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California's Homecare Crisis: Raising Wages is Key to the Solution



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Executive Summary

The homecare industry has grown exponentially in recent decades and will continue to do so in the future. However, low wages make it difficult to recruit enough workers to meet this rapidly growing demand. Unless California's homecare crisis is addressed and workers' wages are increased, the elderly and people with disabilities will not get the care they require, homecare workers will continue to live in poverty, and the public cost of long-term care will increase.

GROWING DEMAND FOR HOMECARE IN CALIFORNIA

The rapid growth of the homecare industry is being driven by the aging of the baby boom generation and by the shift from high-cost care in nursing homes to the more affordable alternative of homecare. As a result, homecare jobs have grown more quickly than other occupations and many more workers will be needed to meet the growing future demand.

- In California, the number of individuals older than 65 is expected to increase from 5.2 million in 2015 to 9 million by 2030 – a faster growth rate than the overall population.
- In 2014, there were 558,000 personal care aides and home health aides in the state. Of these workers, 410,000 were In-Home Supportive Services (IHSS) providers (workers who provide publicly-funded services).
- Not all consumers who need homecare services currently receive them. If the state simply maintains its current level of coverage, the California Employment Development Department projects that an additional 200,000 homecare workers will be needed by 2024.
- If the homecare industry were expanded to cover all individuals who have a self-care limitation, we estimate that California would need at least 600,000 and as many as 3.2 million additional workers by 2030.

THE CRISIS OF LOW WAGES AND HIGH POVERTY FOR WORKERS

Homecare plays a critical role in our society, allowing the elderly and people with disabilities to maintain their independence and maximize their quality of life. Homecare workers assist consumers with activities of daily living, such as bathing, dressing, toileting, meal preparation, house cleaning, managing medication, monitoring health conditions, and transport to medical appointments. Homecare is also physically and emotionally challenging work that is disproportionately done by women and workers of color. And yet, job quality in the industry is very low.

- Median wages for homecare workers were \$10.05 an hour in 2015, compared to \$18.88 an hour for all workers. Nearly three quarters of homecare workers are low wage, compared to about a third of all workers. Median annual earnings for homecare workers are less than half of the median for all workers (\$14,000 compared to \$35,000). Homecare workers are twice as likely to live in a low-income household as all workers (46.5 percent compared to 21.8 percent).
- Since many homecare workers care for a spouse, parent, sibling, or other family member, the low wages they earn have the unintended consequence of impoverishing consumers as well.
- Homecare jobs provide few benefits. Only 40.7 percent of homecare workers in California have an employer-provided health plan compared to 69.4 percent of all workers. Homecare workers are also more than three times as likely to get health insurance through a public program (40.7 compared to 14.2 percent of all workers).

- Because their earnings are so low, about half of homecare workers nationally have to rely on some kind of public support program, such as the Earned Income Tax Credit (EITC) or the Supplemental Nutrition Assistance Program (SNAP).

THE COST OF LOW WAGES TO CONSUMERS AND THE PUBLIC

California's investment in homecare has saved the state money in the past, by having care provided in clients' homes when possible, rather than in more expensive nursing homes. However, if the homecare system is unable to attract enough workers to meet growing demand, high turnover and a shortage of workers will place a significant burden on consumers and the public.

Turnover: The California Legislative Analyst's Office estimates that annual turnover of IHSS workers is about 33 percent. That means that as many as 180,000 consumers must search for, hire, and train a new homecare provider each year. The cost of turnover per long-term care worker is estimated to be at least \$2,500.

Worker shortages: While data limitations prevent definitive measurement, several indirect indicators suggest a shortage of homecare workers in California:

- Consumers and homecare agencies report that it is becoming more difficult to recruit and retain homecare workers.
- Homecare wages in California have not been raised at the same pace as other low-wage jobs or the minimum wage in recent years. Between 2013 and 2016, the median wage of personal care aides decreased by 2.3 percent, while the 10th percentile of wages in all occupations (a measure of the wages of other low-wage occupations) increased by 0.7 percent. During that same time period, the growth in IHSS wages was significantly slower than growth in the minimum wage in major cities and counties in the state. This gives homecare workers an incentive to move to other similar-paying jobs that aren't as difficult or demanding, and makes it difficult to attract workers from other industries to fill homecare positions.

