

Essential, Undervalued, and Underpaid:

Home Health Care Workers in the United States during the COVID-19 Pandemic

1. Executive Summary

The COVID-19 pandemic has highlighted the selfless dedication of essential frontline workers; however, there still exists an invisible workforce that remains essential, yet undervalued and underpaid. American home health care workers – direct care workers who provide care to individuals with physical, behavioral, or other needs at home – have for decades endured neglect in the form of wage discrimination. In stark contrast to the more highly compensated technical positions in the healthcare sector (i.e., practitioners, technicians, etc.), home health care workers are often paid well below other health care workers, receiving a median hourly wage of \$12.13. Home health care workers also earn lower wages than their counterparts performing similar tasks in nursing homes and long-term care facilities where the average hourly rate is \$20.19. Due to the low wage, over half of homecare workers rely on some form of public assistance to make ends meet. Moreover, home health care workers face additional hurdles related to wage/labor discrimination as about nine out of ten homecare workers are women and over half are people of color (U.S. Census Bureau) In the context of the COVID-19 pandemic, the value of home care work is being brought into the spotlight along with the acknowledgement of their shortfall in compensation and protections. Herein, we propose the following policies to better protect these workers against labor/wage discrimination in the United States:

- (1) Raise pay to a living wage for home health care workers – ensure that home health care workers’ pay is raised to a level that provides adequate protection and living conditions for home health care workers.
- (2) Expand and strengthen unions – implement infrastructure in *all* fifty US states to support home health care worker unions which can advocate for safe working conditions and a fair wage.
- (3) Introduce hazard pay – immediately provide hazard pay to all home health care workers in the US in recognition of the danger of their work during the COVID-19 pandemic, and establish a protocol for establishing hazard pay during future high-risk health scenarios.

There are an estimated 2.3 million home health care workers across the United States that continue to work through the pandemic to support the most vulnerable of our population, yet their current wages conditions do not reflect their inherent need in society. The aforementioned policy options are intended to address the challenges faced by home health care workers in the United States.

2. Description of Policy Challenge

2.1 The Pandemic's impact on Home Health Care Worker Wages/Employment in the United States

The COVID-19 pandemic has put pressure on a wide swath of industries; the healthcare industry in particular has experienced significant negative effects, in terms of both safety and employment. The health care and social assistance sector saw a significant rise in unemployment at the start of the pandemic, growing from 2% in January to 10.3% in April 2020. (U.S. Bureau of Labor Statistics, *Health Care and Social Assistance: NAICS 62*) Of the health care and social assistance sector, home health care workers tend to earn the lowest wages. In 2019, prior to the pandemic, the median hourly wage of home health care workers was \$12.13, corresponding to an annual median income from wages of \$25,240. (U.S. Bureau of Labor Statistics, *Occupational Employment and Wages*) For a family of four with no other income, this puts home health care workers below the poverty line, on average. (ASPE Office of the Assistant Secretary for Planning and Evaluation) Scot Rosenzweig, a health care activist whose late fiancé was his first attendant, describes the financial struggles faced by home health care workers:

“As an attendant, she had to make a choice between paying basic living expenses or health insurance. Attendants in Pennsylvania currently average \$10.35 / h. My current attendant works 42 hours weekly caring for me and has had to take a second full-time job. In 2013, my fiancé passed away at age 41, unable to pay for health insurance she desperately needed.” (Rosenzweig, 2018)

While it is clear that unemployment rose during the first few months of the pandemic the general job outlook for home health care workers in the coming decade is predicted to grow by 34%. It is also important to note that wages of home health care workers increased during that time period. Because monthly 2020 wage data specific to home health care workers is unavailable, an estimate will be extrapolated using 2019 monthly earnings. Looking at September, the sector saw a 3.65% rise in wages. It is relevant to note that the overall CPI in the US rose 1.4% from 2019 to 2020, thus the industry's wages still had net growth above inflation. Given the 3.5% industry wage increase from 2019-

2020, the 2020 median hourly wage of home health care workers is estimated at \$12.55. While these wages did grow over the rate of inflation, the changes seem minimal in comparison to the outspoken support for workers deemed essential during the COVID-19 pandemic.

2.2 Hazard Pay for Home Health Care Workers in the United States

Hazard pay refers to the direct relationship between the risk involved in performing a job and the worker's salary. Hazard pay provides additional wages to workers for jobs involving hazardous duty or physical danger. Unsafe jobs with hazardous characteristics or unpleasant working conditions are required to pay higher wages to maintain a balance between positive and negative job conditions. (Hecker, 2020) Traditionally, hazard pay compensates workers performing dangerous jobs such as military service and construction, but today, COVID-19 poses a deadly threat to any frontline worker. The COVID-19 pandemic has highlighted frontline workers such as doctors, nurses, home caregivers, transporters, cleaners, waste disposal personnel, etc., who put their lives at risk by facing the pandemic head-on to control the spread of the virus, and it is critical that their work be compensated.

