

# The Personal Care Aide Workforce in Nevada

Presentation to the  
Nevada Commission on Aging: Policy Subcommittee

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# Personal care aides provide non-medical supports to help seniors and individuals with disabilities stay in their homes

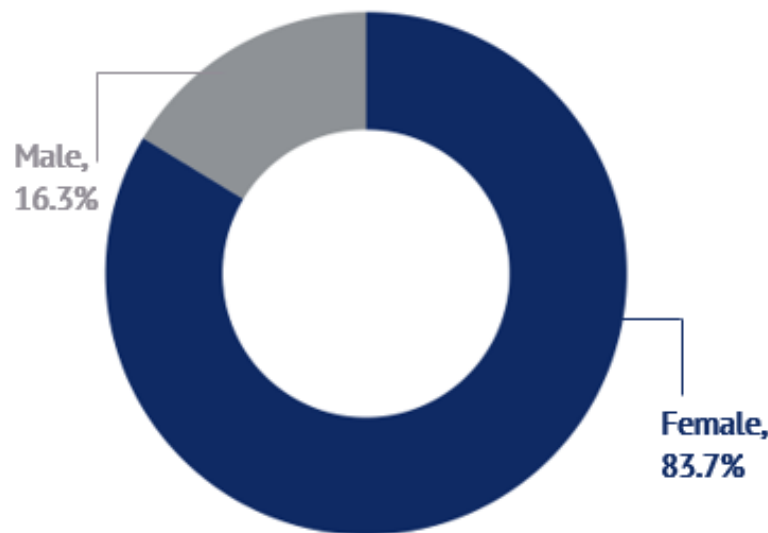
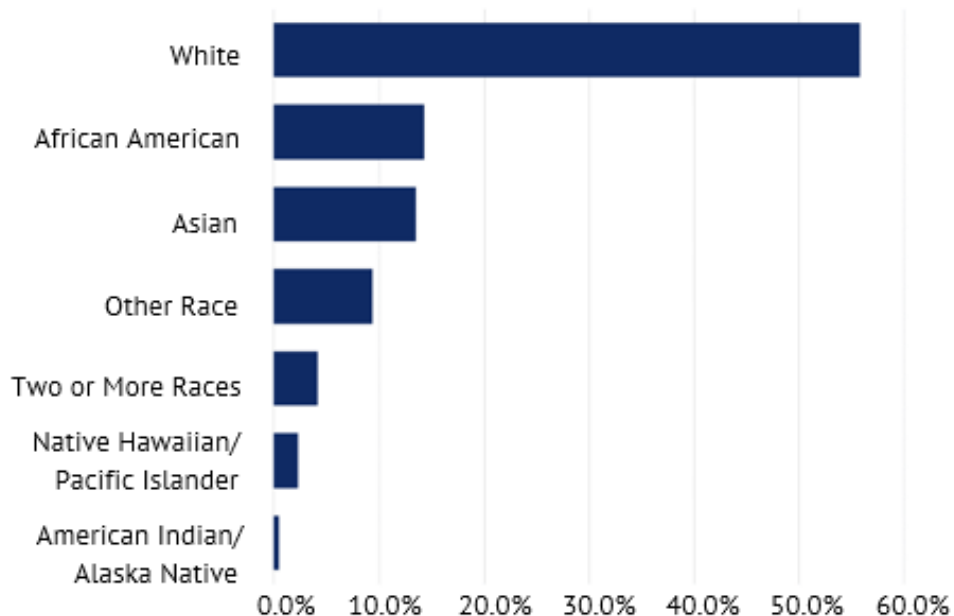
## 1 Activities of Daily Living (ADLs)

- Bathing
- Dressing
- Grooming
- Toileting
- Transferring/positioning
- Mobility/ambulation
- Eating

