

# Struggling to Provide

A Portrait of Alameda County Homecare Workers



May 2002

East Bay Alliance for a Sustainable Economy

Center for Labor Research and Education,  
University of California Berkeley

# CREDITS

---

The UC Berkeley Center for Labor Research and Education (CLRE), under the direction of Carol Zabin, conceived and initiated the Alameda County homecare worker survey project. The purpose of the project was to bring together experienced researchers from colleges, universities and public interest groups to study and publicize the economic conditions of IHSS homecare providers in Alameda County.

## Authors:

This report was written by Candace Howes and Howard Greenwich with assistance from Laura Reif and Lea Grundy. It is based on preliminary results from a forthcoming study by Howes and Reif, entitled, "Alameda County IHSS Providers," which will report the full results of the Alameda County homecare worker survey.

**Candace Howes**, Ph.D., is a labor economist and the Barbara Hogate Ferrin Associate Professor of Economics at Connecticut College. In addition to her work on this study, she has just completed a study of the impact of a wage increase on the stability of the San Francisco IHSS workforce.

**Howard Greenwich**, MPP, is the Director of Policy and Research for the East Bay Alliance for a Sustainable Economy. He has done extensive research on the low-wage labor

market of the East Bay and the community impacts of local government spending.

**Laura Reif**, Ph.D., is a sociologist and Emeritus Professor in the School of Nursing at the University of California, San Francisco. She has years of experience designing and administering surveys to consumers and providers of IHSS services in numerous counties in California. She currently works as a Senior Researcher at RTZ Associates.

**Lea Grundy**, MPP, is a Labor Specialist at the UC Berkeley Center for Labor Research and Education. Grundy has worked with homecare workers on wage, benefit, and other occupational issues since 1997, primarily in Alameda County. She has extensive experience in homecare worker training and education.

## Other Credits:

The survey was designed by Reif and Howes, assisted by Greenwich, Zabin, and Sue Eisenberg (RTZ Associates). The analysis of the survey results was done by Candace Howes. The mail survey was done by RTZ Associates. Grundy and Rachele Savola (MSW Candidate, San Francisco State University) interviewed workers for their personal stories and trained the workers who conducted the telephone interviews. All photos except Olia Furmully and Velda Green are by Richard Bermack, photographer.

The project was funded by a grant from the UC Berkeley Center for Labor Research and Education and by a grant to Candace Howes and Laura Reif from the University of California Institute for Labor and Employment.

We would like to especially thank all of the homecare workers who generously shared their time and personal stories with us: Emilia Betancourt, Sharon Brewer, Sirom Burger, Olia Furmully, Pu Ling Lee, Jin Sui Lin, Grace Manawatao, Tracy Moore, Jamie O'Dell, Otilia Ortega, Angela Roberts, and Lier Shao. The following homecare workers helped us test and administer the survey to their co-workers: Gloria Ayala, Pauline Beck, David Bell, Carmela Brambila, Sonia Christian, Dorothy Dunlap, Maria Luisa Figueroa, Xin Fang Huang, Susong Hou, Glenda Houston, Shao Lian Huang, Martha Jimenez de Popo, Jin Sui Liu, Ines Madrigal, Grace Manawatao, Tracy Moore, Erlene Nicholson, Otilia Ortega, Shu Ling Peng, Betty Tik, Imani Tucker, Betty Tyler, and Ada Wong.

We are grateful to Service Employees International Union Local 616 for putting us in touch with these workers.

We especially want to thank the nearly 500 workers who responded to the survey.

## EXECUTIVE SUMMARY

---

Alameda County employs nearly 8,000 home-care workers to help disabled and elderly persons live independently. Over one-third of these workers and their families—about 2,800—earn incomes that are below the official Federal poverty threshold. Many more struggle to meet basic daily needs and have to make difficult choices between caring for themselves and caring for others.

Through California's In-Home Supportive Services (IHSS) program, homecare workers provide assistance to a vulnerable population of 250,000 elderly and disabled clients statewide. IHSS services make it possible for clients to remain independent and to live safely in their own homes and communities. Without this service, many consumers of homecare would have to go to costly institutions such as nursing homes.

Despite their important role, homecare workers receive such low wages and poor benefits that it is difficult for them to stay in this job. The current wage, \$9 an hour, is well below what a worker needs to support a family in the nation's fifth most expensive housing market. While basic health insurance is available for the homecare worker, there are no vision or dental care benefits, no benefits of any kind for family members, no paid time off and no retirement benefits.

Because IHSS jobs offer such low wages and benefits, many workers have to work more than full-time and take multiple jobs. Any unexpected expense, temporary loss of a client or reduction in hours can be a financial calamity for the homecare worker and his or her family.

Furthermore, the precarious financial status of homecare workers makes it more difficult to quickly resolve the problems that may keep them out of work. Every crisis for the homecare worker is a potential crisis for the IHSS consumer, especially when, as in Alameda County, there is a shortage of workers and substitutes are difficult to find.

Recent evidence from San Francisco County shows that providers and clients alike gain from higher wages and better benefits. After substantial wage and benefit improvements over a three year period, the San Francisco IHSS workforce grew nearly 40 percent. Many of the new providers have come from neighboring counties like Alameda, where the wages and benefits are lower.