The pandemic has forced home health care workers into increasingly risky working conditions as well. At the beginning of the pandemic, home health care workers faced difficulty in attaining proper PPE. (Kinder, Stater, Du, 2020) With inadequate PPE, home health care workers risk being exposed to COVID-19 every time they enter a client's home. Unsafe working conditions should be met with increased compensation in the form of hazard pay to account for the risk. Hazard pay for home health care workers is an immediate, temporary solution until the vaccine has been properly distributed and COVID-19 is no longer a serious threat. Beyond COVID-19, increasing the minimum wage to a living wage and providing additional benefits would be appropriate in order for home health care workers to meet their basic needs.

2.3 The Role of Unions and Advocacy Organizations in relation to COVID-19

One of the more effective ways of changing policy is through unionization. According to a study conducted by associate professor and labor economist Aaron Sojourner, "Unionized workers are more likely than their non-union peers to speak up about health and safety problems in the workplace." (Daley) The idea is that unions help home health care workers learn about their rights and file complaints, thereby producing tangible results. Research has

shown that health facilities with unions have more inspections, better patient outcomes, more access to personal protection equipment (PPE), and even lower COVID-19 mortality rates compared to non-union facilities. (Pattani, 2021) While home health care workers have always been undervalued and underpaid, the challenges they face have only been amplified by COVID-19, encouraging more workers to join unions, particularly in traditionally anti-union states. For instance, in Colorado, Service Employees International Union Local 105 has seen an increase in interest from non-union frontline workers in rural areas where union representation is usually low (Pattani, 2021) Unfortunately, interest does not always lead to membership. “Health care employers, in particular, are known to launch aggressive and well-funded anti-union campaigns,” explained Rebecca Givan, a labor studies expert. (Pattani, 2021) Unions and advocacy play a key role in the struggle to achieve living wages for home health care workers because they have the political clout to push for state-wide policy changes. Several unions and advocacy organizations have taken the lead in urging states to pass laws that protect home health care workers and guarantee higher wages. Service Employees International Union Local 775 (SEIU 775), representing long-term care workers in Washington and Montana, signed a contract in September 2020 with the Washington State Department of Social and Health Services extending Caregiver Hazard Pay and allocating funds for PPE. (SEIU 775) As a result of this contract, home health care workers in the union received an additional \$2.56 per hour for the remainder of 2020, and will receive an additional \$2.54 per hour for the first three months of 2021. (SEIU 775) Moreover, the contract states a three percent increase in wages for two years. (SEIU 775)

SIEU Local 512, representing Virginia, has also achieved a major accomplishment for their members. On October 15, 2020, Virginia Governor Ralph Northam announced the allocation of \$73 million in federal Coronavirus Aid, Recovery and Economic Security funds to be used as hazard pay for home health care workers affected by COVID-19. (De La Rosa, 2020) A one-time \$1,500 payment was sent to 43,500 home health care workers and a seven percent raise was incorporated into the state budget for home health care workers. This designation of funds for home health care workers in Virginia represents a tangible, budgetary response to the outspoken public support for essential workers. Further, the Virginia government acknowledged the prevalence of women of color in the field. Senator Louise Lucas explained, “The majority of home health care workers are women, and women of color, providing critical health services for low pay”. (De La Rosa, 2020)

“Home care workers ... are instrumental in helping older adults and people with disabilities lead healthy and active lives, safe at home and in the community,” he said in a statement. “That was especially important earlier this year when nursing homes faced outbreaks. This hazard pay recognizes their essential work. It’s an important investment that will support families and keep overall costs down for our healthcare system.”
(De La Rosa, 2020)

Meanwhile, Home Healthcare Workers of America (HHWA), which represents roughly 10,000 home care workers in New York, is also taking action. In an effort to pass H.R. 6909, The Pandemic Heroes Compensation Act of 2020, HHWA’s national Secretary-Treasurer was one of many to provide testimony to the NY House of Representatives Committee. (Bagcal, 2020) Under the proposed H.R. 6909, essential workers and their families would be eligible to receive financial compensation for harm or death caused by COVID-19. Furthermore, the National Domestic Workers Alliance, an advocacy organization for domestic workers in the United States, has taken matters into their own hands by establishing the Coronavirus Care Fund in March 2020 to assist domestic workers, including home health care workers who are financially struggling because of the pandemic. (National Domestic Workers Alliance) The fund has supported over 40,000 nannies, house cleaners and home health care workers.