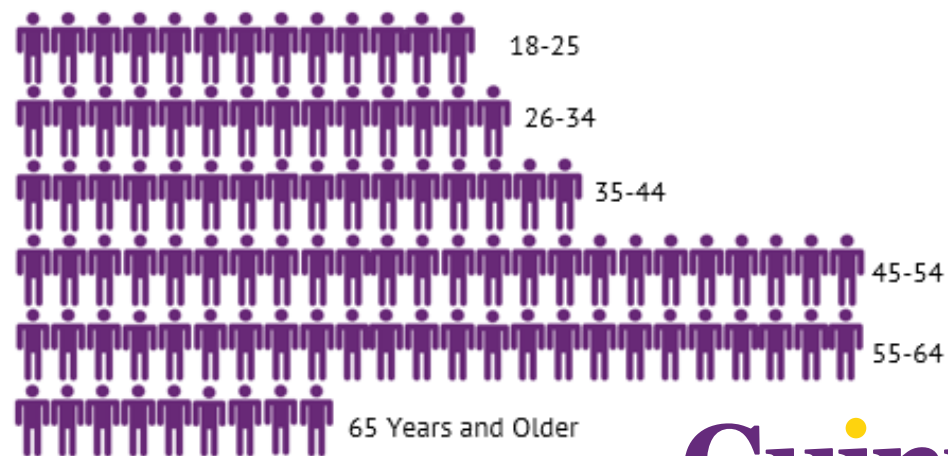
## 2 Instrumental Activities of Daily Living (IADLs)

- Light housekeeping
- Laundry
- Essential shopping
- Meal preparation

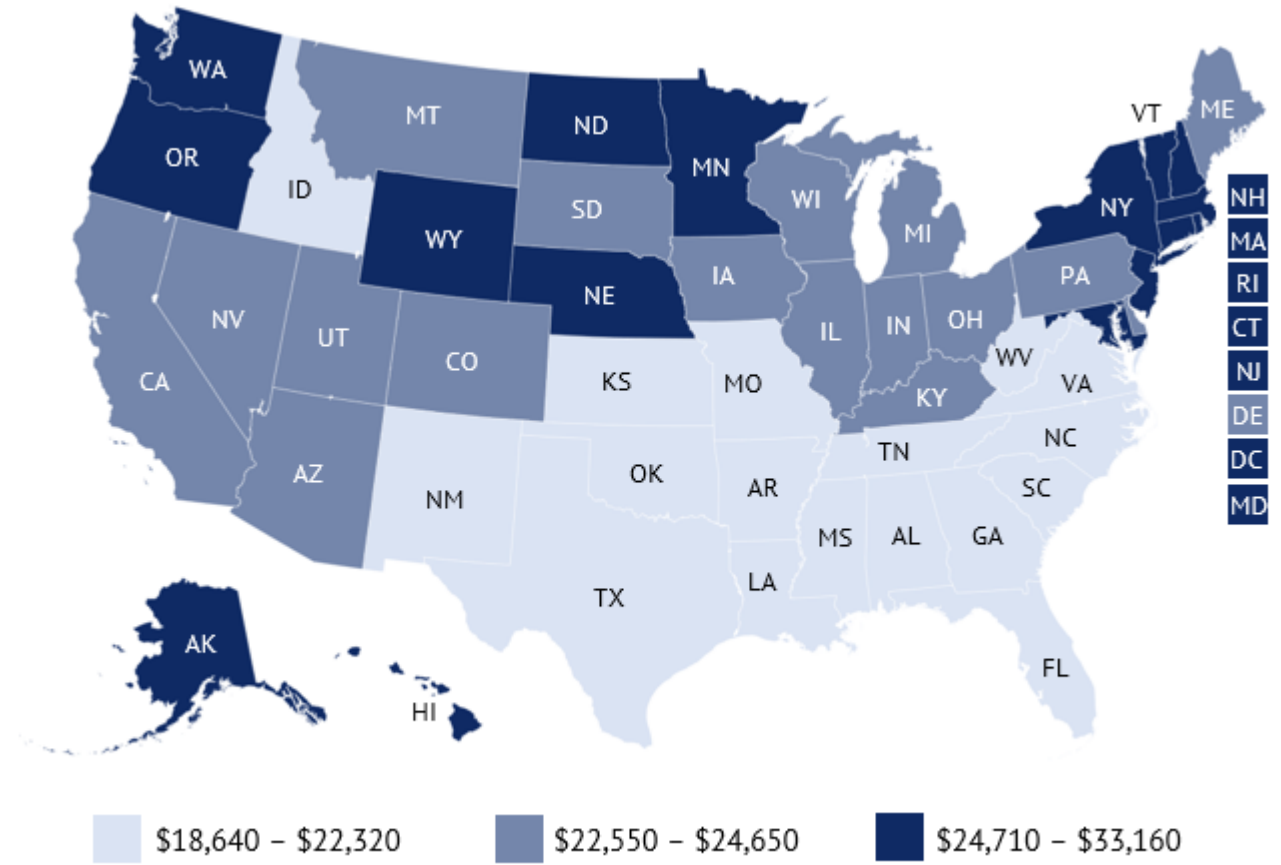
# Nevada's PCAs are disproportionately older middle-aged adults, women, and people of color



