Home Care in California

What is Home Care?
Professional home care workers support their elderly and disabled clients with activities of daily living. This workforce enables their clients to remain in their homes and supports their clients’ family members to participate in the labor force.

Growing Need for Home Care Workers

5.5 million people 65 and older in California.1 By 2030, this population is projected to increase by 51%, to 8.3 million.2

4.1 million additional disabled individuals in California who could potentially benefit from personal support workers in their homes.3

Rapidly Growing Occupation

Home care is one of the largest and fastest growing occupations, but the need exceeds the supply, drawing unpaid family caregivers from full-time employment to help fill the gap.

+ There are 597,500 professional home care workers in California.4
  - This occupation has grown 67% over the past 10 years in California.5
+ California is projected to add an additional 188,800 home care jobs by 2028.6
+ Due to high turnover, each year there are projected to be 114,570 home care job openings in California.

Rising Revenues, Persistent Low Wages, High Costs of Home Care

+ The annual median cost of home care in California is $66,352,7 up from $59,002 in 2009.8 This has translated into rising revenues, while low wages persist.
+ Home care industry revenues are $109.6B and projected to increase by 5.1% annually.9
+ In 2019, California home care workers received a median hourly wage of $12.58/hour and a median annual income of $28,780.
  - This rose to $14.05/hour and $31,270 annually in 2020,10 though this increase may be temporary as pandemic subsidies expire.11
Recruitment and retention of workers in this rapidly growing occupation can help support the California economy. Professional home care workers help family members—especially women—to remain in the workforce, but many families are waiting to receive this support. 8,434 elderly and disabled individuals are waitlisted for home care Medicaid waivers in California. Studies have found that raising wages for home care workers leads to lower costs from reduced turnover and from workers’ reliance on public safety net programs. Low wages result in thousands of California home care workers living in poverty.

Worker Demographics

The California home care workforce is disproportionately composed of women of color and immigrant women. Their median age is 51.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women</td>
<td>82%</td>
</tr>
<tr>
<td>People of Color</td>
<td>51%</td>
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<tr>
<td>Foreign-Born</td>
<td>44%</td>
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<table>
<thead>
<tr>
<th>Race/Status</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black workers</td>
<td>24%</td>
</tr>
<tr>
<td>Hispanic workers</td>
<td>19%</td>
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<tr>
<td>Asian workers</td>
<td>13%</td>
</tr>
<tr>
<td>White workers</td>
<td>16%</td>
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</tbody>
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Economic Impacts and Racial & Ethnic Disparities

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  - **8,434** elderly and disabled individuals are waitlisted for home care Medicaid waivers in California.
- Studies have found that raising wages for home care workers leads to lower costs from reduced turnover and from workers’ reliance on public safety net programs.
- Low wages result in thousands of California home care workers living in poverty.
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Endnotes

For additional state profiles and more on this topic, please visit: sffed.us/homecare