



# Invest in Minnesota Care Infrastructure

*President Biden proposed including \$400 billion in funding for home-and-community-based services (HCBS) in his federal infrastructure plan, known as the American Jobs Plan. This funding is desperately needed, and it would benefit all Americans by boosting the economy, allowing workers to earn a living wage, expanding services to older adults and people with disabilities, and allowing family caregivers to return to work or continue working.*

## We must invest in our home care workforce...



Home care workers provide essential services to older adults and people with disabilities, but struggle to earn a living – exacerbating the inequities already faced by women, people of color, and immigrants. Because of low compensation and other job quality challenges, Minnesota is already experiencing a workforce shortage that will only worsen without action.



Nearly **104,000** home care workers provide services in Minnesota.<sup>1</sup>

Minnesota's home care workers earn an average hourly wage of **\$13.49**, and have average annual earnings of only **\$16,600**.<sup>1</sup>

**1 in 5** of Minnesota's home care workers live in poverty.<sup>1</sup>

**38%** of home care workers in Minnesota are people of color, **85%** are female and **12%** are immigrants.<sup>1</sup>

## ...so that older adults, people with disabilities, and family caregivers can receive the supports they need.



A growing number of older adults and people with disabilities require HCBS, and many of them rely upon Medicaid to provide it. Relatedly, a growing number of family caregivers struggle with the physical, emotional and financial strain that our HCBS system puts upon them.



Over **106,000** residents of Minnesota need help with daily activities such as bathing or dressing.<sup>2</sup>

In Minnesota, over **177,000** people receive HCBS through Medicaid.<sup>3</sup>

**640,000** family caregivers provide **540 million** hours of care to loved ones who are 18+ in Minnesota.<sup>4</sup>

From 2018-2028, Minnesota will need to fill **135,000** home care job openings.<sup>5</sup>

## Investing in HCBS will benefit us all.



Investing in HCBS will enable more workers to earn a living, more families, older adults and people with disabilities to access the services they need in the community, and more family caregivers to continue working. Importantly, it will also create an economic boost that would benefit all of Minnesota and will help the state and country recover from the impact of COVID-19.



Create and support **48,000** new jobs each year over ten years, **36,200** of which are “living wage” care jobs.<sup>6</sup>

Add an estimated **\$1.94 million** additional income for current workers and their families in Minnesota each year.<sup>6</sup>



<sup>1</sup> PHI. “Workforce Data Center.” Last modified September 14, 2020. <https://phinational.org/policy-research/workforce-data-center/>.

<sup>2</sup> Paul, Rafal, & Houtenville. 2020. Annual Disability Statistics Compendium: 2020 (Table 1.8). University of New Hampshire, Institute on Disability. [https://disabilitycompendium.org/sites/default/files/user-uploads/Events/2021\\_release\\_year/Final%20Accessibility%20Compendium%202020%20PDF\\_2.1.2020reduced.pdf](https://disabilitycompendium.org/sites/default/files/user-uploads/Events/2021_release_year/Final%20Accessibility%20Compendium%202020%20PDF_2.1.2020reduced.pdf)

<sup>3</sup> This report contains data from 2013, so the current number of people who receive HCBS through Medicaid is likely higher. This number was calculated by adding the total who received only Medicaid HCBS to the number of people who received both Medicaid HCBS and Medicaid institutional services over the course of the year. Eiken. 2017. Medicaid Long-Term Services and Supports Beneficiaries in 2013 (Table 1). Truven Health Analytics. <https://www.medicaid.gov/sites/default/files/2019-12/ltss-beneficiaries-2013.pdf>.

<sup>4</sup> Reinhard et al. 2019. Valuing the Invaluable: 2019 Update. AARP. <https://www.aarp.org/content/dam/aarp/ppi/2019/11/valuing-the-invaluable-2019-update-charting-a-path-forward.doi.10.26419-2Fppi.00082.001.pdf>.

<sup>5</sup> Home care job openings include new jobs created and jobs that need to be filled due to workers leaving the field or the labor force. PHI, 2020. <https://phinational.org/policy-research/workforce-data-center/#tab=State+Data&natvar=Employment+Projections&states=42>

<sup>6</sup> <https://www.peri.umass.edu/component/k2/item/1465-the-economic-effects-of-investing-in-quality-care-jobs-and-paid-family-and-medical-leave>

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