Hidden in Plain Sight
Paid Caregivers are California’s Most Vulnerable Caregivers

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Presenter Disclosures
Geoffrey Hoffman
(1) The following personal financial relationships with commercial interests relevant to this presentation existed during the past 12 months:
No relationships to disclose.

Continuing Need for LTC

- Aging population
  - 11% of population is 65+
  - 85+ population projected to nearly double by 2030
- HCBS
  - Nearly 1 million Californians 65+ rely on Medicaid
  - CA spends 51% of Medicaid LTC dollars on HCBS
- Care preferences
  - 89% of Americans prefer stay in home as they age
  - NHs, HHAs, ADHC are costly in CA

Source: AARP, “Long Term Care in California,” December 2009

LTC Policy Climate in CA

- Gov. Brown vetoes overtime pay and labor protection legislation (Sept 2012)
- Affected 200,000 live-in caregivers and domestic workers
- Care Coordination Initiative (CCI) creates managed care benefit
- ADHC converted to Community-Based Adult Services (April 2012)
- Proposed and adopted recent changes to IHSS program
IHSS Program

- Administered at state level by Dept. of Social Services
- Jointly funded by federal, state, local governments
- Largest community-based long-term services program in CA
- Est. monthly caseload of 423,000 w/2012-13 budget of $5.3B
- Provides in-home care if one can’t safely remain home alone
- Consumer has ability to direct his or her own care
- Recipients eligible for up to 283 hours per month of assistance

Data and Methods

- Data: 2009 California Health Interview Survey (CHIS)
- Sample size of 47,000 with 11,300 caregivers
- Est. 500,000 caregivers are paid
- Est. 290,000 were paid and assisted adults receiving Medi-Cal
- Methods: Descriptive analyses and multivariate regressions
- Research question: How are they faring economically?
- What are implications for providers and care recipients?

Paid Medi-Cal vs National Caregivers

<table>
<thead>
<tr>
<th></th>
<th>CA Paid MC CG</th>
<th>National CG</th>
</tr>
</thead>
<tbody>
<tr>
<td>Care recipient identity</td>
<td>32% parent, 7% spouse, 52% other relatives/friends</td>
<td>57% parent, 21% spouse, 22% other relatives/friends</td>
</tr>
<tr>
<td>CG hours/week</td>
<td>45</td>
<td>35</td>
</tr>
<tr>
<td>CG length</td>
<td>median 5.5 years</td>
<td>52% for 3+ years, 32% 5+ years</td>
</tr>
<tr>
<td>Living situation</td>
<td>54% co-resident</td>
<td>45% co-resident</td>
</tr>
<tr>
<td>CG HH income</td>
<td>57% ≤200% FPL, median $23,640</td>
<td>22% ≤$25,000, median $43,026</td>
</tr>
</tbody>
</table>

Footnote: *2007 Evercare/NAC national telephone survey of 1,000 family caregivers providing help of at least 5 hours in a typical week with ADL or IADL in the past month to recipient aged 50 years or older.*
Federal Poverty Level of Paid Caregivers Compared to Non-Caregivers in California, 2009

- Paid Caregivers of Medi-Cal Recipients
- Paid Caregivers
- Non-Caregivers
- Unpaid Caregivers

Paid MC CG
Non-CG

Table: Health Services Comparison: Paid Medi-Cal Caregivers vs Non-Caregivers, 2009

<table>
<thead>
<tr>
<th>Category</th>
<th>Paid MC CG (%)</th>
<th>Non-CG (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured</td>
<td>30.7</td>
<td>17.8</td>
</tr>
<tr>
<td>Place for usual source of care</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Doctor's office</td>
<td>58.2</td>
<td>67.6</td>
</tr>
<tr>
<td>Clinic</td>
<td>37.5</td>
<td>29.7</td>
</tr>
<tr>
<td>ER/Other</td>
<td>4.4</td>
<td>2.6</td>
</tr>
<tr>
<td>Delay in access</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Getting prescription</td>
<td>17.4</td>
<td>8.3</td>
</tr>
<tr>
<td>Getting medical care</td>
<td>22.7</td>
<td>13.1</td>
</tr>
</tbody>
</table>

Own or Rent Home: Paid Medi-Cal Caregivers vs Non-Caregivers, 2009

- Paid Medi-Cal Caregivers
- Non-Caregivers

Paid MC CG
Non-CG

Time at Main Job: Paid Medi-Cal Caregivers vs Non-Caregivers, 2009

- Paid MC CG
- Non-CG

Less than 1 year: 16%
1-9 years: 67%
10 or more years: 18%
Food Insecurity: Paid Medi-Cal Caregivers vs Non-Caregivers, 2009

<table>
<thead>
<tr>
<th>Food insecurity</th>
<th>Receive food stamp benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paid MC CG</td>
<td>32.4%</td>
</tr>
<tr>
<td>Non-CG</td>
<td>13.8%</td>
</tr>
</tbody>
</table>

Adjusted Analyses

- Adjusted for age, gender, race/ethnicity, and education level
- Compared to non-caregivers, paid Medi-Cal caregivers had
  - Lower monthly incomes ($979)
  - Greater food insecurity (RR: 1.56)
  - Lower likelihood of working at same job 10+ years (RR: .53)
  - Higher uninsurance rates (RR: 1.61)

Discussion

- Overall, greater economic vulnerability
  - Lower incomes, home ownership
  - High poverty levels, job turnover, uninsurance, delays in care, food insecurity
- Concordant with earlier research
  - 1999 survey of SF IHSS
    - Annual income of 46% providers <$10,000
    - Mean individual income of $13,361, 35% families below FPL
- San Francisco (1998-2003) introduced living wage, benefits
- Resulted in greater retention rates
  - A 57% decline in turnover rate
  - An increase of $1 in wage rate associated with 12 percentage point increase in prob. of staying in workforce > 1 year
  - Health and dental insurance increased prob. of remaining 1 year by 17 and 19 percentage points
  - Prob. of remaining 1 year at $6.75/hr was 44%, at $8.00 was 66%, at $10.00 was 90%

Discussion: IHSS Providers

- Can be a family member and receive payment for caregiving
- Must have employer of record for collective bargaining
- Often represented by unions negotiating wages and benefits
- Those working 77+ hours/mo. for 2 consecutive months may qualify for health benefits
- State currently pays up to $12.10/hr. per provider
  - $11.50 in wages and $.60 in benefits
  - LA County Bd. of Supervisors approved $.60/hr. raise (2012)

Discussion: Threats to IHSS Providers

- Program has experienced large budget-related changes
- Proposed provider payment reductions in 2009-10 budget
  - From $12.10 to $10.10/hr
  - Blocked by federal judge's injunction
- 3.6% service hours reduction in 2010-11, expired in 2011-12
  - Proposed 20% reduction w/trigger in 2011-12, also blocked
  - Shift to managed care benefit beg. Jan 2013, under CCI

Source: Legislative Analyst's Office

Conclusion

- Policy shifts amid budget crisis imposing strain on supports and services for seniors
- Also placing strain on caregivers
- Can lead to economic vulnerability and turnover
- In turn affects care for recipient
- Small increases in wages/benefits can have large effects

Conclusion

- IHSS workers doing much worse than non-caregivers and other, unpaid caregivers
- Pressures likely to increase with budget crisis and cutbacks
- Subject to great uncertainty in legal venue, legislature
- Negotiating tactics by employer of record can bear fruit
- With health reform, opportunity to press for changes