*Struggling to Provide* is based on a recent survey of homecare workers in Alameda County that illustrates the insecure conditions in which many homecare workers live. Key findings from the survey include:



*IHSS provider Grace Manawatao assists consumer Mary Liggins.*

### **Homecare workers and their families struggle to make ends meet.**

- Over one-third, nearly 2,800 workers and their families, live in poverty. Their average family income is only \$22,270.
- Seventy-one percent of homecare workers say they barely had or did not have enough money to meet their basic needs at the end of the month.
- Any sudden loss of work or hours can tip a homecare worker's family into financial crisis.

### **Many homecare workers work full-time hours or more.**

- Two in five (41%) work more than one job.
- Forty-five percent work more than 35 hours and 23% work more than 50 hours a week.
- Homecare workers work, on average, 36 hours a week between all of their jobs.

### **Homecare workers are primary breadwinners for their families.**

- More than two-thirds of homecare workers contribute the majority of their families' total income.
- On average, their earnings make up 60% of the total family income.

### **Homecare workers lack essential job benefits.**

- IHSS only provides basic health insurance for the employee, and provides nothing for his or her immediate family.
- Only one in five homecare workers have vacation, sick days or holidays.
- The vast majority of homecare workers have no employer-paid dental (87%) or vision insurance (82%).

### **IHSS does not provide any retirement benefits.**

- The majority of homecare workers are over 40 years old and 28% are over age 55.
- Only 14% of homecare workers have any kind of retirement plan, leaving older workers at risk of living in poverty as seniors.
- In addition, many are recent immigrants who will have limited social security benefits.

### **Higher wages and benefits can alleviate Alameda County's provider shortage and increase quality of care.**

- Alameda County consumers suffer an inadequate supply of experienced workers.
- The labor shortage forces consumers to use emergency rooms or nursing homes when they are seeking a new provider or their provider is unable to work.
- Higher wages increase the supply of labor and the length of time a consumer can retain the same provider.
- Consumers get better care when providers in their own community can make a long-term commitment to doing IHSS work.

## **Recommendations**

Making homecare work in Alameda County a more family-sustaining occupation will allow more workers to make a long-term commitment to providing IHSS care and increase the overall quality of care. It will also help alleviate poverty.

Thus, we recommend that the Alameda County Board of Supervisors:

- Increase IHSS wages to at least \$10.50 an hour, so that homecare wages conform to the City of Oakland's Living Wage. This

increase will lift 1,200 people in homecare families out of poverty;

- Provide paid time off to ensure that homecare work is mentally and physically sustainable, and that providers need not continually choose between caring for themselves and caring for others;
- Create dental and vision insurance plans so IHSS workers can afford adequate dental and vision care without creating financial hardship for their families;
- Create a pension plan for homecare workers that will ensure that they are able to retire without being forced into poverty;
- Create a task force to study the extent to which unpredictable loss of hours can threaten provider family stability and to consider possible measures such as a fund for emergency loans or other means of assistance.

# A Critical Service

## Homecare Workers: Providing a Critical Public Service

Homecare workers provide support services to low-income disabled persons and seniors who are unable to live safely at home without help. California's In-Home Supportive Services (IHSS) Program provides state, county and federal funds to consumers of homecare so that they can hire a caregiver of their own choosing. The provider can be a friend, a family member or a person unknown to the consumer. Without homecare services, many of these disabled and elderly consumers would be forced out of their communities and into nursing homes or other public institutions.

Homecare workers assist consumers in many of the activities of daily living, including housecleaning, bathing, dressing, meal preparation, shopping and getting to and from medical appointments. At times the job can be difficult, strenuous and even dangerous. IHSS providers go into the homes and neighborhoods of the consumers. They lift

consumers and sometimes handle biomedical hazards, such as blood and human waste.

Given the unique and important relationship between the IHSS providers and the consumers, it is critical to understand what homecare workers need to sustain high quality, long-term services. While much is known about the needs of homecare consumers, relatively little is known about the needs of the providers as employees and supporters of their own families. This report summarizes the preliminary findings of a survey project designed to provide a basic understanding of the lives of homecare workers.



**Angela Roberts**

*Homecare provider Angela Roberts cooks in her kitchen.*

"I won't say how old I am, but I will say that the ten years I've spent working in homecare have given me a lot of gray hairs. I live in North Oakland with my two youngest children, but I already raised six kids because I was a foster mom too. I have a granddaughter younger than my own youngest. I've always worked in caring professions. I take care of seniors and people with disabilities, but I've worked in a childcare center too. I also do after-school care and assist kids with disabilities in the schools.

I have one consumer now—Mark. He's never had a family. I bathe him, prepare his food, go out on errands with him, take him to the doctor. Even though Mark is a senior, he's still young at heart and a very independent person.

Homecare workers are really in demand. Mark lives in a building for seniors and every other senior in that building says to me "I need you." The other residents always look to me. They really need someone to take them to the grocery store, drop them off at the doctor's office, and carry their bags. The big problem is that IHSS pays so little money that the consumers can't find someone to do homecare work. Our consumers need us as much as we need them. They ask for us; we're like their family."

