Building a New Care Economy

The Care Enterprise Network

Scalable pathways from care work to care enterprise ownership
– starting in California, built for nationwide replication –
anchored in a shared service backbone and supported with incubation and training.

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Submit edits and comments to futureofcare@futurohealth.org.

From Cost Burden to Economic Engine: Reimagining Care

California, and the nation, are facing a health care crisis tied to an aging population, economic strain, and a workforce crisis that has not abated despite growth in workforce investments. These challenges create an ambitious opportunity that can expand access to care, fortify the health care workforce, and strengthen the regional economics of care delivery. Futuro Health is working to establish new Care Enterprise Networks that can meet these objectives and make more efficient use of existing healthcare and workforce funding while improving health outcomes.

This opportunity is made urgent by the scale of the problem. The U.S. population is rapidly aging, driven by lower birth rates and longer lifespans. By 2030, one in five Americans will be over 65. While the U.S. ages, older Americans are facing higher rates of poverty, limited retirement resources, and growing health care costs. We are becoming older and poorer. Those trends are eroding quality of life in our households and in our communities, and the costs of health and aging-related services overwhelm the rate of economic growth.

Compounding these challenges, the U.S. healthcare system is facing dramatic gaps in its health care workforce. The U.S. health care and aging services systems are fragmented, under investing in prevention and early intervention, and lack access to stable and growing revenues to meet needs. Health care systems in the U.S. are unable to convert public investment into stable care delivery, workforce stability, the needed career advancement, and improved outcomes.

Public leaders, and the systems they design and operate, are left with few options. For most, public agencies ration access to care to sustain a frayed health care safety net that currently consumes 24 percent of the federal budget. In turn, families are left with an inadequate set of choices: institutional care that is expensive and isolating; private-pay home care that remains unaffordable for most. Faced with two unaffordable options, families sacrifice their careers, finances and well-being to become family caregivers, often with little training and no respite. While family care reduces safety net costs, the consequences to caregiving, including stepping out of productive careers, sacrificing long-term fiscal wellbeing, and caregiver stress, are significant.

The supply side of health care is equally broken. Nationally, the direct care sector must fill 9.7 million jobs over the next decade — not just from growth but because existing workers are leaving faster than they can be replaced. California alone must add hundreds of thousands of frontline care workers by 2035, yet turnover routinely exceeds 60–80 percent. For much of the industry, the providers are small businesses that operate on razor-thin margins with no path to stability or growth.

One result is a care market that is consolidating— to achieve scale in order to achieve profitability. Consolidation has not translated into better care at lower costs and creates new risks for quality and sustainability as a smaller number of providers dominate health care delivery. And consolidation has not solved the workforce challenge, as wages remain near poverty levels, with median annual earnings under $26,000 and nearly half of all direct care workers relying on public assistance to survive, while the care that they provide becomes more expensive and less personalized.

Among other challenges, the failure to design a health care workforce strategy that results in substantial wages and sustainable livelihoods, increases the need to continuously invest in training and recruitment, while magnifying pressures on public sector safety nets as essential health care workers, cannot afford health – or groceries. The consequences impact overall health care costs, as well as public sector investments in K-12, higher education, transportation, workforce and economic development, and human services.

This cost shifting is the predictable result of a system that was not designed to create pathways to prosperity for core health care workers.

This point cannot be overemphasized. Family caregivers — predominantly women — who fill system gaps, reduce their own workforce participation and increase their reliance on Medicaid. Clients are perversely incentivized to drain their savings to become Medicaid eligible for continuity of care. The cost of underinvesting in care does not disappear. It transfers — onto public programs, emergency systems, and families — and it compounds.

The existing system cannot absorb what is coming. Demographic demand is accelerating; public budgets are already strained, and calls for more funding, workers and training, have not resulted in the outcomes needed. We have the opportunity to shape the redesign of our healthcare system to enhance workforce stability, support personal and community economic development, and achieve long-term financial sustainability.

THE VOICE OF THE WORKER

The Path from Wage Earner to Asset Owner

Meet Futuro Health Scholar Shari

Before entering the care economy, Shari worked in a local bank. When COVID hit, her branch closed and she was laid off—cutting off her primary income. Soon after, a fire destroyed her housing, forcing a sudden relocation while she was caring for a terminally ill parent. With expenses mounting and no income, she drew down her 401(k) to stay afloat, sacrificing long-term security to meet immediate needs.

Through Futuro Health, she found a fast, flexible, debt-free pathway into a frontline caregiving role. The program's structure, financial support, and coaching made it possible to complete training while managing caregiving and rebuilding stability. Within months, she was working again—her income restored and confidence regained.

Upon gaining work experience in healthcare, she's become good at her job—the kind of caregiver who anticipates needs, de-escalates dementia-related distress, and builds deep trust with families. But she's increasingly dissatisfied with the care she's able to provide in her current setting: rushed, task-oriented, and impersonal, with little time to truly support residents.

In her current employment setting, her career pathway forward narrows. Advancement depends on seniority, informal promotion, or leaving altogether. The only option she's been offered is nursing—years of schooling and debt she can't take on. What she wants is to keep caring for older adults, especially those with dementia, in a way that aligns with her values and can support her family.

Shari has benefited from significant investment in her education and training, and she is supporting the community safety net and reducing reliance on higher costs, crisis-oriented care. Yet the barriers to sustaining her role in the care delivery field feel insurmountable. What could Shari's next career path look like?

Help Wanted: Adriana

Imagine, three miles away, Adriana is trying to hold everything together. Her mother, Esperanza, was diagnosed with dementia two years ago. She still knows her daughter's face. She still lights up for telenovelas. But she can no longer be left alone — and Adriana, working full time and raising two kids, cannot be in two places at once.