Nearly one in two personal care aides are aged 45 to 64 (48.7 percent). Nevada's PCA workforce is mostly female. More than one-half of all PCAs are white, but African Americans/Asians are disproportionately represented relative to their population shares. One-quarter of Nevada's PCAs are Latino. Women of color make up 35.2 percent of the PCA workforce in Nevada.



# The annual median wage of a PCA in Nevada is **\$23,020**, or **\$11.07/hour**



- Nevada ranks 31<sup>st</sup> in the nation in annual median wage of a PCA
- For a PCA in the Las Vegas metro area (single/no children), the annual cost of living is estimated at \$32,410, or \$9,390 less than the annual median salary. In order to make up the difference, the PCA would need to:
  - ✓ work more than 56 hours per week; or
  - ✓ earn \$15.58 per hour.

# PCA wages are low in Nevada because of reimbursement rates

Medicaid is the primary public payer for long-term care services.

Its reimbursement rates set the ceiling for what personal care aides are paid, ultimately depressing wages even for those working in the private pay market.

## Reimbursement Rate History

October 2003: Set at \$17.00/hour

↑ July 2006: \$17.76/hour

↑ July 2007: \$18.52/hour

↓ July 2009: \$17.00/hour

↑ January 2020: \$17.56/hour

- The rate decrease in July 2009 was a return to its 2003 level – and was in place for 10 ½ years
- The \$17.56/hour rate effective in January 2020 is below that set in July 2006
- If the October 2003 reimbursement rate kept pace with inflation, it would have increased to \$24.74/hour in May 2021

