (2005). *Women and Health Care: A National Profile*. Available on-line at: <http://www.kff.org/womenshealth/whp070705pkg.cfm>
- 6 Lake, Celinda (2007). *What Women Want: How to Talk to Women Voters About Health Care*. Presentation at the National Women's Law Center, December 12, 2007. Washington, DC.
- 7 For an overview of this literature see "Health Insurance Vital to Job Retention," a PHI/HCHCW fact sheet available at <http://www.hchcw.org/uploads///pdfs/RetentionFactSheet.pdf>

- 8 Rodin, H.A. (2006) *Increasing the supply of certified nursing assistants*. Ph.D. Dissertation. Minneapolis, MN: School of Public Health, University of Minnesota.
- 9 Ibid
- 10 Bureau of Labor Statistics, U.S. Dept. of Labor, *Survey of Occupational Injury and Illness*. Available at <http://www.bls.gov/iif/oshwc/case/osch0034.pdf>
- 11 Montgomery, R.J. (2005). *A Profile of Home Care Workers From the 2000 Census: How It Changes What We Know*. Available on-line at <http://gerontologist.gerontologyjournals.org/cgi/content/abstract/45/5/593>
- 12 Kaiser Family Foundation (2007). *Kaiser/HRET Employer Health Benefits Survey*. Available on-line at: <http://www.kff.org/insurance/7672/index.cfm>
- 13 Kaiser Family Foundation (2007) *Medicaid's Role for Women*. Issue Brief, October 2007. Available on-line at: [http://www.kff.org/womenshealth/upload/7213\\_03.pdf](http://www.kff.org/womenshealth/upload/7213_03.pdf)
- 14 Health Care for Health Care Workers (2008) *Coverage Models from the States, Strategies for Expanding Health Coverage to the Direct-Care Workforce*. Available online at [www.PHInational.org/clearinghouse](http://www.PHInational.org/clearinghouse) or [www.coverageiscritical.org](http://www.coverageiscritical.org)



Health Care for Health Care Workers ([www.coverageiscritical.org](http://www.coverageiscritical.org)), an initiative of PHI, seeks to expand health coverage for workers who provide support and assistance to elders and people living with chronic conditions and/or disabilities. These consumers need a skilled, reliable, and stable direct-care workforce to provide quality long-term care services. We believe that one way to ensure a quality direct-care workforce is to provide quality direct-care jobs—jobs that offer

health coverage and pay a living wage.

This fact sheet is part of a series designed to offer interested stakeholders and policymakers analysis to draw from as they seek to expand health coverage for direct-care workers.

This, and related publications, are available online at the Health Care for Health Care Workers website ([www.coverageiscritical.org](http://www.coverageiscritical.org)), or by calling the national campaign office at 718-928-2066.



[www.coverageiscritical.org](http://www.coverageiscritical.org)

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