

Missouri Economy Indicators

Nursing and Residential Care Employment Trends

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The demand for eldercare has grown as baby boomers age, but the pandemic has disrupted the health care and social assistance sector. This is especially true for nursing and residential care facilities, which have lost significant employment and not shown signs of recovery. This brief explores nursing and residential care employment trends within Missouri.

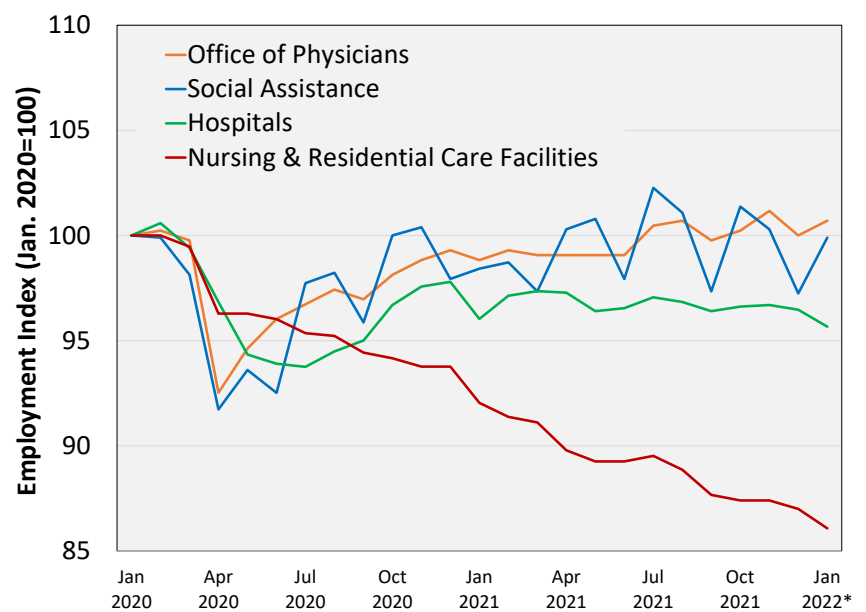
Health Care Employment

Employment in Missouri's health care and social assistance sector declined by 3.9% between January 2020 and January 2022. The U.S. had a 2.4% drop during the same period.

Physicians' offices and social assistance are the two industries within Missouri's health care sector that have returned to pre-pandemic employment levels.

Employment in Missouri hospitals remains down 4.3%, and its recovery appears to have stalled. However, the greatest pandemic-related job losses have occurred in nursing and residential care facilities. In January 2022, these facilities had 13.9% fewer jobs than they did in January 2020 — a net loss of 10,500 jobs in two years.

Index of Missouri Health Care-Related Employment



Source: MU Extension graphic based on U.S. Bureau of Labor Statistics, Current Employment Survey; not seasonally adjusted; *prelim. Jan. 22

Missouri's Nonmetro Areas Experienced Relatively Greater Eldercare Job Losses

Since January 2020, every state's nursing and residential care facilities industry has lost jobs. Although Missouri's job losses (-13.9%) were greater than the national average (-12%), Missouri's losses were not nearly as severe as those found in states such as Delaware (-22.3%), Mississippi (-17.6%) and Michigan (-17%).

Job losses within nursing and residential care facilities occur unevenly in metro and nonmetro areas. The U.S. Bureau of Labor Statistics' Quarterly Census of Employment and Wages shows how employment trends have differed between Missouri's metro and nonmetro counties. Between third-quarter 2019 and third-quarter 2021 (the most recently available data), nursing and residential care facilities employment dropped by 14.2% in Missouri's nonmetro counties and 11.7% in its metro counties. The consequences of these losses are

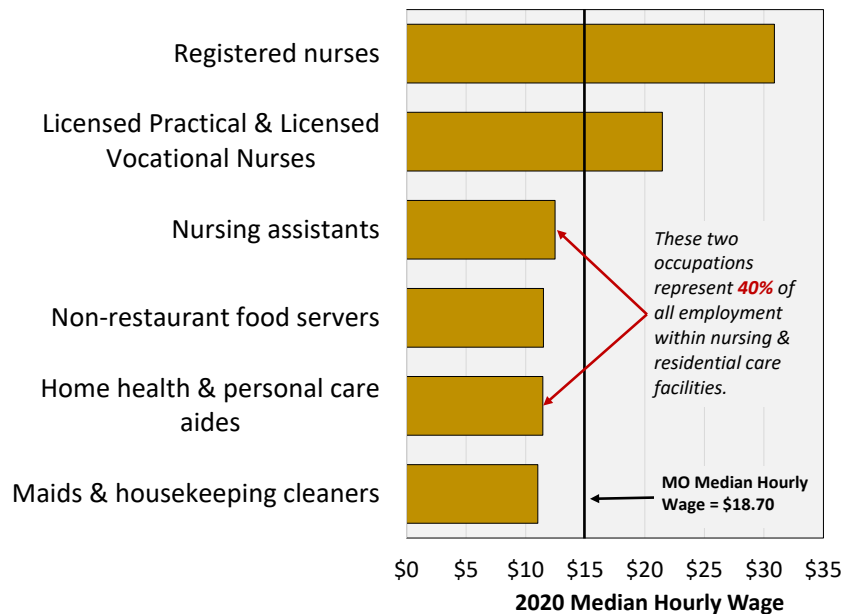
greater in nonmetro counties than in metro counties. Not only do nonmetro counties have relatively older populations, but nursing and residential care facilities also represent a greater share of the total health care sector employment in nonmetro counties (25.5%) than in metro counties (13.8%).

Low Wages Contribute to Staffing Challenges

Industry staffing patterns show the most common occupations within the nursing and residential care facilities industry. Two occupations — nursing assistants (20.3%) and home health and personal care aides (19.8%) — each account for one in five jobs within the industry nationwide. The industry also relies on nurses — licensed practical and vocational nurses (8.2%) and registered nurses (6%) — as well as cleaning (3.6%) and food service (3.6%) staff.

Given the current labor market, filling these positions has become especially difficult. Many of these jobs are physically demanding, and they pay wages less than two-thirds of the state median wage. The low wages can lead to fewer applicants and higher turnover. Moreover, other health care employers throughout the state and the nation compete for workers qualified to fill higher paying nursing occupations. Combined, these factors present significant challenges for reversing the steady employment decline in nursing and residential care facilities.

Median Hourly Wages for Key Occupations in Nursing & Residential Care Facilities



Source: MU Extension graphic using MERIC/U.S. BLS Occupational and Employment Wage Statistics

Additional Resources

- The [Missouri Economic Research and Information Center](#) regularly produces industry and occupation employment data. Periodically, the center also provides short briefs on targeted industries such as [health care science and services](#).
- The University of Missouri's [Center for Health Policy](#) has developed a [medical facilities dashboard](#), which contains information about all of Missouri's hospitals, long-term care facilities, federally qualified health centers and rural health clinics.
- The Kaiser Family Foundation released a [report on pandemic-related nursing facility staffing shortages](#).

All Missouri Economy Indicators briefs in this series are available at tinyurl.com/ExceedEconomyIndicators

Author: Dr. Mark C. White, Associate Extension Professor, whitemc@missouri.edu