Effects on consumers and the public: When consumers are unable to find a homecare worker, they may not get the full care that they need. Researchers have documented that lack of sufficient care leads to negative health effects such as missing meals, dehydration, falls, burns, wetting or soiling clothes, and making a mistake in taking medication. Moreover, if the homecare system is unable to attract enough workers to meet growing demand, consumers will have to turn to more costly forms of long-term care such as nursing homes. In California, the annual cost of nursing home care (\$97,000) is nearly double the annual cost of homecare (\$57,000).

CONCLUSION

California can address the state's homecare crisis by raising the wages of publicly-funded workers, who provide the majority of care in the industry. Taking this step will prevent imminent industry shortages, ensuring that consumers continue to get the quality care that they deserve and preventing increases in the public cost of long-term care. Raising the wages of homecare workers would also have a significant impact on the lives of workers and their families, and would recognize the value and dignity of caregivers in our state.

Introduction

The last several decades have seen explosive growth in the homecare industry, and this trend is projected to continue in the coming years. Our population is becoming disproportionately older as the baby boom generation reaches retirement age and as older adults live longer than in the past. In addition, we are seeing a shift within the long-term care industry away from nursing homes and towards alternatives such as homecare, which is less expensive and allows consumers – the elderly as well as people with disabilities – to remain in their homes and live their lives with dignity.

Where will we find the workers to meet this growing need for homecare? Experts have warned of a coming crisis as the demand for homecare outpaces the supply of workers. There is wide agreement that the root of the problem is the poor quality of the jobs (PHI 2012; Osterman 2017; Kaye, Harrington, and LaPlante 2010; Howes 2014; Department of Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation et al. 2003). Low wages and limited benefits make it impossible for many homecare workers in our state to remain in the profession they love and still support their own families. Women of color bear the brunt of this burden, as they make up the majority of the homecare workforce. Moreover, because many workers are actually caring for a relative, the low wages they earn often end up impoverishing their entire household, including the homecare consumer.

In California, this crisis now appears to be at our doorstep. Homecare agencies and individual consumers report that it is becoming increasingly difficult to find providers who are willing and able to accept jobs under the current wage structure. If the quality of homecare jobs does not improve, it will be impossible to attract sufficient workers to meet rapidly growing demand, and the elderly and people with disabilities won't get the care they require and deserve.

This report analyzes the roots of the California homecare crisis. We provide a brief overview of the industry, analyze the chronic job quality problem, and provide evidence of the effect of low wages on quality of care, worker recruitment and retention, and public funds. Combining new data analysis with findings from previous studies, we present an up-to-date profile of the workers and jobs in this industry. Based on this research, we conclude that raising wages is key to solving the state's homecare crisis.

Snapshot of the Homecare Industry in California

The delivery of long-term care services has shifted over the last few decades, as a larger proportion of care is provided to consumers in their homes instead of in nursing facilities (Howes 2018). Since 2013, more Medicaid funding has been spent on home- and community-based services than on nursing homes (Gleckman 2016). About two-thirds of people who receive long-term care do so via community-based services like homecare and assisted living (Howes 2014).

There are several reasons for this trend. Consumers of long-term care typically prefer to stay in their homes and have advocated for more community-based care (Howes 2014). Older adults are also healthier than in the past; among those with disabilities, a smaller proportion have conditions severe enough to require hospitalization, which means that a larger proportion can be cared for at home (Folbre 2012).

The portion of long-term care funding that is spent on homecare is larger in California than in most other states (Pourat 2013). As a result, the state has saved significantly on health care costs, and its per capita long-term care spending is among the lowest in the country (Eiken et al. 2016). The homecare industry has grown more quickly in California than in the country as a whole, with the number of homecare businesses in California increasing by 89 percent between 1998 and 2011 (Pourat 2013).

FUNDING

In this paper, we focus on homecare services, which California consumers access in one of three ways: through the In-Home Supportive Services (IHSS) program, through private homecare agencies, or by hiring workers informally.¹ While some consumers pay for homecare services out of pocket or through private insurance, Medicaid and Medicare pay for the majority of homecare in the US. In California, individuals who qualify for Medi-Cal (the state's Medicaid program) and who would otherwise be eligible for nursing home care may receive homecare through the IHSS program.² In fiscal year 2017-2018, federal and state funding for the IHSS program will be \$11.4 billion (California Department of Social Services n.d.).

CONSUMERS

Homecare consumers are individuals with a disability or a chronic condition that limits their ability to care for themselves. Adults over 65 make up about half of individuals who need long-term care such as homecare (Kaye, Harrington, and LaPlante 2010).