# A Diverse Workforce



**Otilia Ortega**

*Otilia Ortega with her husband Alberto and grandson Eduardo at their home in the Fruitvale neighborhood of Oakland.*

"My husband, Alberto, and I come from Michoacan, Mexico. We moved to Oakland in 1992. My only client is my husband right now. In our house there are five adults and one child including my husband and myself, two of our sons, our daughter-in-law and our grandson. I am fifty-five years old.

I started doing homecare in 1995. Before that I didn't work formally. I did other work but not for companies, just little jobs for cash. I did childcare, house cleaning, and worked with a friend cleaning restaurants at night. I worked a lot but it didn't count. For that reason, we won't receive much social security.

As far as our plans for retirement—who knows? We'll work something out. We'll keep working for a while more because right now we can't retire. In fact, I'm looking for more work. My husband receives SSI for his disability, but he's not old enough for social security. My husband worked a lot in the fields as a farm worker. He cut oranges, grapes, peaches, plums, cherries all over California, in Sacramento, Fresno, Modesto.

Most of the homecare workers are older people and they're really going to need a pension. Many of the ladies are at the age that they're just about to need it. I know a lady who is older than I am and she's still doing homecare work. Someday I guess we will get social security, but it's not much."

## Who Are Homecare Workers?

IHSS providers are likely to be older women of color, including many recent immigrants. Most IHSS workers have been providing care for less than three years. However, a core group has made homecare a career, some for more than ten years. Many of these caregivers have been caring for their friends, family and community members all of their lives.

A substantial majority of homecare workers (80%) are women. Fifty-five percent are age forty and older. Only 13 percent are younger than thirty. (See Figure 5 later in this report.)

**Homecare workers are racially and ethnically diverse and live in family households.**

Table 1 shows that approximately half are African-American, a quarter are white, 13 percent are Chinese and 7 percent are Latino. Another 12 percent consists of people who mostly come from other Asian countries.

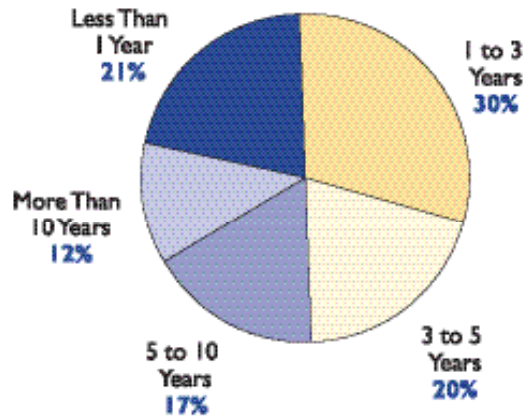
Immigrants play an important role in providing homecare in Alameda County. More than one out of three Alameda homecare workers (35%) are foreign born, coming

**Table 1: Homecare Workforce More Diverse Than Alameda County Population**

	<u>Homecare Workers</u>	<u>All Persons in Alam. Co.</u>
African American	43%	15%
White	24%	41%
Chinese	13%	8%
Latino	7%	19%
Other Persons of Color	13%	17%
<i>Total Persons of Color</i>	<i>76%</i>	<i>59%</i>

*Source: Authors' analysis of Alameda County CMIPS data and 2000 Census*

**Figure 1: Number of Years Working for IHSS**



Source: Authors' analysis of survey data



*IHSS provider Sharon Brewer in her Oakland home.*

mainly from China, Southeast Asia and Mexico.

Homecare workers have strong ties to their communities and families. Ninety percent of providers care for someone of their own ethnicity or culture.<sup>1</sup> About 52 percent of IHSS workers in Alameda County currently provide services to a member of their own family. Another nineteen percent live in the home of an IHSS client to whom they are not related.

Three quarters (75%) of homecare providers live in a family-based household. On average, just under

four people live in each of these family households, and 45 percent of them have children under age 18. Furthermore, about 60 percent of the households that have children under 18 have more than one child, and in nearly half (45%) the provider is over 40 years of age.

**While turnover is high, there are also many workers who have made a career of homecare.**

Twenty percent of homecare workers report providing IHSS care for less than a year, and over half have been providing IHSS care for less than three years.<sup>2</sup> A 20 percent

annual turnover rate is relatively high for an occupation that depends on a close, trusting relationship between provider and consumer. On the other hand, a substantial group (29%) has been giving care for more than five years, and 12 percent have been doing IHSS work for more than 10 years (see Figure 1). This indicates that many providers have made homecare a career.



Jamie O'Dell and her son, Shon, at their home in Livermore.

"I have been caring for my son, Shon, since he was born over thirty years ago. The doctors told me he would never walk or be able to communicate and that he would not make it past a certain age. They recommended I admit him to an institution. There was no way I would do that to my son.

Who better to give the loving care that he deserves than his own mother? Look at him now! We just celebrated his thirty-fourth birthday a bit ago.

Providing care to Shon is a full-time job. I used to make a good living working outside of the house full time before he was born. I am a professional photographer's assistant and fashion designer, but I chose to stay home and care for my son. I feel blessed to have this life. He has taught me a lot about what is important in life. My son's love is unconditional. He does not care about material things; the little things you do for him bring him joy. He's my best friend.

IHSS providers deserve to make a decent wage because homecare work is hard work. I look forward to the dollar wage increase they promised us. All homecare workers deserve it."

