

CARE CAN'T WAIT

IMPROVING CARE AND CARE JOBS TOGETHER

Caregivers are essential to the health, well-being and future of our country.

Home care, child care and nursing home workers dedicate their lives to helping seniors, people with disabilities, children and other members of our community live safe, full and healthy lives.

While the country gives plenty of lip-service to the importance of care jobs, the system has been rigged against care workers – the majority of whom are women and people of color. The historic devaluation of care work and a lack of crucial funding for home- and community-based services have led care workers to be written out of laws and basic protections on the job, paid poverty wages, denied affordable healthcare or paid time off, and other benefits. In many states, home care and child care providers are still excluded from basic worker protections including the right to organize.

Our communities face a devastating care crisis, impacting families of every race, in every zip code.

Caregivers can't afford to do these jobs, and are leaving the industry at alarming rates. American families are struggling. Parents can't find or afford child care. Seniors and people with disabilities can't find or afford home care. Nursing homes are massively understaffed and paying poverty wages while bringing in millions in tax dollars.

The millions of care workers united in the **Service Employees International Union (SEIU)** and the **National Domestic Workers Alliance (NDWA)** are joining together to build a movement of care workers and families with the power to win the kind of care our communities deserve. We intend to use our strength in numbers to support transformational investments in the care economy and win a care system that works for all families.

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THE LONG-TERM CARE CRISIS

The U.S. faces a growing long-term care crisis. Our current system for providing long-term care is fragmented and incomplete, leaving the majority of people to fend for themselves, with consequences for families, caregivers and the broader economy.

Our care crisis is multifaceted. Many families struggle to pay for long-term care or rely on unpaid family and friends to provide it. Public programs, primarily Medicaid, only cover a fraction of the total population needing care, and there is no well-functioning private – or public – insurance system. Meanwhile, even families who can afford to pay for care cannot find workers to provide it, and home care agencies and nursing homes experience chronic worker shortages.

Despite the high demand for services, direct care workers earn only poverty-level wages, and it is difficult to either attract or retain individuals in the profession. Inadequate pay along with a lack of training opportunities or other professional advancement, and the stressful nature of the work lead to high rates of turnover that negatively affect quality and continuity of care.

The fragmented nature of the current system, which offers little coordination and support to help families identify care needs and providers, as well as minimal initiatives to improve working conditions, including support for recruitment and training, further exacerbates the crisis.

Guaranteeing access to quality care for the growing number of individuals in need of long-term care and averting a more dire crisis requires addressing all of these challenges.

THE GROWING LTC DEMAND

At least **14 million** seniors and people with disabilities need long-term care, a number growing rapidly as the population ages.

Every **eight seconds**, someone in the U.S. turns 65. Nearly **70 percent** of this population will need long-term care at some point.

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THE CHILD CARE CRISIS

The current child care system is at the breaking point and does not work for children, families, early educators or communities. This broken, chronically unfunded system is rooted in systemic racism, a result of society's devaluing of the work of women of color and our willingness to ignore the needs of Black and brown children and families. It continues a long and painful history of demanding that women of color care for other people's children at the expense of their own needs and those of their families.

It produces inequities in child care access, affordability, and quality for children and families of color, and provides child care workers with low wages, few benefits and little respect for or voice in the work that they do.

Low pay and few benefits are driving child care workers out of the work they love. The pandemic only deepened a critical shortage of child care available for families. The high cost of child care has priced many families out of work who can no longer afford to pay.

Austerity brought on by decades of tax cuts demanded by corporations and the wealthy have eroded support for our system of education and care. Corporations have failed to pay what they owe in taxes which has starved early care and education of desperately needed resources.

Child care workers will continue to leave the profession they love and families will continue to struggle to find child care until we **make the investments needed to raise wages, improve benefits and ensure workers have a voice through their union. That's how we build a child care system that works for all.**

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PRESIDENT BIDEN RESPONDS TO THE CRISIS

Even before he was elected in 2020, President Biden recognized the need to address this crisis and build a care infrastructure with strong workforce standards in his Plan for Mobilizing American Talent and Heart to Create a 21st Century Caregiving and Education Workforce. Early on, the American Rescue Plan (ARPA) contained significant new funding to build HCBS infrastructure and support the direct care workforce and Child Care Stabilization Grants to improve compensation for child care workers.

In April 2023, President Biden signed a historic Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers that directed nearly every cabinet-level agency to expand access to affordable, high quality care, and provide support for care workers and family caregivers. This EO represents the most comprehensive set of actions any President has taken to advance care and it led to real results that create a roadmap for future work. Taken together, these actions have already had real results:

- **The American Rescue Plan increased federal funding to strengthen, improve and expand the HCBS systems.** The administration worked to implement this provision quickly, and it resulted in \$37 billion in support for actions to enhance, expand, and strengthen HCBS. At least two-thirds of this amount – about \$25 billion – is going to pay increases and other economic benefits, as well as new training opportunities and other activities to support the direct care workforce.
- **The Centers for Medicaid and Medicare Services (CMS) issued a proposed Medicaid Access Rule** that would require states to ensure that dollars go to home care worker compensation, and not agency profits. The proposed rule also requires states to create an Interested Parties Advisory Group, a dedicated public body with worker and consumer representation, which would convene to examine Medicaid payment adequacy for home care workers, to collect information about current pay levels and access to care in order to make recommendations for future policy making. A final rule is expected soon.

