



Direct Care Workforce Sustainability

July 2022

Background

Some people with certain physical and cognitive conditions rely on direct care services to live at home or in a similar, residential setting. Many of these services are provided by direct care workers, such as personal care assistants, direct support professionals, community support workers, home health aides, and nursing assistants.

Direct care is part of the state's strategy to maximize independence, family connection, consumer choice, privacy, dignity, and quality of life.¹ Direct care is also intended to slow the growth of healthcare costs by avoiding more expensive institutionalized care. Direct care is largely funded through state and federal programs including Medicaid, Veterans Affairs, and the Administration for Community Living.

Several converging forces are contributing to what some have called a "crisis". First, population increases and demographic changes in the state will likely lead to a higher demand for direct care. At the same time, the study request and our initial interviews indicate that, in the current labor market, providers are having trouble recruiting and retaining enough employees to meet the current population's needs. Finally, the Division of Medicaid has insufficient management capacity to conduct needs assessments and cannot strategically measure the availability or quality of direct care services.² The state does not have a clear understanding of the size or impact of the reported workforce deficit.

Although the state does not have clear measures to define the problem, the state's activities affect the direct care industry. Idaho has a network of commissions, committees, councils, and centers that advocate for people who receive services, influence policy, and provide services for people who need direct care. The Legislature and state agencies, alongside these entities, also make funding decisions and generate regulations, licensing requirements, billing policies, training criteria, and eligibility requirements. In our 2022 report, Medicaid Rate Setting, we described the state as a "market maker" or a key player in the industry.³ The state's role is heightened because many businesses that provide direct care rely almost entirely on Medicaid funding. State standards to receive Medicaid funding are particularly important since not all direct care workers have oversight from other sources, such as professional standards, accreditation, regulation, or consumer choice.⁴

Scope

This study aims to assess the impact of state programs, regulations, policies, and funding decisions on the direct care workforce. We will describe the network of state and private agencies, programs, and job titles that support direct care and answer the following questions:

1. To what extent is there a gap between the needed or approved level of direct care and what is being delivered?
 - a. How many people are receiving direct care through federal or state-funded sources?
 - b. How does the level of services approved compare the level of billed services?
 - c. How are these numbers expected to change over the next ten years?

1. IDAHO CODE §§ 16-2404, 39-5601, 56-261
2. OFFICE OF PERFORMANCE EVALUATIONS, MEDICAID RATE SETTING, at 27 (2022).
3. Id. at 24
4. Id.

- d. What is the current turnover rate for direct care workers?
 - e. How many more direct care positions does Idaho need in the workforce?
 - f. What mechanisms does the state have for monitoring gaps in access and quality of care?
2. What is the impact on individuals, families, workers, agencies, and the state when there is a continuous gap between the needed and delivered level of direct care?
 3. What challenges do agencies face in recruiting and retaining staff?
 4. What challenges do workers face in entering and remaining in the direct care industry?
 5. How can Idaho better support the direct care workforce?

To answer these questions, we will work with the following stakeholders:

individuals and families who receive direct care
direct care workers

businesses that provide direct care

service coordinators

private insurance payors contracted with
Medicaid

Division of Medicaid staff and employees with
other state agencies that fund and regulate
direct care

advocacy groups

state commissions, councils, committees, and
research centers serving populations who
receive direct care services

We will also look for innovative solutions implemented by other states that have a positive impact on direct care workforce recruitment, retention, and quality of care such as the use of career ladders, employment incentives, and training requirements.

Projected completion date: 2023 legislative session