# Paycheck to Paycheck

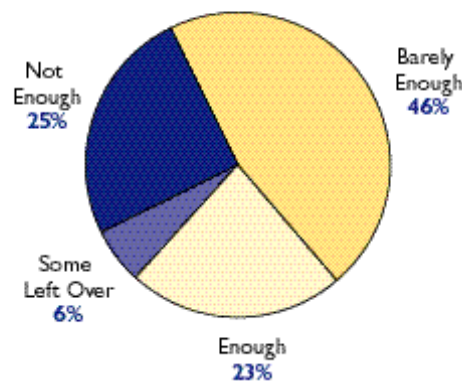
## Most Homecare Providers Work Full Time, But Struggle to Make Ends Meet

More than one-third of the families of IHSS providers live below the poverty line, the threshold set by the Federal government for minimum family subsistence. By the end of every month, the typical homecare worker has worked full-time, often at more than one job, and has earned the majority of his or her family's income. But the typical homecare worker family has spent all of their money on basic needs and has little or nothing left over. Workers with children have almost no discretionary income to shield their children from emergencies or provide them with clothes and supplies for school.

### Homecare Worker Families Struggle To Make Ends Meet

Homecare worker families bring in an average income of \$22,270 a year. Two-thirds of households with more than one member have more than one income. Despite multiple incomes, more than one-third of homecare worker families earn incomes that place them below the Federal poverty threshold.<sup>3</sup> Furthermore, the Federal poverty rate does not account for regional differences in the cost of living. If the higher cost of living in Alameda County were taken into account, the poverty rate would be even higher.

Figure 2: Do Homecare Workers Have Enough Money to Cover Household Expenses?



Source: Authors' analysis of survey data

**Table 2: Homecare Workers with Children Have Little After Basic Monthly Expenses**

<u>Expense</u>	<u>Monthly Cost</u>	<u>% of Monthly Budget</u>
Rent/Mortgage	\$848	41%
Gas & Electricity	\$114	6%
Telephone	\$83	4%
Health Care	\$92	4%
Food	\$359	17%
Transportation	\$212	10%
Child Care	\$321	16%
<b>Total Expenses</b>	<b>\$2,029</b>	<b>98%</b>
<i>Average Mo. Income</i>	<i>\$2,060</i>	<i>100%</i>
<i>Money Left Over</i>	<i>\$31</i>	<i>2%</i>

Source: Authors' analysis of survey data

At the end of each month, one in four homecare workers (25%) report that they do not have enough money to cover household expenses (see Figure 2). Another 46 percent say that they barely have enough. Only 6 percent say they have any money left after paying their bills.

Homecare workers report that 40 percent of their income goes towards housing. Federal housing guidelines suggest that families paying more than 30 percent of their income on housing are rent burdened.<sup>4</sup> Homecare workers face the added challenge of finding decent, affordable housing in the East Bay, the nation's fifth most expensive rental housing market.

Table 2 shows that providers with children report average expenses that

leave almost nothing left over at the end of the month. This basic family budget does not include other important expenditures such as clothing, educational materials, savings or a contribution to a retirement fund.

**A Majority of Homecare Providers Work Full-Time or More**

Many homecare workers have other employment in addition to caring for IHSS clients. Forty-one percent hold more than one job. On average IHSS providers work a total of 36 hours a week, slightly more than full time and more than the average American worker.<sup>5</sup> Forty-five percent work more than 35 hours a week and twenty-three percent work more than 50 hours a week. Moreover, most homecare workers report that they work more IHSS hours than they are paid.

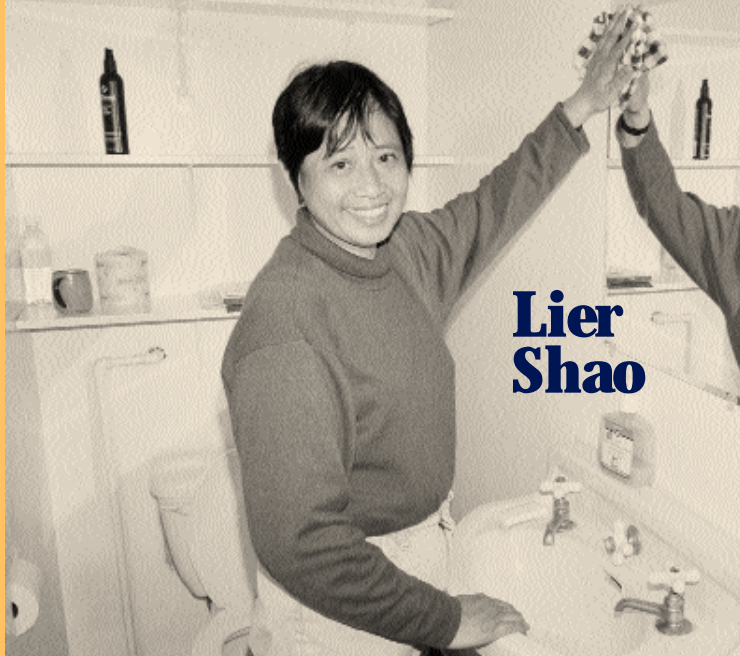


Tracy Moore and family at her home in Oakland. Standing, Tracy and sister Schlawn; below, daughter De-Nesha and seated, sister Denise and cousin Monique.