The number of individuals needing homecare is predicted to increase rapidly over the coming decades, primarily due to growth in the population of older adults as the baby boom generation reaches retirement age and as life expectancy increases (Freedman and Spillman 2014). In California, the number of individuals older than 65 is expected to increase from 5.2 million in 2015 to 9 million by 2030 (California Department of Finance, Demographic Research Unit 2017). Although chronic disability rates among the elderly have been decreasing, about half of older adults still need assistance with daily activities (Freedman, Martin, and Schoeni 2002; Freedman and Spillman 2014; Kaye, Harrington, and LaPlante 2010). The number of IHSS consumers has grown quickly recently, increasing from 401,000 in FY 2007-2008 to 546,000 in FY 2016-2017 (California Department of Social Services, Adult Programs Division 2017).

WORKERS

Homecare workers assist consumers with activities of daily living (ADLs), including bathing, dressing, toileting, meal preparation, house cleaning, managing medication, and monitoring health conditions, and/or instrumental activities of daily living (IADLs) such as transport to medical appointments or assistance with bill-paying (Ng et al. 2016). Two occupations provide these services: *personal care aides*, who assist with the above daily care needs, and *home health aides*, who perform these same activities, but also provide medical assistance such as administering medication and changing bandages (Bureau of Labor Statistics 2016).

Due to the increase in demand for homecare services, home health aides and personal care aides are two of the fastest growing occupations in California, with the number of workers in these occupations doubling between 2006 and 2016 (California Employment Development Department 2017). The California Employment Development Department estimates that in 2014, there were 558,000 personal care aides and

home health aides in the state (California Employment Development Department 2017). Of these workers, 410,000 were IHSS providers (California Department of Social Services, Adult Programs Division 2017). It is likely that homecare workers are undercounted, because many are self-employed and/or work multiple jobs, and because an unknown number are hired directly and paid under the table and out of pocket by their clients.

Table 1 details the demographic characteristics of homecare workers compared to all workers in California.³ The overwhelming majority of homecare workers are women, and 72.7 percent are workers of color, with Latinos comprising the largest race/ethnicity group. California's homecare workers are also disproportionately foreign-born.

Table 1: Demographics of homecare workers compared to all workers, California 2015

	Percent of Workers	
	Homecare Workers	All Workers
Gender		
Female	79.2	46.4
Male	20.8	53.6
Race/ethnicity		
Black non-Latino	10.7	5.3
Latino	38.3	38.9
Asian non-Latino	21.3	15.6
White non-Latino	27.3	37.4
All other non-Latino	2.4	2.8
Foreign-born	48.5	35.3

Source: Authors' analysis of 2015 IPUMS American Community Survey data.

FUTURE WORKFORCE NEEDS

Making projections about future workforce needs in the homecare industry is complicated by the fact that not everyone who needs paid care is able to get it (Osterman 2017). If we continue at our current level of coverage, the California Employment Development Department projects that the state will need to add 200,000 homecare jobs by 2024, an increase of 36 percent (California Employment Development Department 2017). But if the industry expanded to fully meet the need for care, we estimate that California would require at least 600,000 and as many as 3.2 million additional workers by 2030 (currently IHSS homecare workers average 29 hours per week).⁴ By contrast, the segment of the labor force that typically works in homecare—women between the ages of 25 and 54—is projected to grow at a much slower pace (Department of Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation et al. 2003). Therefore, workers will have to be attracted from other demographic groups to ensure that the growing numbers of homecare consumers are able to get the care that they need.

The Crisis of Low Wages and High Poverty for Workers

Homecare work plays a vital role in our society, allowing the elderly and people with disabilities to remain in their communities, be more independent, and maximize their quality of life. It can also relieve the burden that would otherwise be placed on family members, allowing them, among other things, more time for paid work. However, homecare work is often very challenging. Assisting consumers with mobility can be physically demanding and injury rates are much higher than for other occupations (Bureau of Labor Statistics 2017). The job can be emotionally challenging as well. Homecare workers develop close relationships with those they care for, and it can be difficult to watch a consumer suffer from pain or deal with erratic behaviors related to dementia. Frequently, homecare workers must grieve the death of a consumer (Butler et al. 2010; Department of Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation et al. 2003).

