



Home Care
Association of America

Unionization and Private Duty Home Care

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The Challenges that Unions pose for Home Care

This white paper, entitled, "The challenges that unions pose for home care," will focus on the nature of the public policy threat of unionization to private duty home care. In particular, it emphasizes the challenges that unions pose to private duty home care providers. Before focusing on these challenges, it is important that our lawmakers understand the answer to the following three questions:

1. What is Private Duty Home Care?

Private Duty Home Care includes various levels of in-home care provided to seniors and those with chronic health conditions allowing individuals needing care to remain in their homes much longer. Private Duty Home Care includes non-medical home care, medical home care or a combination of both. Non-medical care provide companionship, light meal preparation, light housekeeping, incidental transportation and medication reminders. In-home medical care provides medical care prescribed by a doctor.

2. What are the future job prospects for Private Duty Home Care?

The future of job prospects for private duty home care is excellent. According to the most recent Bureau of Labor Statistics (BLS) 2006-16 projections, personal and home care aides are expected to be the 2nd fastest growing occupation. Moreover, according to the BLS Occupational Outlook Handbook, 2008-09 Edition,

"Personal and home care aides held about 767,000 jobs in 2006...employment of personal and home care aides is projected to grow by 51 percent between 2006 and 2016, which is **much faster than the average** for all occupations. This occupation will be amongst the occupations adding the most new jobs, growing by about 389,000 jobs. The expected growth is due, in large part, to the projected rise in the number of elderly people, an age group that often has mounting health problems and that needs some assistance with daily activities. The elderly and other patients, such as the mentally disabled, increasingly rely on home care."

3. Is the Service Employees International Union (SEIU) targeting Private Duty Home Care workers?

Yes. Since home care workers are one of the fastest growing service-oriented occupations in the nation, the SEIU is expected to target these individuals for union membership. The SEIU represents more than 2 million workers, and approximately half of those members come from health care related fields. According to the website of the SEIU, www.seiu.org, the following is summary of their activities:

The Service Employees International Union is 2 million working people and 50,000 retirees united to improve services and our communities throughout North America. SEIU members are winning better wages, health care, and more secure jobs at home, while uniting their strength with their counterparts around the world to help ensure that workers, not just corporations and CEOs, benefit from today's global economy. SEIU is the fastest-growing union in North America. Focused on uniting workers in three sectors to improve their lives and the services they provide, SEIU is: The largest health care union, with 900,000 members in the field, including nurses, LPNs, doctors, lab technicians, nursing home workers, home care workers."

As the quote from the SEIU website highlights, home care workers are a major part of its effort to be the "largest health care union."

Challenges in Operating a Unionized Home Care Company

Unionization has a significant impact on home care companies and the daily operations of such businesses, as well as upon the clients of those businesses.

Impact on Hourly Fees Charged to Client. By necessity, the primary goal of the business of unions is to obtain more members by unionizing more workplaces. Therefore, union representatives will normally approach initial contract negotiations with the goal of obtaining an employee benefit that can easily be touted to employees of other businesses the union is attempting to organize. One of the simplest ways this can be accomplished is by securing a higher hourly wage rate (often at the expense of other benefits). Newly unionized employers can expect that the union will be pushing for a higher basic hourly rate from across the bargaining table. Of course, a higher hourly wage rate per caregiver will in the end have a significant impact on clients and their ability to afford home care.

Impact on Scheduling Caregivers. One of the most important aspects of home care for clients is consistency and choice of the caregiver who will be visiting their home. Another goal a union in a home care environment will have in contract negotiations is to secure provisions that take control over scheduling away from home care agency owners, and ultimately away from the clients they serve. Unionized home care businesses have less flexibility in making caregiver assignment changes, in scheduling caregivers for shifts they might not prefer (weekends, nighttime-essential aspects of the home care business), and in scheduling to avoid overtime obligations. Caregivers will have more say in regard to the clients they will serve, the shifts they will work, their own flexibility in calling off from scheduled shifts at the last minute, or in taking more preferable shifts away from less "senior" caregivers (seniority is always a hallmark of a unionized workforce). With far greater options for unionized caregivers to exert this control, the

client will be left with little, if any, say regarding the individuals who will be sent to their homes on a daily basis. It is not difficult to imagine that under these circumstances, clients and their families would look to other non-unionized home care companies for services to the extent that is possible.

Impact on Daily Operation of the Business. In addition to the scheduling issue, owners and supervisors in a unionized home care business must spend a great deal more time on mundane daily operations matters. Every termination decision, decision to change a caregiver client assignment (even at the request of the client), and compensation decision would suddenly be up for debate and grievance. Documentation of disciplinary action would become even more essential, and even under circumstances where documentation is completed, termination and disciplinary decisions are often overturned after lengthy and expensive grievance and arbitration processes. Unionized home care businesses most certainly would need to engage additional office and supervisory staff to manage these additional problems and issues, and once again, would likely be forced to pass on those costs to their clients.

Impact on Attorney's Fees and Related Expenses. Attorney's fees are a fact of life for unionized home care employers. Experts must be paid to defend the company's interests in defending termination decisions, to negotiate collective bargaining agreements, and address other day-to-day union issues.

Impact on the Quality of Caregiver Unionized Home Care Companies Can Attract and Keep. Union dues are an essential aspect of a unionized workplace (as the sole source of revenue for the union, dues are of obvious importance). Potential caregivers looking for a new employer will most certainly consider whether it's worth it to them to "buy" a job with a unionized home care employer (through paying dues), or whether they'd rather go and work for the non-unionized competitor for "free." Employees often leave unionized workplaces frustrated over scheduling or other unfair decisions made pursuant to the obligations of a collective bargaining agreement. In industries like home care where turnover is already relatively common, these turnover rates can only be expected to increase when a union enters the mix.

Impact of Strike Potential. It's obvious that a strike over wages or any issue would have a devastating impact on home care companies and their clients. Previous rulings by the NLRB have already held that such a strike could be carried out by employees of a home care company without any advance warning. Understanding this risk, family members and clients would likely select a non-unionized home care company for their services, to avoid being left without help or advance warning. At the very least, a unionized home care employer could expect their clients and families to "hedge their bets" by engaging the services of more than one home care company, to ensure against the impact of a strike.

Impact on the Value of the Unionized Business to Buyers. If a unionized employer is purchased by another owner, nearly without exception the union obligations will follow. If a buyer is investigating buying a unionized home care employer with all the above problems, or a non-unionized employer, the decision seems obvious.

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