"My name is Tracy Moore. I'm 32 years old, born and raised in Oakland. I have four kids— ages eighteen, seven, six and four. I started to do homecare work when my six-year-old son was born with a Chromosome 22 abnormality. After he was born he needed nursing care at home. His bills were so high, the Regional Center of the East Bay came in and said we could get IHSS.

I'm responsible for my son and my other kids 24 hours a day, seven days a week. I get paid by IHSS for 53 hours a week at the rate of \$9.00/hour. I also work 42 hours a week at Toys-R-Us. My aunt looks after my kids when I'm at my other job. I pay her \$250 a week for childcare. I also pay \$1,865/month for rent, plus PG&E, groceries, clothes, everything. My 18-year-old eats a lot, so I shop ahead at the beginning of the month. I buy a lot of food when I get my check and I keep food in the freezer to make sure we don't run out at the end of the month when money is tight.

I feel small because I worry about what will happen if one of my kids needs something, or what if a bill pops up? It's constantly stressful. If something I didn't budget for comes up, sometimes I'm forced to borrow money from my mom. Other times, we go without. We can't live off what we got now. It's hard. Everything is getting more expensive with inflation. We can't live like this. It's sad that we have to take on two or three jobs to make ends meet. It's really sad."



Homecare provider Lier Shao on the job.

"My name is Lier Shao and I'm 51 years old. I was born in Canton, China. I currently live with my husband in San Leandro. I have been doing homecare work for about one year. I used to sew and make bed linens at a factory in China.

I had two clients that I provided care for until recently. I worked for one elderly man for 184 hours a month. Recently, he let me know he did not need me anymore, which is basically firing me. The elderly man's daughter had just moved to the United States, so he gave the IHSS hours to her.

This was really upsetting. When the family first told me I wouldn't have a job, I was in shock. It put me under a lot of stress. It's upsetting to think I can do nothing to prevent losing my job. I do not know what I'll do for money. I lost more than a thousand dollars a month. This is lot!

Now I only work 18 hours a month for my other client. That is not enough income to survive."

In addition to working many hours, homecare providers have to spend much of their time getting to work. One in five providers work for more than one client so they must travel from one consumer's home to the next. Some homecare workers must travel to their clients' houses more than once a day. Nearly 30 percent rely on public transportation systems to do so. They are not paid for their travel time.

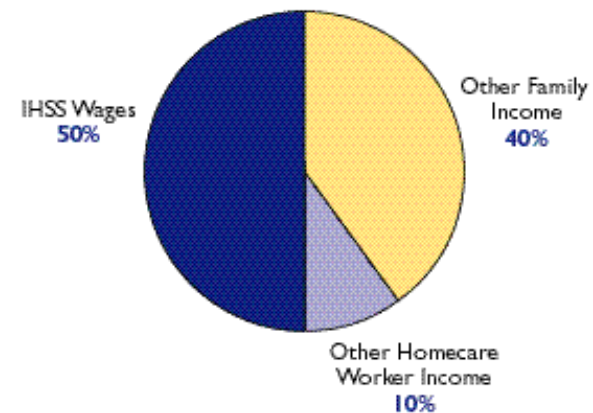
### The Families of Homecare Providers Depend on Their Earnings

Homecare workers are likely to be the "bread winners" of their families. On average, homecare workers make \$1,124 a month between all their jobs. Their earnings make up 61 percent of their family income.

On average, homecare workers make \$932 a month at their IHSS home-care jobs. These wages make up 50 percent of the total family income (see Figure 3).

Since most homecare workers live paycheck to paycheck and because they are the primary income earners in the family, any disruption of work can be financially devastating. IHSS providers are particularly vulnerable to circumstances beyond their control, since they do not determine how many hours they work nor how long they stay with a consumer. If a homecare worker loses a client, for whatever reason, he or she may experience severe hardship until a new IHSS consumer is found.

Figure 3: IHSS Wages Comprise 50% of Family Income



Source: Authors' analysis of survey data

# Tough Choices

## Lack of Benefits Force Workers to Make Tough Choices

Like many low-wage, service sector jobs, Alameda County homecare work offers few of the basic benefits that ensure that workers can meet their personal and family care needs.

### No Paid Time Off

Homecare workers currently receive no paid time off for sickness, family emergencies, holidays or vacation. Homecare workers assist a vulnerable population that sometimes cannot go a day without care or cannot afford other

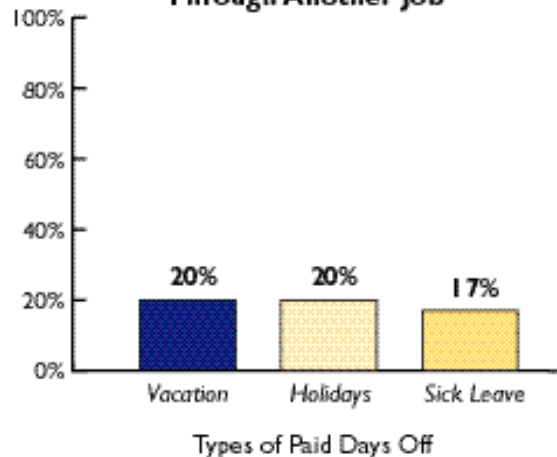
types of services, making it difficult for workers to schedule sudden absences or extended time off for a vacation.

Only 20 percent of homecare workers report receiving any paid holidays or vacations from another job. Only 17 percent report receiving sick leave from another job (see Figure 4).

