Contingent Workers in Long-Term Care

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HOME CARE AIDES

BACKGROUND FINDINGS

The rise of contingent work arrangements in the U.S. has generated unease about the American workforce. A recent study estimated that healthcare now accounts for more than one in five contingent workers. Unfortunately, little is known about the extent contingent work arrangements may be occurring in fast-growing, low-wage supportive health occupations in long-term care such as home health aides and home care aides. As the U.S. population ages and healthcare becomes the largest employment sector, it is important to understand how these employment arrangements may jeopardize or support the health workforce.

STUDY QUESTIONS

- 1) What proportion of home health aides and home care aides are in contingent work arrangements?
- 2) How do home health aides and home care aides in contingent work arrangements differ from home health aides and home care aides in traditional work arrangements with regard to sociodemographic characteristics and income?
- 3) What factors influence the likelihood of being in a contingent work arrangement?

DATA AND METHODS

<u>Data Source:</u> Current Population Survey (CPS) March 2016 Annual Social and Economic Supplement (ASEC) <u>Methods:</u>

- Selected persons 18-75 employed as Home Health Aides (HHA) and Home Care Aides (HCA)
- Occupations defined following the 2010 Standard Occupational Classification Systems (SOC) and North American Industry Classification System (NAICS)
- Identified workers in contingent work arrangements as those who were "self-employed"
- Probit regression to examine factors influencing the probability of being in a contingent arrangement.
- Dependent Variable: self-employment
- Predictors: non-white, Hispanic, female, married, child in household, not U.S. citizen, same occupation last year, living in metro area, and age categories.

FINDINGS

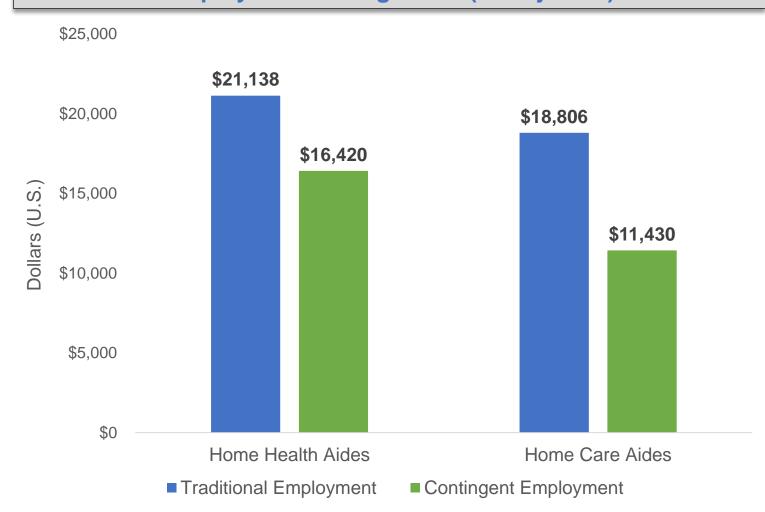
- 11.2% of HHA and HCA were in contingent work arrangements.
- HHA were 15.4% less likely to be in a contingent work arrangement if they had a child in the household.
- HHA were 20.9% less likely to be in a contingent work arrangement if they were between the ages of 35 and 44; 15.6% less likely to be in a contingent work arrangement if they were between the ages of 55 and 64.
- HCA were 28.5% more likely to be in a contingent work arrangement if they were between the ages of 55 and 64.

How Do Contingent Workers Differ from Traditionally Employed Workers Among Home Health Aides and Home Care Aides?