Despite the challenging nature of the work and the significant contribution homecare makes to our society, job quality is very low. Homecare has historically not been valued or respected as "real work," both because of the traditional view that care work is a private activity outside of the economy and because of the devaluation of women of color, who do the majority of this work (Boris and Klein 2012; Tobin 2017). As a result, homecare workers are typically not considered to be an integral part of the health care team caring for the consumer, despite evidence that quality of care and consumer outcomes improve when homecare workers are integrated into health care delivery and work closely with the consumer's health care team (Department of Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation et al. 2003; Osterman 2017).

Through organizing and unionization, homecare workers have been able to improve the quality of jobs in their profession (Howes 2014; National Employment Law Project 2017). For example, homecare workers won the right to overtime pay in 2015 and in California have won the right to be paid for travel time and wait time (United States Department of Labor, Wage and Hour Division n.d.). But overall, wages are still low and benefits are still few.

Table 2 details job and household income characteristics of California's homecare workers compared to all workers in the state. In 2015, the median hourly wage of homecare workers in California was \$10.05, compared to \$18.88 for all workers. Median annual earnings for homecare workers were less than half of median earnings for all workers (\$14,000 compared to \$35,000). Nearly three-quarters of homecare workers are low wage, compared to slightly more than one-third of all workers. Many homecare workers are the primary earners in their household and often their earnings from homecare are the main source of income for their family (Howes 2014); as a result, they are twice as likely to live in a low-income household as all workers (46.5 percent compared to 21.8 percent).

Table 2: Job and income characteristics of homecare workers compared to all workers, California 2015

	Homecare Workers	All Workers
Median hourly wage	\$10.05	\$18.88
Median annual earnings from all jobs, before taxes	\$14,000	\$35,000
Percent of workers that are low wage (earning less than \$14.02 an hour)*	73.6	35.6
Percent living in low-income households (below 200 percent of the federal poverty line)	46.5	21.8
Workers' sources of health insurance coverage last year		
Percent with an employer-sponsored health insurance plan	40.7	69.4
Percent with a public health insurance plan	40.7	14.2
Percent uninsured	12.1	10.5

Source: Authors' analysis of 2015 IPUMS American Community Survey data.

* Low-wage threshold is calculated as two-thirds of the median full-time wage (based on 2015 Current Population Survey Outgoing Rotation Group data).

Poverty wages for homecare workers often have the unintended consequence of impoverishing consumers as well. The majority of IHSS homecare workers (64 percent) are "family providers," meaning they care for a spouse, parent, sibling, or other family member (Ko et al. 2015). Becoming a full- or part-time caregiver of a family member often means leaving or reducing hours at a higher paying job. When these caregivers' wages are low, the family's overall income is reduced, making it more difficult for the family to meet the needs of all of its members.

Homecare jobs provide few benefits. As we show in Table 2, only 40.7 percent of homecare workers in California have an employer-provided health plan compared to 69.4 percent of all workers.⁵ Homecare workers are also more than three times as likely to get health insurance through a public program (40.7 percent of homecare workers compared to 14.2 percent of all workers). IHSS providers in California currently do not have access to an employer-sponsored retirement plan. Homecare workers who care for a spouse or parent have even less retirement security because by law they are not able to contribute to Social Security (26 USC 3121: Definitions n.d.).

Because their earnings are so low, about half of homecare workers must rely on some kind of public safety net program (Jacobs, Perry, and MacGillvary 2015). Nationally, 42 percent of homecare workers receive the Earned Income Tax Credit (EITC) and 21 percent are enrolled in the Supplemental Nutrition Assistance Program (SNAP).⁶

The Cost of Low Wages to Consumers and the Public

HIGH TURNOVER

Turnover in homecare jobs is much higher than in other occupations, including those in health care (Osterman 2017). The California Legislative Analyst's Office (2013) estimates that annual turnover of IHSS workers is about 33 percent. That means that as many as 180,000 consumers must search for, hire, and train a new homecare provider each year. Consumers might find themselves without any homecare worker during transition periods. Turnover creates a significant burden for consumers, who rely on homecare workers to maintain their independence and meet their everyday needs.

While multiple factors contribute to turnover – including burnout, lack of advancement opportunities, and insufficient training – studies have found that the primary reason homecare workers leave the profession is that the wages are too low to make homecare a viable job option (Butler et al. 2010; Howes 2014; Department of Health and Human Services' Office of the Assistant Secretary for Planning and Evaluation et al. 2003).

