



DC MUST INVEST IN THE CARE ECONOMY!

ALL CARE WORKERS DESERVE A LIVEABLE WAGE!

Mayor Bowser's Proposed FY 25 Fair Shot Budget fails to support needed investment in the Direct Care Workforce, the highest demand, highest need jobs among all jobs in the District's health economy. Direct Care Workers are Certified Nursing Assistants, Home Health and personal care aides and Direct Support Professionals who care for older adults and adults and children with chronic conditions and disabilities.

The Workforce Investment Council's 2020-2024 Unified State Plan projected a 53% growth rate in home health care aides and nursing assistants- due to the aging baby-boomer cohort and growing population of elderly persons in need of care. **The need for home health aides and nursing assistants is far higher than any other health occupation.**

DC needs thousands of new eldercare workers to meet the growing demand of an aging population. Yet, since the pandemic, instead of growing this workforce, **DC has been losing direct care workers in droves. In 2023 alone, the eldercare workforce shrunk by an additional 4,489 workers. This represents an overall additional reduction of 30 percent in just one year. We also are not training enough workers to replace those who have left. This means that the gap between the need and demand continues to grow.**

Workers are leaving the direct care workforce because wages are not competitive with jobs that have similar or lower entry level requirements. Low wages are also suppressing interest among potential new workers. Unlike other low wage workers, direct care workers must be certified by the Board of Nursing. This requires taking at least 125 hours of approved training which can cost \$1600-\$1800 dollars, taking and passing a certification exam, and undergoing criminal background checks. To maintain certification, direct care workers must complete continuing education and renew their certification every two years.

Yet, **starting wages for direct care workers remain at or just slightly above the minimum wage of \$17/hour and even after years of experience, the medium wage, as set by DHCF, is only \$20.00/hour. According to the [MIT Living Wage Calculator](#), in 2024, a living wage in DC for a single adult with no children is \$23.90/hour. In AARP's nationwide ranking on [wage competitiveness](#) for direct care workers, DC ranked dead last.** According to AARP, the gap between the median hourly wage of direct care workers in DC and other occupations with comparable or lesser entry requirements was more than \$5.00/hour.

The wages paid to Direct Care Workers are so low that CNAs and Home Health Aide training programs cannot qualify for OSSE's Career and Technical Education program which provides funding for high demand, high needs job training that pay at least \$23.13 an hour.

Lack of investment in wages and training helps perpetuate a cycle of disinvestment that has deprived this largely black, brown, and female workforce of financial stability and economic mobility. Many aides testified about the toll this work is taking on themselves and their families. Many are working multiple jobs yet still struggle to pay their rent and other bills. Most aides cannot afford to live in DC.

With so many workers leaving the direct care workforce, providers are paying more to attract and retain labor while reducing services including closing admissions, closing beds and declining to serve clients with high care needs. The Coalition's [January 2024 Workforce Survey](#) found that 79% of respondents reported moderate to high levels of staffing shortages, while the percentage of respondents reporting high levels of staffing shortages increased by 10% since January 2023. **Eighty-eight percent of home care providers reported having to refuse admissions due to lack of staff; while more than a quarter of providers across the LTC spectrum have had to close or pause admissions.**

The impact on seniors, adults and children with disabilities and their families is devastating. Seniors and people with disabilities are going without care. In testimony before the Committee on Health on March 13, home bound seniors talked about being left alone without the ability to feed themselves or go to the bathroom. When an aide is not available, the health and well-being of seniors and people with disabilities can deteriorate quickly. Lack of adequate staffing also can lead to degradation of quality as fewer aides must work longer and take care of more clients.

The Mayor's proposed budget fails to include any money to address the wage gap for these workers or to reduce training costs or improve opportunities for these workers to advance their careers by earning advanced credentials.

Ironically, in eliminating funding for the Pay Equity Act that has been essential to raising the wages of Child Care Workers, Mayor Bowser noted the District's lack of investment in the Eldercare Workforce. However, we must be clear that **reducing the wages of Child Care Workers because we have failed to invest in the direct care workforce is simply the wrong approach.** It is time to rectify historic disinvestment in our care workforce and ensure that all care workers can earn a livable wage and if they choose, advance their careers through career ladders.

Cuts of Concern

In the DACL Budget - In home services (which funds Home Care Partners) is reduced by \$920,000 over the FY 24 approved budget of \$7,941,000. Actual costs in FY 23 were \$9,310,000, so the proposed FY 25 funding level represents a 25% reduction from FY 23 actual expenditures at a time when demand for services is increasing. Notably, FY 24 program costs already are exceeding the approved budget, forcing Home Care Partners to "pause" admissions. Without additional funding, this program is not sustainable.

Workforce Investment - The proposed FY 25 budget of \$103,248,620 is 50% less than the FY 24 proposed budget of \$206,455,337. The cut represents \$73,572,698 in one-time funding and \$29,634,019 in recurring funding. **There appear to be no investments in training for direct care workers.**

UDC Workforce Development and Lifelong Learning – **UDC's budget is cut \$4,622,234 to reflect efficiencies in agency operations and to right size the Workforce Development and Lifelong Learning to reflect projected lower enrollment --** a consequence of failing to increase wages for these high demand jobs!

In addition to these cuts, Mayor Bowser's budget proposes to increase revenue through a regressive sales tax, and to cut various safety net programs such as the EITC, childcare subsidies, ERAP and others that help stabilize low income, working families. We know that many direct care workers must rely on these and other safety net programs such as Medicaid and SNAP because their wages are insufficient to pay for basic needs.