### Few Benefits

Alameda County's Public Authority offers a basic health insurance

**Figure 4: Percent of Homecare Workers That Receive Paid Days Off Through Another Job**



Source: Authors' analysis of survey data



*Sirom Burger and IHSS consumer, Andy, at his home in Berkeley.*

"My name is Sirom Burger. I'm 39 years old and live alone in Oakland. I have been doing homecare work for almost three years. I care for an elderly man, Andy, who is 76 years old and lives in senior housing in Berkeley. I clean his apartment, prepare meals, do his shopping, assist him with personal care and physical therapy exercises.

My client says he trusts me because he knows I'm reliable and he can depend on me. I am a good friend to him because I talk to him and am there for him. It's difficult to leave him even for a day because it makes me feel anxious. My client needs assistance of some kind almost every day. It's not like other jobs where you can perform many tasks and then go away for a while.

Two days ago I had a small operation that required stitches in my lower lip, face and chin. When I left the hospital, the doctor said it would take a few days to recover. I still came to take care of my client though, because he depends on me and I depend on the money. I do not receive any sick days or other paid time off from IHSS. I am on a limited income and sure could use a few paid days off when something important comes up.

Homecare work takes a lot of energy. I'm usually exhausted when I get home. I feel worn down sometimes. If I do have to miss some hours due to something like my operation, I won't be paid for those hours. It's not fair that I don't receive paid sick days like other jobs. I work just as hard as other folks and the work I do is important."

# Olia Furmully



*Olia Furmully puts her arm around neighbor and IHSS consumer, Zarin.*

"I am Olia Furmully. I came from Afghanistan and now live in Hayward with my husband, Khalil, and 17 year old daughter, Rabya. In my country, I was a school principal and my husband was a demographer. Now, my husband who speaks perfect English is an unemployed janitor. My daughter just came to the United States and has not yet gotten her working papers. It's very hard for us. My job caring for my neighbor, Zarin, is the only income for the family.

A big problem for me and my family is that my homecare job doesn't give me dental benefits. Two years ago I chipped my two front teeth. I didn't have dental insurance, so I just had enough money to pay to have one tooth fixed—\$600. Later I bought dental insurance that paid for the other tooth, but while I was at the dentist I had to have teeth pulled from the back of my mouth. Now I have no back teeth on the top on one side and no back teeth on the bottom on the other side. My stomach hurts all the time because I cannot grind my food when I chew. It makes me want to cry. If my family or I have a problem, we can't do anything about it. We just feel the pain.

Homecare work also doesn't give me vision benefits. My glasses recently broke. We cannot afford for me to get a new pair of glasses, so I share one pair of glasses with my husband. His glasses help me to see close, but I cannot see far distances. I cannot read street signs while I'm driving. And if my husband needs his glasses or has to go somewhere, I can't see at all. Vision coverage is important because we need to see well to assist the clients. Vision is important when driving clients to appointments. It is frustrating because I want to help my consumer and give her quality care but I can't always because of my vision and dental problems."

plan that covers the homecare worker only. Over half of homecare workers who have children under 18 do not have employer paid insurance for their children.

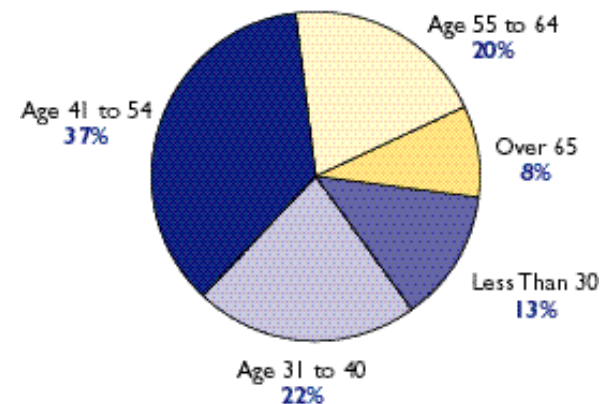
The majority of homecare workers must finance dental and vision care without insurance. Only 13 percent of homecare workers have dental insurance for themselves through other jobs. Only 18 percent have vision care through other jobs. These out of pocket expenses can be substantial, especially if workers forgo preventive care that insurance would provide.

IHSS work provides no retirement benefits. Only 14 percent of

homecare workers have pension or retirement plans through other jobs. This is of particular concern for the homecare workforce because the majority of workers are over 40 years old and many are nearing the end of their working lives. Twenty-eight percent of homecare workers are over 55 years old. Nine percent are over 65 (see Figure 5).

Considering that more than a third of all provider families already live in poverty, many more will find themselves living in poverty as seniors or be forced to continue working past retirement age—unless they can get retirement benefits from this or another job.

