

Who Will Care for the Nation's Growing Population of Seniors?

The U.S. Must Take an Array of Actions to Ensure
Enough Caregivers for the Baby Boomer 'Age Wave'



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Introduction

The demographics of the "age wave" that is about to descend upon the United States have been well-documented. One way of describing it is that beginning in 2011, more than 8,000 people will turn 65 every day. At that rate of growth, the nation's senior population will reach almost 72 million by 2025.

The Obama administration's plan to reform and expand America's \$2.5 trillion healthcare system will be dangerously incomplete if it fails to incorporate measures to deal with this game-changing phenomenon.

The response to the age wave should include 1) government policies to support a continuum of care that allows seniors and their decision-makers to choose the best, least expensive option at each stage of life, 2) an arrangement that places both the financial responsibility and the decision-making power for senior care where they belong, with the consumer, and 3) public education programs to ensure seniors and their decision-makers understand all their options and obligations.

There is another component, however, that receives far too little thought or attention even though it is the bedrock on which any senior-care system must rest: Ensuring a sufficient supply of caregivers to tend to the needs of seniors at each stage along the care continuum.

Creating an adequate supply of caregivers will require many bold, innovative steps on the part of government at the local, state and federal levels. The private sector can and should make a significant contribution to solving the shortage. But that alone will not be enough. Government must deploy carefully crafted tax and social policies to help create a national corps of caregivers.

The Caregiver Crisis

According to the U.S. Bureau of Labor Statistics, the personal- and home-care aide job category is the second fastest-growing in the nation and will remain so until at least 2016. Based on figures compiled in 2006, the number of workers in this job classification is expected to increase by more than 50 percent over a 10-year period, from 767,000 jobs in 2006 to 1.15 million in 2016. (The government identifies personal- and home-care aides as professionals who help the elderly, disabled, ill and mentally disabled live in their own homes or in residential care facilities instead of in health facilities, such as hospitals.)

Despite those seemingly impressive figures, the rate of growth won't be enough to meet the needs of the nation's coming "age wave," which will reach its peak in 2025 when an estimated 4.2 million Americans turn 65. The great disparity between the number of caregivers who will be available and the far larger number of those that will be needed means that millions of seniors may go without the supportive care they need to stay in their homes as long as possible, which is what the vast majority of seniors say they want to do. And millions more seniors won't get the attention they need in residential care facilities.

Complicating this situation are two other factors: On average, Americans live longer than ever before – the baby boomers are likely to be the longest-lived generation in history. And nationwide, the annual turnover rate among caregivers ranges between 40 percent and 75 percent.

The looming shortage of personal- and home-care aides, therefore, has the potential to become a national crisis.

Steps the Public & Private Sectors Can Take

The response to the impending shortage of caregivers involves a range of actions – there is no single silver bullet to resolve the situation. As events unfold, new ideas will develop. But among the urgent first steps are these:

- **Professionalize the caregiver job category** by establishing general standards of conduct, pay levels and safety rules. The goal is to demonstrate to those who consider becoming caregivers that it is a well-established, highly regarded, even noble profession.
- **Create educational and training opportunities** for future caregivers. One possibility would be to work with the nation's

junior colleges to establish a two-year degree or certificate in senior care-giving.

- **Shape the nation's immigration policies** to encourage more caregivers. Visas could be issued to those who pledge to work for a set period of time in the field. Similar pledges could be a route to a green card or even citizenship for legal immigrants already here.
- **Use tax policies to support those** who become caregivers. For example, many retirees are in active good health and looking for part-time employment that will be personally rewarding and remunerative, but their Social Security benefits are taxed when they earn above a set level. A special exemption for those entering senior care-giving would be a win-win situation.
- **Enlist the Ad Council** and other like-minded public service organizations to raise public awareness of the looming caregiver crisis and excite them about entering the field.

Conclusion

The national response to the impending baby boomer age wave will involve a wide range of policy changes and actions. Among the most urgent of these must be steps to deal with a looming shortage of caregivers. Both the public and private sectors must play roles, and their actions must continue to evolve based on experience and changing conditions.

In all this, government must play the lead role because it has capacity through its tax and social policies to effect the greatest changes in the shortest period of time on a national scale.

The goal must be to raise public awareness of the need for the creation of a large new corps of caregivers and to make becoming a member of this corps a prestigious, rewarding and even noble choice.