HOME HEALTH AIDES

	Traditional Employment	Contingent Employment	Traditional Employment	Contingent Employment
Weighted Counts	501,389	63,138	342,683	43,289
Proportion	88.8%	11.2%	88.8%	11.2%
	%	%	%	%
White	45.7	54.5	60.7	53.4
Black	45.1	34.5	28.7	34.1
Asian/Pacific	a -	44.0		
Islander	6.7	11.0	6.8	5.0
Other	2.4	0.0	3.9	7.5
Uianan's				
Hispanic	17.2	6.9	18.7	9.5
Famala				
Female	94.4	86.2	87.9	83.8
Net II O O't'				
Not U.S. Citizen	17.5	20.5	10.1	12.7
Age				
18 to 34	29.5	41.3	26.9	9.1
35 to 44	23.6	2.2	19.5	10.6
45 to 54	22.9	25.9	23.8	21.5
55 to 64	18.8	11.9	19.1	53.9
65 to 74	4.8	15.1	10.6	4.9
75 and over	0.4	3.7	0.0	0.0
Married	36.0	52.4	38.3	38.9
Child in Household	62.2	27.1	54.3	44.1
Same Occupation	00.4	07.0	00.0	04.0
Last Year	90.4	87.8	83.9	81.0
Working Full time	04.0	00.4	50.7	22.5
Working Full time	64.6	62.4	58.7	60.5
Livos in Motro Area			20.7	<u> </u>
Lives in Metro Area	90.2	72.1	80.5	97.7
Covered by				
Medicaid Last Year	32.4	25.2	24.6	16.1
Uninsured	12.2	9.6	14.5	21.2
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Annual Income by Occupation and Employment Arrangement (Unadjusted)



Probit Estimates of Contingent Work Arrangement by Occupation

HOME HEALTH AIDES (n = 564,527)		HOME CARE AIDES (n = 385,972)	
dy/dx	SE	dy/dx	SE
-0.036	0.071	-0.001	0.043
-0.095	0.104	-0.038	0.062
-0.092	0.125	0.010	0.055
0.082	0.075	-0.032	0.056
-0.209**	0.078	0.061	0.060
-0.036	0.100	0.103	0.070
-0.156*	0.080	0.285**	0.105
0.051	0.176	0.021	0.037
0.329	0.442	b	b
0.104	0.062	-0.017	0.041
-0.154*	0.068	-0.048	0.045
-0.042	0.102	-0.100	0.412
-0.143	0.079	0.171	0.097
	(n = 56 dy/dx -0.036 -0.095 -0.092 0.082 -0.209** -0.036 -0.156* 0.051 0.329 0.104 -0.154* -0.042	(n = 564,527) dy/dx SE -0.036 0.071 -0.095 0.104 -0.092 0.125 0.082 0.075 -0.209** 0.078 -0.036 0.100 -0.156* 0.080 0.051 0.176 0.329 0.442 0.104 0.062 -0.154* 0.068 -0.042 0.102	(n = 564,527) (n = 385) dy/dx SE dy/dx -0.036 0.071 -0.001 -0.095 0.104 -0.038 -0.092 0.125 0.010 0.082 0.075 -0.032 -0.036 0.100 0.103 -0.156* 0.080 0.285** 0.051 0.176 0.021 0.329 0.442 b 0.104 0.062 -0.017 -0.154* 0.068 -0.048 -0.042 0.102 -0.100

Note: dy/dx - marginal probabilities; SE - standard error; **, * indicates significance at 1% and 5% level;

a 18-34 was comparison age category

^b Sample did not include any respondent for this category; estimates were omitted

CONCLUSIONS

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Research Scientist, Department of Family Medicine

 Study limitations include imprecise definition for contingent employment, inability to distinguish voluntary or involuntary entry into contingent work arrangements, and small sample size to detect noticeable differences.

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- Our findings show that one in ten HHA and HCA is in a contingent work arrangement.
- Age is an important factor influencing the likelihood of HHA and HCA being in a contingent employment arrangement, it appears to influence these occupations differently. Contingent HHA are more likely to be younger than traditionally employed HHA, and contingent HCA are more likely to be older than their traditionally employed counterparts.
- Having a child in the household is also an important factor influencing contingent work arrangement among HHA.
- Contingent workers appear to have lower annual income than those who are self-employed.

IMPLICATIONS

As the U.S. population ages, there is growing demand for home health aides and home care aides to support the needs of elderly individuals living at home and in the community.²⁻⁵ While preferences to age independently at home fuel the demand for long-term care workers, low wages, limited fringe benefits, inadequate training, and few opportunities for professional advancement prevent a stable and adequate workforce. The changing nature of employment arrangements may further impact this vulnerable workforce with implications for recruitment and retention. Future studies should monitor the proportion of contingent workers in long-term care over time and better understand why or how workers enter contingent work arrangements.

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