What Adriana needs is something that is unaffordable for all but the wealthiest families: a place close to home where her mother is known, and supported—a place where someone speaks her language, knows which telenovelas she loves, and understands the small dignities that make her feel like herself. She's already thinking ahead. Dementia progresses, and when that day comes, the options narrow to two extremes: 24/7 one-on-one home care, which is prohibitively expensive, or large institutional nursing and memory care settings, which are equally out of reach. What she wants is a middle option—a more cost-effective, care setting where her mother can receive consistent, culturally competent care from trained staff who know her story, her preferences, and her voice.

So who can Adriana find to provide that kind of community-based care—someone capable, trusted, and rooted in the kind of relationship her mother needs? How can she connect with a caregiver who will reduce the need for emergency department visits, help Esperanza avoid the need for a nursing home, and support her overall health care management?

The Connection

Shari is that person. She has the care skills, the commitment, the community roots, and the vision of how she wants caregiving to be experienced. Shari knows how to care for someone like Esperanza — not just technically, but humanly. And, Shari would love to care for multiple clients by employing others on her team. What she lacks is an understanding of how to set up and sustain a care enterprise – as well as access to capital, training and technical assistance to move along a pathway to ownership and a financial upside beyond wages.

The Care Enterprise Network is what makes her aspirations possible.

With her prior healthcare credential and work experience as a foundation, Shari enters an apprenticeship to become a care enterprise operator owner—gaining hands-on expertise in business operations, financial management, and regulatory compliance within a Care Training Village, a fully functioning, professionally managed center designed to prepare future care enterprise operator owners.

From there, she gains access to capital and shared services as part of the Care Enterprise Network, and is able to move toward launching her own licensed care enterprise — a dementia-focused 'board and care home' rooted in the community she knows, cooking the food her residents grew up eating, speaking their language, honoring their lives, and hiring employees from the local neighborhood.

The Care Enterprise Network addresses the multiple goals of expanding access to culturally competent care, stabilizing the health care workforce, reducing public sector safety net costs, and enhancing economic development.

THE MODEL

The Care Enterprise Network Demonstration Initiative

Community-based care enterprises—owned and operated by individuals like Shari—offer an affordable, culturally responsive model of care. With the right supports, they can be stabilized, connected, and scaled to serve multiple clients. These providers are uniquely positioned to meet the needs of households who don't need skilled nursing facilities and how cannot afford Assisted Living programs or in-home care.

The Care Enterprise Network brings together small, community-based providers—such as residential care facility for the elderly (RCFEs), board-and-care homes, and adult day support programs for example—to better serve the majority of households. The model preserves each provider's local, relationship-driven approach while adding a shared services backbone and unlocking access to infrastructure and impact capital typically reserved for larger enterprises.

The Care Enterprises

Residential care facility for the elderly (RCFEs), board-and-care homes, adult day support programs, and similar small care enterprises already emerge organically, often founded by individuals with entry-level credentials. The challenge is not their existence—it is their isolation. Without access to capital, professional infrastructure, or shared services, these enterprises struggle to achieve stability, scale, consistent quality, and sustainable staffing.

Yet despite the value of these programs, communities struggle to replicate what are effectively alternatives to deep-end care (*intensive, specialized services for individuals with complex needs)*, homelessness and cost-effective interventions to support well-being for a growing segment of the population.

The Care Enterprise Network

As a federation of care enterprises, the Network serves three core functions:

1. **Steward workforce and quality** by creating a career pathway from apprenticeship-to-owner-operator for care enterprises;
2. **Provide a shared services backbone** to enable sustainable operations across enterprises; and
3. **Secure and deploy impact capital** to incubate and support growth and stability through a Care Training Village approach.

THE PATH FORWARD

The Path Forward: Designing Stable Care Enterprises

In fall 2025, Futuro Health led 20 stakeholder interviews across California's care ecosystem, engaging frontline workers (including Futuro Health Scholars), small and mid-sized providers, policymakers, funders, and experts in ownership, finance, and public systems.

Four key insights emerged:

- Fragmentation across small care providers limits their ability to scale and sustain quality.

- Care enterprise stability is the central challenge that can be addressed through a federated operating model.
- Prospective care enterprise owners cannot absorb outsized financial risk.
- In a context of constrained and volatile public funding, the "missing middle" presents a viable opportunity for impact capital from philanthropy and the private sector—if their interests are intentionally designed into the capital strategy.

Next Step - Phase 1: Convenings to Invite Input and Expertise

An expanding group of leaders is stepping forward to engage in this work. Already, the following organizations have committed to hosting convenings that bring together healthcare systems and payors, state and county leaders, aging subject matter experts, academia, labor, philanthropy, care enterprise owners and others to drive cross-sector dialogue:

- Aspen Institute Economic Opportunities Program
- Learning Society/Stanford Center on Longevity
- American Leadership Forum Silicon Valley
- Silicon Valley Community Foundation

AN INVITATION

Join Us

Healthcare is the defining economic and social challenge facing the United States today, shaping family finances, workforce stability, public budgets, and the health and dignity of an aging population. The current system cannot be sustained through cost shifting or incremental fixes alone. What is required are credible, collaborative demonstrations that strengthen care delivery at the enterprise level and convert public spending into lasting capacity rather than recurring crises. This work invites partners across multiple sectors that are impacted by healthcare workforce challenges to test a practical, viable path forward and toward a more resilient, affordable, and human-centered care economy. The opportunity is not to solve the care economy in one step, but to build the evidence needed to move carefully and credibly from insight to infrastructure, aligned with the systems millions of Californians already rely on and informative to the nation.

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