By the same token, when wages increase, turnover goes down. This relationship has been demonstrated across a wide range of industries (Boushey and Glynn 2012), including homecare occupations specifically. A 2002 study by Howes (2006) found that an increase in wages for IHSS providers in San Francisco, along with the introduction of health and dental benefits, led to a dramatic decrease in turnover from 60 percent in 1997 to 26 percent. This improvement in job quality reduced turnover for both family and non-family caregivers (Howes 2008). A study by Ko et al. similarly found that turnover was lower in California counties with higher IHSS wages (2015).

WORKER SHORTAGES

When government programs set wages too low to attract a sufficient number of workers, a worker shortage can develop (Barnow, Trutko, and Piatak 2013). With the demand for homecare services growing at such a fast pace, there is significant potential for a worker shortage, especially when unemployment is low, as is the case currently in California (Butler et al. 2010). In the private market, businesses respond to worker shortages by raising wages until enough workers have been recruited. The process of raising wages in the public sector is different, as it requires action by public officials, but it has the same effect of increasing the pool of workers. A study by Howes (2002) found that raising the IHSS wage rate increased the number of homecare workers in San Francisco by over 50 percent.

Data on the homecare industry in California is limited in its ability to test for current worker shortages (for example, we do not have data on job openings or time series data to analyze how turnover has changed in recent years). However, there is some evidence that IHSS consumers are finding it increasingly difficult to find a provider. Anecdotally, consumer advocates report that this problem has become more acute in recent years and has spread to urban areas as well (Bean 2017). Homecare agencies that provide services funded through Medicaid also report difficulties recruiting and retaining sufficient numbers of workers (Graham 2017). And even when the unemployment rate in California was higher, it was already challenging for some consumers to find a homecare worker, particularly those in rural areas without access to public transportation.

Other indirect indicators are also suggestive of a shortage of homecare workers. While homecare work has always been a low-wage job, in the past wages were somewhat higher than the minimum wage and kept pace with wage growth in other low-wage occupations. However, as shown in Table 3, in recent years homecare wages have not been raised at the same pace as other low-wage jobs or the minimum wage. For example, between 2013 and 2016 in California, the median wage of homecare workers grew more slowly than the 10th percentile wage of all workers (a measure of the wages of other low-wage occupations). During that same time period, in Los Angeles, Riverside County, Sacramento, San Diego, and San Francisco, the growth in IHSS wages was significantly slower than growth in the minimum wage.

Table 3: Growth of homecare wages compared to minimum wages and 10th percentile wages, California 2013-2016

	Median Wage of Personal Care Aides	10th Percentile of Wages in All Occupations
California	-2.3	0.7

	IHSS Wage	Minimum Wage
Los Angeles	10.5	19.3
Riverside County	-4.6	7.4
Sacramento	-0.9	7.4
San Diego	0.5	7.4
San Francisco	1.3	10.8

Source: Authors' analysis of Occupational Employment Statistics Wage Data, IHSS wage schedules, and local minimum wage schedules.

Note: All wages are adjusted for inflation to 2016 dollars using the California CPI-W.

This lagging growth in wages changes the relative position of home care jobs and gives workers an incentive to move to other similar-paying jobs that aren't as difficult or demanding. It also makes it difficult to attract workers from other industries to fill open homecare positions.

QUALITY OF CARE

When consumers are unable to find a homecare worker or when their current provider leaves, they may not get the full care that they need. Researchers have documented that lack of sufficient care leads to negative health effects such as missing meals, dehydration, falls, burns, wetting or soiling clothes, and making a mistake in taking medication (LaPlante et al. 2004; Allen, Piette, and Mor 2014). Lack of care also makes it less likely that consumers can stay in their homes in the long term. In a 2004-2005 survey, 19 percent of IHSS providers reported that if they stopped caring for their consumer, the individual would likely end up in a nursing home (Howes 2006).

A stable, long-term relationship between provider and consumer is critical for providing high-quality care (Butler et al. 2010; Department of Health and Human Services' Office of the Assistant Secretary for Planning

and Evaluation et al. 2003). When a worker only remains in the job for a short period of time, she is not able to develop the type of knowledge about and strong relationship with the consumer that is associated with high-quality care. If a worker expects to stay in the position temporarily, she may also be less invested in the relationship with the consumer (Howes 2014).