Home health care unions have successfully fought for higher wages and additional benefits. In a survey conducted by the National Employment Law Project (NELP), one home health care worker describes a positive experience as part of a union in the following quote:

“Way back when I started, I was getting paid \$3.90 / h. That was before there was a union. At the time, I knew nothing about unions. I wasn’t a fighter then. When I stopped working, I was making \$13.85 / h. When we unionized, we fought for paid training, paid time off, benefits, health insurance, and life insurance.”
(Christman, Connolly, 2017)

While unions and advocacy organizations are not the only ones responsible for these policies and funds, they are major contributors. However, despite the successes achieved thus far, there remains more work to be done to ensure all home health care workers are paid a living wage.

3. Policy Options to Address the Challenge

3.1 Raising Pay to a Permanent Living Wage for Home Health Care Workers in the United States

Amy Glasmeier, a professor of economic geography and regional planning at MIT used the MIT Living Wage Calculator to determine that in 2017 a family of four, with two working adults, would have to make \$32.14/h. pre taxation to make a living wage. (Kessler, 2019) That means that, in 2017, for the minimum wage to be a living wage the federal government would have had to raise the minimum wage to \$16.04/h. Currently, pending in Congress is H.R.582 Raise the Wage Act, a bill that would raise the hourly federal minimum wage to \$8.40/h and would facilitate an annual increase for six years until it reaches \$15 / h. (H.R 582) While this is a step in the right direction, this bill has yet to be passed and the time it takes to reach a fair living wage takes too long to reach fair compensation. At a minimum, the federal, state, and local government should instead immediately raise the minimum wage to \$15 / h to better support home health care workers. Raising pay to a permanent living wage would not only show home health care workers the respect they deserve, but it would reflect the risk and effort their job entails.

3.2 Benefits of Increasing Wages for Home Health Care Workers

Raising wages for home health care workers would benefit multiple stakeholders as well as the economy overall. Not only would an increase in wages professionalize home health care services and lead to a more financially stable lifestyle for workers, but agencies would see a decrease in turnover, care recipients would receive more consistent, higher quality care, and the economy would expand as home health care workers would have more money to spend. (Weller, Almeida, Cohen, and Stone) One of the ways providers could raise wages for their workers is through Medicaid reimbursement. Medicaid is the largest public payer of home health care services and many agencies are able to operate primarily through Medicaid reimbursement. (Christian Weller, Beth Almeida, Marc Cohen, and Robyn Stone) However, if the reimbursement rates are not keeping up with minimum wage and inflation each year, Medicaid ceases to be a sustainable option for agencies. (Bryant, 2019) This would force agencies to turn to private pay or close business, leaving many patients without care. Thus, it is important that states invest in funding reimbursements proportionally to prevent a shortage of home health care workers.

4. Conclusions and Recommendations

The COVID-19 pandemic has exposed the shortcomings of the current wages and working conditions of home health care workers in the United States. They bear enormous burdens throughout this crisis while still being underpaid. However, with Covid-19, the perception of the value of homecare workers has shifted, creating a narrative of those who put their lives on the line to protect the nation's most vulnerable patients. With this new focus on the health care workers there is an opportunity to improve conditions for home health care workers both in the pandemic and beyond.

Immediate action to provide adequate PPE to all home health care workers should be taken. Lawmakers across the country can advocate for temporary emergency rules to expand the availability of personal protective equipment for all front-line workers, especially home health care workers. Additionally, the United States Congress should pass H.R 63055 Coronavirus Relief for Seniors and People with Disabilities Act of 2020, a bill that through funneling more money into Medicaid, which will help to immediately increase wages and include hazard pay compensation for home care workers on the front line of the pandemic. (Hecker, 2020)

Actions such as expanding home care workers access to unions and the ability to unionize will improve conditions during the pandemic and will also help to improve the conditions of home health care workers long after the pandemic is under control. By enabling the unionization of home health workers, they will be able to further advocate for their rights and fight for fair pay, safe practices, and health care benefits. While some states already have given these workers the right to unionize, many states still lack the infrastructure to support these unions and in turn, their members.

Even as the cost of living has steadily increased, minimum wage levels across the United States have largely remained stagnant for the past decade. Home health care workers deserve to be adequately compensated for the vital services they provide. The federal minimum wage should be increased to \$15 / h as quickly as possible. The current plans to achieve this goal in six years is not satisfactory to achieve living wages for these workers. Any federal response to the COVID-19 pandemic should include a permanent increase of the minimum wage to \$15 for all workers, including the often-overlooked home health care workers. To ensure adequate financial support for the risks assumed by home health care workers during the COVID-19 pandemic, we recommend that the US federal government provide a framework for all states to adopt regarding hazard pay for home health care workers.

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