**Figure 5: Many Homecare Workers Nearing Retirement Age**



Source: Authors' analysis of survey data

# Consumer Care at Risk

## Consumers Suffer When Homecare Provider Wages are Low

### Consumers suffer when workers are in short supply.

A 1998 survey by Laura Reif,<sup>6</sup> documents the effects of a labor shortage on consumers in San Francisco. Sixteen percent of consumers reported that they made an avoidable visit to an emergency room or were admitted to a hospital or a nursing home because a regular provider was not available and they could not find a replacement. Nineteen percent of all consumers reported that they had had difficulty finding a regular provider after they have been authorized to receive services or when their regular provider was ill.<sup>7</sup>

### Alameda County suffers a shortage of IHSS workers.

By the best measure of the supply of providers—the ratio of IHSS workers to every 1000 people in the county population—Alameda County suffers from a shortage compared to the neighboring county of San Francisco. The

Alameda ratio is 40 percent below that in San Francisco.<sup>8</sup>

In 1999, the Public Authority set up an innovative Rapid Response Program to provide emergency replacement workers to IHSS consumers residing in Oakland when their regular provider could not work. But in an evaluation of the program done in 2000, Reif<sup>9</sup> found that because of the labor shortage in Alameda County, 84 percent of the consumers who used the program were seeking a provider to fill a regular need rather than a true emergency coverage.

### Higher wages help resolve shortages and improve the quality of care.

Recent evidence from San Francisco indicates that labor shortages are resolved as wages rise. Over a 3-year period, Candace Howes<sup>10</sup> found that as wages rose from close to the minimum wage and nearly doubled to \$10 an hour, the number of IHSS providers in San Francisco increased by 39 percent. In fact, some of the increase in supply has come from providers who are traveling to San Francisco from neighboring



*IHSS provider Ethel Freeman assists consumer Gerald Wright.*

counties that pay lower wages. Twelve percent of San Francisco providers now come from other counties, including from Alameda County.<sup>11</sup>

Howes found that as the wage rose, more consumers found providers that they preferred, such as family members, neighbors and members of their own ethnic group, rather than unfamiliar providers. Howes also found evidence that the length of time providers stayed with the same consumer was getting longer. It is generally appreciated that consumers get better care when there is an adequate supply of experienced providers coming from their own communities who are able and willing to make long-term commitments to the consumer and to the job.

# CONCLUSIONS & RECOMMENDATIONS

---

Homecare workers live from paycheck to paycheck, struggling to make ends meet for themselves and their families. They differ from IHSS consumers, who are generally poor and health challenged, only by a matter of degrees. Any serious medical problems or family emergencies may tip their lives into crisis.

Homecare workers help to meet the basic needs of their clients, yet their own basic needs often go unmet. Wages are low and benefits are inadequate. As a consequence, there is high turnover and a shortage of IHSS providers in Alameda County. This shortage hurts consumers who cannot find new providers or a replacement when their provider takes time off for illness or family needs.

Homecare workers are likely to be the most important source of earnings in their families. IHSS wages alone make up 50 percent of all family income, on average. Increasing homecare workers' wages will help alleviate poverty in Alameda County. Raising IHSS wages to the current City of Oakland living wage rate of \$10.50 an hour would decrease the poverty rate among homecare families by 20 percent. This represents 1,200 people living in homecare provider families who would be lifted out of poverty.

Recently, wage and benefit improvements in San Francisco resulted in a larger supply and greater stability of the homecare workforce. Consumers who had gone without needed services were better able to find providers they knew and trusted. Higher wages also resulted in longer relationships between a consumer and his or her provider, a sign of higher quality care.

- Provide homecare workers with paid time off for vacations, sick leave and holidays. This will allow homecare workers to care for their families, take care of emergencies and take care of their own health needs, while still making ends meet.
- Create dental and vision insurance plans so IHSS workers can afford adequate dental and vision care without creating financial hardship for their families.
- Create a pension plan for homecare workers that will ensure that they are able to retire without being forced into poverty.
- Create a task force to study the extent to which unpredictable loss of hours can threaten provider family stability and to consider possible measures such as a fund for emergency loans or other means of assistance.

## Recommendations

We recommend that the Alameda County Board of Supervisors take the following actions:

- Raise homecare provider wages to the Oakland Living Wage rate, which is currently \$10.50 an hour. This would follow the example of San Francisco, where homecare workers are covered by that City's living wage ordinance.

*IHSS provider Velda Green hugs consumer Sylvester Ward.*



## METHODOLOGY

---

The study was based on a survey of IHSS providers in Alameda County conducted over a two month period in the fall of 2001. A random sample of respondents was drawn from a population of 7,800 providers.

Because previous work by Howes (2002) in San Francisco suggested the importance of stratifying the population by ethnicity, the population was stratified into Spanish, English and Chinese speakers. The samples from the Chinese and Spanish strata were augmented by additional random sampling to ensure that there would be enough respondents from each strata to draw statistically significant conclusions by ethnic group. The English-speaking population included African-Americans, English-speaking whites and other ethnic groups, including Filipinos, Afghans, Persians, South Asians, Vietnamese and other Southeast Asians, and some Europeans. All analyses were done after segmenting the sample population into five groups: Latinos, Chinese, African-Americans,

Whites and Other. In the end, the white population was under-sampled, raising some problems of statistical significance for that subgroup. The survey results are based on 493 responses, comprising of 110 Latinos, 116 Chinese, 158 African Americans, 56 Whites, 49 Other, and four who did not indicate ethnicity.

Surveys were translated and administered in three languages—Spanish, English, and Chinese—corresponding to the spoken language of the provider. The survey was administered using three techniques in order to penetrate the groups of people least likely to respond. First, the survey was sent to every person in the random sample by mail. Approximately 300 responded. Then, the remaining 700 who did not respond were asked to come to meetings for face-to-face interviews. Approximately 50 attended the meetings. Finally, the remaining non-respondents received follow-up calls to which 142 responded. The overall response rate was 49 percent.