PUBLIC COST

Although California's investment in homecare has saved the state money in the past, the problem of low wages, if not addressed, would place a significant burden on public programs going forward. Currently, California's long-term care system is cost efficient relative to other states since most of its services are home- and community-based (Howes 2006). However, if the homecare system is unable to attract enough workers to meet growing demand, consumers will have to turn to more costly forms of long-term care such as nursing homes. Studies have shown that when states cut back on homecare services, government spending on more expensive institutional long-term care increases (Robison et al. 2012). In California, the annual cost of nursing home care (\$97,000) is nearly double the annual cost of homecare (\$57,000) (Genworth Financial Inc. 2017).

Low wages are also costly to the public because, by causing higher turnover, they reduce overall program productivity as more time and money is spent on recruitment, hiring, and training. A 2004 report estimated that the cost of turnover per long-term care worker was at least \$2,500 (Seavey 2004). In addition, when homecare workers earn low wages, they are unable to make ends meet on their own and must rely on public programs funded by taxpayers. As described above, many homecare workers rely on public benefits to meet their basic needs, and increasing wages would reduce those costs.

Conclusion

Chronic low wages are creating a crisis within the homecare industry, leading to high turnover and imminent worker shortages. Unless homecare wages are lifted significantly, workers will have a growing incentive to shift to other occupations that pay a similar wage but aren't as physically or emotionally demanding. Higher wages for homecare workers will be necessary to retain workers already in the occupation, as well as attract enough new workers to care for the rapidly growing number of individuals needing care. Without enough homecare workers to meet increasing demand, consumers won't get the quality of care they need, and the public cost of long-term care will begin to balloon as more consumers are forced to use institutional care such as nursing homes.

Fortunately, the state of California is in a position to solve this problem. Raising the wages of publicly-funded homecare workers would do more than just solve the worker shortage problem in the industry. It would begin to reverse the long history of the devaluation of care work, which is done primarily by women of color, and have a significant impact on the lives of workers and their families, many of whom are low-income or live in poverty. Moreover, homecare plays a critical role in our society, allowing the elderly and people with disabilities to stay in their communities and lead independent lives. Raising the wages of homecare workers therefore represents both a solution to imminent industry shortages as well as a public policy that reflects the value and dignity of caregivers in our state.

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ENDNOTES

¹ We do not analyze home health care in this paper, which is a short-term Medicare service for individuals needing both skilled nursing services and personal care services (Howes 2018). Home health care services are provided by private home health care agencies and are not accessed through IHSS.

² The majority of Medi-Cal recipients receive IHSS services at no cost. About 1 percent of recipients must contribute some of their income to cover the cost of IHSS services, as determined by their level of income (California Department of Social Services n.d.).

³ Homecare workers are defined as personal care aides and home health aides in one of the following industries: home health care services, employment services, other health services, individual and family services, private households, or administration of human resources. The homecare worker category includes self-employed workers, while the category for all workers does not. Earnings for homecare workers are calculated using the sum of wage and salary and self-employment income. Earnings for all workers are calculated using only wage and salary income.

⁴ We calculate two different estimates of the number of individuals in California who will need care in 2030 because of uncertainty about the extent to which the elderly population will require home care services at that point. Specifically, we use existing projections of the number of individuals over age 65 in 2030 (California Department of Finance, Demographic Research Unit 2017) and apply two estimates of the portion that will require home care. The low estimate is 10.8 percent (calculated using American Community Survey data on the proportion of individuals over 65 who had a self-care limitation in 2015). The high estimate is 45.3 percent, taken from Freedman and Spillman (2014). We then add the number of individuals under 65 who will need long-term care (again using American Community Survey data for estimation) and subtract the number who will receive care in a nursing home (we assume that the nursing home population will remain at about one million, as it has over the past 15 years). Finally, we apply the current ratio of IHSS workers to consumers (0.83) to our low and high estimates of the number of people requiring care in 2030, to yield the estimated number of workers needed to fully meet demand. Average hours of IHSS providers are calculated using the average hours per consumer and the ratio of providers to consumers (California Department of Social Services 2017).

⁵ This measure of employer-provided health insurance coverage includes coverage by a spouse's employer, and so likely overstates the proportion of homecare workers who have a health plan through their employer at their homecare job.

⁶ Analysis by Ian Perry, UC Berkeley Labor Center, of 2010-2012 Current Population Survey and American Community Survey data, as well as administrative data on EITC and SNAP programs.

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