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- Responding to the Care EO's directive for guidance on ways to use enhanced funding to better connect workers and people needing care, **CMS released an Informational Bulletin for state Medicaid programs** describing how home care registries can benefit HCBS workers and consumers and explaining how states can create a registry that could undertake a variety of activities, such as recruiting workers, connecting them with training programs, providing health or other benefits, connecting workers and consumers needing care, supporting families in navigating the HCBS system, and creating systems to collect and analyze data to support Access Rule implementation. Many of these activities will be eligible for 90 percent federal reimbursement for design, and 75 percent for ongoing operations.
- **Called on the Veterans Administration to consider designing a pilot program for a new co-employment option for delivering home care services to veterans**, and in August 2023 the VA announced this pilot, which will operate in six sites, with the potential to expand nationwide in future years. This program gives veterans a new option that maximizes their autonomy to direct care, while also ensuring strong standards for the workforce delivering services.
- Following President Biden's pledge in 2022, which was reflected in the Care EO, to create a staffing standard for nursing homes, **CMS issued a proposed rule last fall that would create a specific requirement for nursing home staffing levels** (i.e. minimum standards of nursing assistants to residents). This is a historic first step towards improving the quality of these jobs and the safety of residents. CMS has also undertaken a range of other actions to improve care and support workers, including first steps to tie payments to facilities' staffing and turnover levels.
- **The Department of Labor published sample employment agreements** for domestic child care and long-term care workers and their employers in multiple languages to promote fair workplaces and ensure the parties know their rights and responsibilities.

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PRESIDENT BIDEN RESPONDS TO THE CRISIS

- The American Rescue Plan **helped stabilize and strengthen the child care sector**, giving states close to \$40 billion in federal emergency relief funds for child care, on top of \$13.5 billion from earlier pandemic relief packages, which proved a much-needed lifeline for many child care providers. While the pandemic sent the child care sector deeper into crisis, ARPA stabilization funds prevented it from collapsing altogether. The U.S. Department of Health and Human Services found that the \$24 billion in relief funds distributed to states served 220,000 child care providers, saved the jobs of more than 1 million early educators, and enabled continued care for as many as 9.6 million children.
- **The Administration for Children and Families (ACF) finalized the Improving Child Care Access, Affordability, and the Child Care and Development Fund (CCDF) NPRM** in February 2024, which would go a long way to making child care more affordable for families and help to recruit and retain the child care workforce by improving payment practices. This will be particularly helpful for home-based providers who paid low wages in most states. Specifically, the rule:
 - Caps family copayments to seven percent of a family's income and encourages states to waive co-payments for other categories of families in the most need of affordable care.
 - Requires on-time payments for care services and ensures that providers are paid based on program enrollment not attendance which will ensure regular, consistent payments to workers and improve the financial stability of child care providers.
 - Provides flexibility for states to pay child care providers the full published subsidy rate to account for the true cost of care, even if the provider's private pay rate is lower.
- The Administration has **proposed a new rule applying to the Federal Head Start Program** that aims to support and stabilize the federal Head Start program through new requirements for staff wages, benefits, and health and wellness supports.

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LOOKING TO THE FUTURE

The progress made so far provides a base on which to build in coming years. In the near term, we must make sure the proposed rules and actions described above are finalized and robustly implemented at both the federal and state levels.

We must also continue to pursue the other policy ideas outlined in the Care EO, such as finding ways to expand health coverage for direct care workers and strengthen labor protections for non-citizen care and domestic workers.

In the longer term we must build a robust system for financing and delivery of LTSS and child care. This system must include an infrastructure that enables all families to get the care they need and ensures that care jobs are good jobs, with a living wage and the ability to join a union. Such a system must:

- **Be a public program that covers all U.S. residents**, with a progressive and sustainable financing mechanism.
- **Create a delivery and payment structure that ensures accountability and consistency** through provisions that tie public dollars to standards that protect consumers and support the workforce.
- **Enable participants to get high quality care where they need and want it**, whether at home in their community or in an institutional setting, and enable the use of consumer-directed service models that maximize the autonomy of individuals receiving services.
- **Create an infrastructure to address workforce issues** on an ongoing basis and **facilitate the ability of direct care workers to collectively bargain** and participate in processes to ensure that payment rates support good jobs and mechanisms to connect workers and consumers.

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LOOKING TO THE FUTURE

- **Ensure robust public investments to build and sustain the infrastructure of a comprehensive child care system.** Mandatory spending by the federal government must cover the true cost of care and flow to workers to allow the workforce to be valued, supported and competitively compensated.
- **Hold federal grantees and contractors fully accountable for spending taxpayer dollars** to promote practices that directly impact the delivery of quality care, raise workforce standards and build the supply of providers for the public.



The Service Employees International Union is the nation's second largest labor union and the largest union of healthcare workers, representing nearly 800,000 home care workers, 180,000 nursing home workers and 100,000 child care workers in the U.S., Canada and Puerto Rico. SEIU is united by a belief in the dignity and worth of workers and the services they provide, and is dedicated to improving the lives of workers and their families by creating a more just and humane society.
www.seiu.org ✕ @SEIU



The National Domestic Workers Alliance is the leading voice for dignity and fairness for millions of domestic workers in the United States. NDWA works for respect, recognition and inclusion in labor protections for domestic workers, the majority of whom are immigrants and women of color. NDWA is powered by over 70 affiliate organizations and local chapters and by a growing membership base of nannies, house cleaners and care workers in over 20 states.
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