All aggregate results were estimated using sampling or probability weights to correct for the impact of over-sampling on the averages. The probability weights were drawn from IHSS data on the population of Alameda County consumers rather than providers. Providers are not required to report their ethnicity when they are authorized to provide the service and so the data on provider ethnicity is only complete for 47 percent of the population. However, Howes found considerable evidence from San Francisco that the ethnic stratification of providers is similar to that of consumers and that providers work for consumers of their own ethnicity. An earlier survey of San Francisco providers found that 97 percent of consumers used a provider of their own ethnicity.<sup>12</sup> Furthermore, 89 percent of the providers who responded to this survey indicated that they were of the same ethnicity as their consumers.

## ENDNOTES

---

<sup>1</sup> This proportion is similar to findings from an earlier survey of San Francisco consumers, which found that 97 percent of consumers used a provider of their own ethnicity. See RTZ Associates. 2001. *San Francisco IHSS Consumer Evaluation of Quality of Care: Survey Findings*. Oakland: RTZ Associates.

<sup>2</sup> These numbers are consistent with similar findings for San Francisco (Howes 2002) where the annual turnover rate over a three year period averaged 20 percent. See Howes, Candace. 2002. *The impact of a large wage increase on the IHSS homecare workers in San Francisco County*. Paper prepared under the auspices of the University of California Institute for Labor and Employment and the University of California Center for Labor Research and Education, January.

<sup>3</sup> The poverty rate was calculated using the Federal Poverty guidelines, the self-reported household income and the self-reported number of family members in the household. The survey question did not specify whether income was before tax or after tax. We assume that respondents reported their annual family income in before tax dollars.

<sup>4</sup> U.S. Department of Housing and Urban Development, *Fair Market Rents 2002*.

<sup>5</sup> The Bureau of the Census considers a 35 hour a week job to be full time employment. The BLS says the workweek for production or non-supervisory workers on private payrolls has consistently averaged 34 to 35 hours over the last decade (New York Times, 4/4/02, p.A14).

<sup>6</sup> Reif, Laura and Rick Zawadski. 1998. *San Francisco In-Home Supportive Services: Consumer Evaluation of Quality of Care*. Oakland: RTZ Associates.

<sup>7</sup> These statistics are confirmed in a survey conducted by Harder and Associates in 2000, that found that 18 percent of the IHSS recipients in Alameda County had difficulty finding a regular IHSS provider. See Harder & Company Community Research. 2001. *Consumer and Worker Needs Assessment*. Oakland: Public Authority for In-Home Supportive Services, Alameda County.

<sup>8</sup> California Department of Social Services, In-Home Supportive Services: *IHSS Providers, Characteristics of Caregivers*

*in the In-Home Supportive Services Program*, October 2001, p. 9. Providers per 1000 in the population is a better measure of adequate supply than the ratio of providers to consumers because the number of consumers is constrained by the supply of providers. Consumers who need the service will often apply but then be unable to find a suitable provider.

<sup>9</sup> Reif, Laura. 2001. *Consumer Evaluation of the Rapid Response Program, Evaluation report of a research demonstration funded by a Robert Wood Johnson Foundation grant to the Public Authority for IHSS in Alameda County*. New Brunswick, NJ: Robert Wood Johnson Foundation, March.

<sup>10</sup> Howes (2002).

<sup>11</sup> Calculations made by RTZ Associates, using data for San Francisco County, drawn from California's Caseload Management, Information and Payrolling System (CMIPS), February 2002.

<sup>12</sup> RTZ Associates. 2001. *San Francisco IHSS Consumer Evaluation of Quality of Care: Survey Findings*. Oakland, CA: RTZ Associates.



**East Bay Alliance for a Sustainable Economy**  
548 20th St., Oakland, CA 94612  
(510) 893-7106

The East Bay Alliance for a Sustainable Economy brings together labor, community and faith-based organizations and leaders to end low-wage poverty and create economic equity in the San Francisco East Bay region. EBASE supports research, policy development, coalition building and leadership development on issues impacting the low-wage workforce. EBASE's most recent publication, *Decade of Divide: Working, Wages and Inequality in the East Bay* can be found at [www.onlinecpi.org/EBASE](http://www.onlinecpi.org/EBASE).



**Center for Labor Research and Education**  
2521 Channing Way # 5555, Berkeley, CA 94720  
(510) 642-0323 • <http://laborcenter.berkeley.edu>

The UC Berkeley Center for Labor Research and Education is an outreach arm of the University of California and serves as the primary bridge between the University and the labor community in Northern California. As part of both the UC Berkeley Institute of Industrial Relations and the UC-wide Institute for Labor and Employment, the Labor Center provides research and public education on labor issues and promotes collaboration among faculty, students, and California unions.

For further information about the details of the survey and its analysis contact:

**Candace Howes**  
chow@conncoll.edu  
Associate Professor of Economics  
Connecticut College  
New London, CT 06320  
(860) 439 5447

**Laura Reif**  
Lreif@rtzassociates.com  
Senior Researcher  
RTZ Associates  
700 Murmansk St. Ste. 4,  
Oakland, CA 94607  
(510) 986-6700