# Nevada's PCAs face many challenges, and there are consequences for the workforce

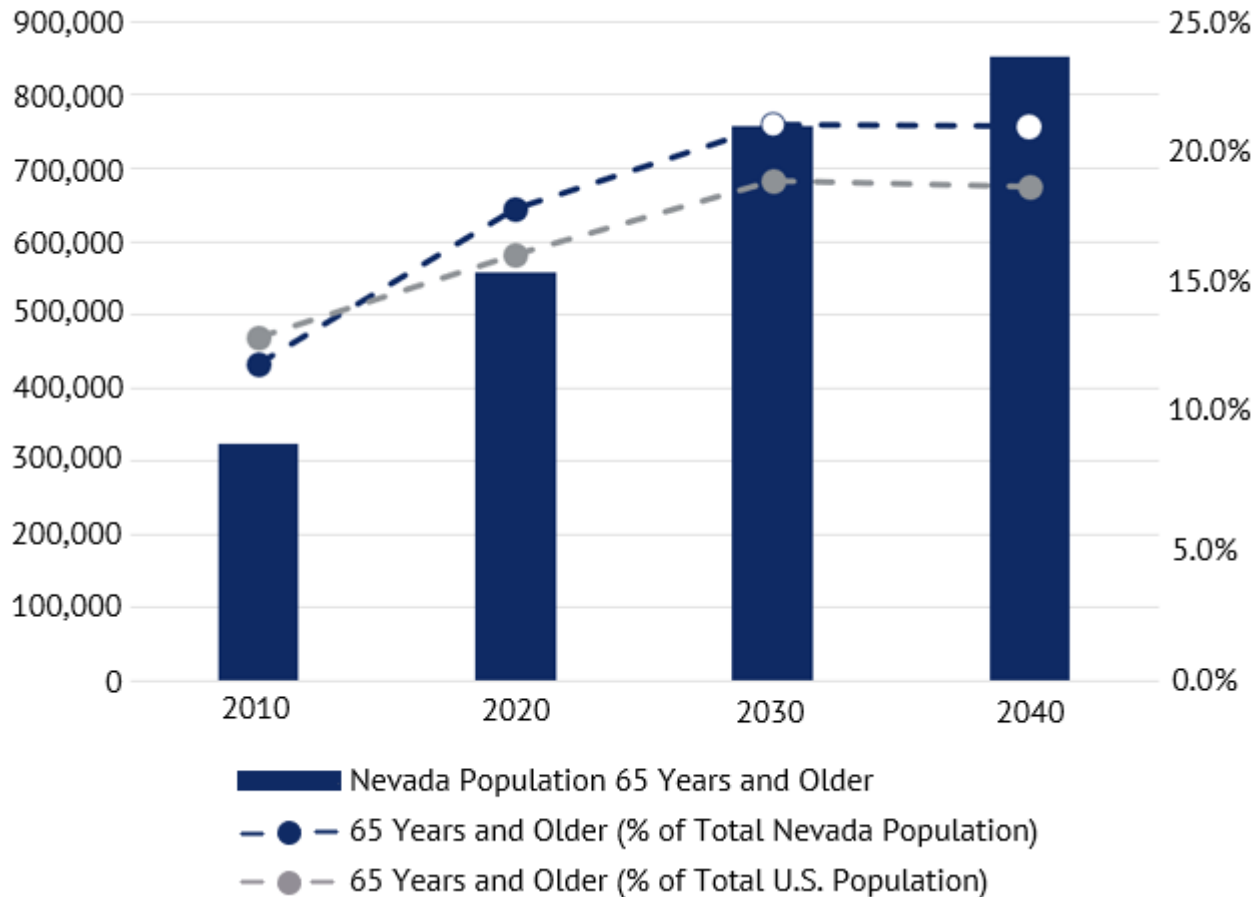
## 1 Challenges:

- ❑ Low-paying jobs
- ❑ Irregular hours
- ❑ Minimal training
- ❑ Insufficient supplies (PPE)
- ❑ Health care access issues
  - ✓ Roughly one in five PCAs is uninsured (19.9 percent)
  - ✓ Nearly one-third of PCAs are enrolled in Medicaid (32.0 percent)

## 2 Consequences:

- ❑ High turnover
- ❑ No career pathways
- ❑ Career exits to higher-paying jobs in leisure/hospitality or distribution/fulfillment centers
- ❑ Trade-offs for those who don't exit, exacerbated by COVID-19, e.g., stay home if ill but leave clients without care and/or potentially risk job loss

# Nevada could be on the verge of a “care gap”



- More than one in five Nevadans (21.0 percent) will be a senior citizen by 2040 – with a projected 163.0 percent increase in the population aged 65 years and older between 2010 and 2040, **Nevada is ranked 1<sup>st</sup>** in the percent change of this age cohort over time
- In 2018, 13,130 Nevadans were employed as PCAs
- Nevada would need to add 10,754 personal care aides to its workforce to keep up with expected demand by 2040
- BUT**, the number of PCAs in Nevada is expected to remain flat as: (1) its high concentration of individuals currently working as PCAs are older middle-aged adults, who may exit the workforce as they begin to need care themselves; (2) the female labor is shrinking; and (3) at current levels, wages are too low for PCAs to make ends meet
- Were demand to outstrip supply, Nevada would be confronting a “care gap”

# Questions?

## **About the Kenny C. Guinn Center for Policy Priorities**

The Kenny C. Guinn Center for Policy Priorities is a 501(c)(3) nonprofit, nonpartisan, independent research center focused on providing fact-based, relevant, and well-reasoned analysis of critical policy issues facing Nevada and the Intermountain West. The Guinn Center engages policy-makers, experts, and the public with innovative, data-driven research and analysis to advance policy solutions, inform the public debate, and expand public engagement.

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