Hidden in Plain Sight

Paid Caregivers are California's Most Vulnerable Caregivers

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Presenter Disclosures

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(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
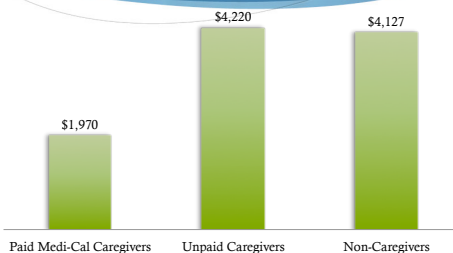- Recipients eligible for up to 283 hours per month of assistance

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?**
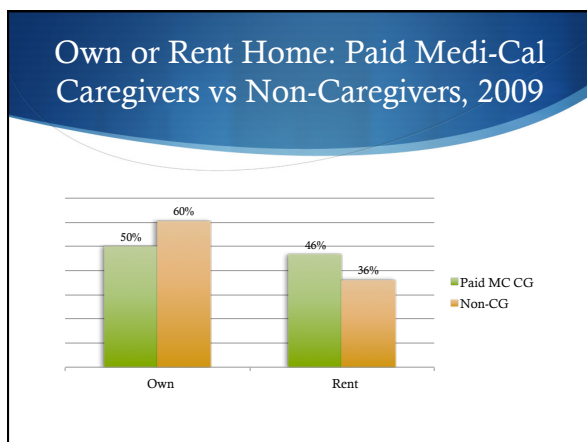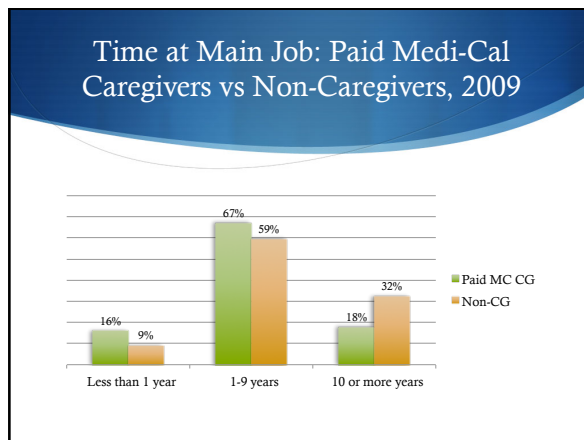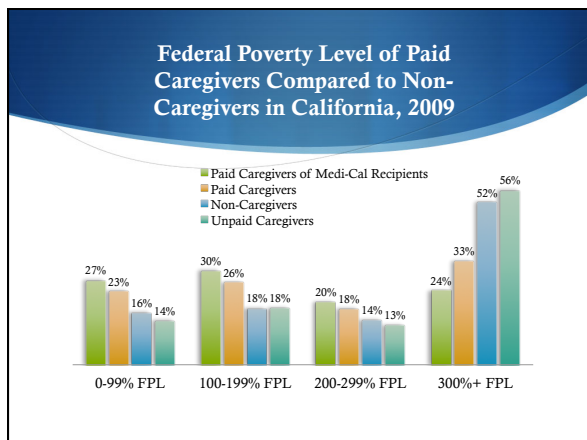 - What are implications for providers and care recipients?

Paid Medi-Cal vs National Caregivers

	CA Paid MC CG	National CG[1]
Care recipient identity	32% parent, 7% spouse, 52% other relatives/friends	57% parent, 21% spouse, 22% other relatives/friends
CG hours/week	43	35
CG length	median 5.5 years	52% for 3+ years, 32% 5+ years
Living situation	54% co-resident	45% co-resident
CG HH income	57% ≤200% FPL, median $23,640	22% <$25,000, median $43,026

[1] 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.
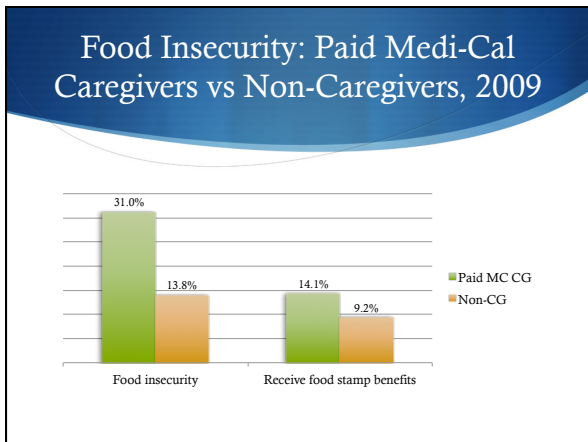
Monthly Income of Paid Medi-Cal Caregivers Compared to Unpaid Caregivers and Non-Caregivers in California, 2009

Paid Medi-Cal Caregivers: $1,970; Unpaid Caregivers: $4,220; Non-Caregivers: $4,127

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

FPL	Paid Caregivers of Medi-Cal Recipients	Paid Caregivers	Non-Caregivers	Unpaid Caregivers
0-99% FPL	27%	23%	16%	14%
100-199% FPL	30%	26%	18%	18%
200-299% FPL	20%	18%	14%	13%
300%+ FPL	24%	33%	52%	56%

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

- Paid MC CG
- Non-CG

	Paid MC CG	Non-CG
Less than 1 year	16%	9%
1-9 years	67%	59%
10 or more years	18%	32%

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

- Paid MC CG
- Non-CG

	Paid MC CG	Non-CG
Own	50%	60%
Rent	46%	36%

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

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

3

Food Insecurity: Paid Medi-Cal Caregivers vs Non-Caregivers, 2009

31.0%

13.8%

14.1%

9.2%

- Paid MC CG
- Non-CG

Food insecurity   Receive food stamp benefits

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
  - ♦ 2002 survey of Alameda IHSS
    - ♦ Mean individual income of $13,361, 35% families below FPL

Discussion

- ♦ San Francisco (1998-2001) 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%

Source: Howes (2004), "Living Wages and Retention of Home Care Workers in San Francisco".

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