



May 27, 2008

## THE GOVERNOR'S REVISED BUDGET COULD REDUCE COMPENSATION FOR IHSS WORKERS BY MORE THAN \$600 MILLION IN 2008-09

Nearly 400,000 In-Home Supportive Services (IHSS) workers provide services to low-income seniors and people with disabilities who live in their own homes to help prevent more costly out-of-home care. Currently, the state shares – along with the county and federal governments – in combined wage and benefit payments of up to \$12.10 per hour for IHSS workers. The Governor's May Revision proposes to cap the state's contribution toward workers' wages at the state's minimum wage – currently \$8.00 per hour – plus \$0.60 per hour for benefits in counties that offer benefits, for a maximum of \$8.60 per hour beginning on October 1, 2008. Counties could continue to provide compensation above the proposed level, but would have to use their own dollars to make up for lost state funding. In addition, the May Revision proposes to eliminate domestic services – including meal preparation, laundry, and errands – for IHSS recipients with less severe impairments beginning on October 1, 2008. This change would reduce average hours of IHSS services provided to approximately 84,000 recipients from 73.8 hours per month to 52.2 hours per month, according to the Department of Social Services. The CBP estimates that the combined impact of these two proposals would be to cut total compensation for IHSS workers by more than \$600 million between October 2008 and June 2009, although this impact would be reduced if counties made up for state dollars that would be lost due to the wage and benefit proposal.

In-Home Supportive Services (IHSS) Workers Could Lose More Than \$600 Million in Compensation in 2008-09 Under the Governor's May Revision Proposals					
County	Number of IHSS Workers Affected	Hourly Compensation as of October 1, 2008 Under Current Law	Hourly Compensation as of October 1, 2008 Under May Revision	Potential Lost Hourly Compensation Under May Revision	Total Lost Compensation Due to Proposals To Roll Back Wages and Reduce Hours of IHSS Services, October 2008 Through June 2009*
Alameda	16,000	\$11.49	\$8.60	-\$2.89	\$46,363,000
Alpine	10	\$8.00	\$8.00	\$0.00	\$2,000
Amador	180	\$9.10	\$8.60	-\$0.50	\$134,000
Butte	2,950	\$8.75	\$8.60	-\$0.15	\$1,555,000
Calaveras	260	\$8.98	\$8.60	-\$0.38	\$182,000
Colusa	180	\$8.00	\$8.00	\$0.00	\$53,000
Contra Costa	6,650	\$11.96	\$8.60	-\$3.36	\$22,439,000
Del Norte	310	\$9.60	\$8.60	-\$1.00	\$444,000

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El Dorado	750	\$9.60	\$8.60	-\$1.00	\$953,000
Fresno	10,940	\$10.45	\$8.60	-\$1.85	\$23,488,000
Glenn	380	\$8.15	\$8.15	\$0.00	\$134,000
Humboldt	1,740	\$8.00	\$8.00	\$0.00	\$554,000
Imperial	4,660	\$8.25	\$8.25	\$0.00	\$1,815,000
Inyo	130	\$8.00	\$8.00	\$0.00	\$40,000
Kern	4,840	\$9.60	\$8.60	-\$1.00	\$5,450,000
Kings	1,510	\$8.60	\$8.60	\$0.00	\$551,000
Lake	1,480	\$8.60	\$8.60	\$0.00	\$540,000
Lassen	270	\$8.00	\$8.00	\$0.00	\$85,000
Los Angeles	168,540	\$9.51	\$8.60	-\$0.91	\$179,112,000
Madera	1,360	\$8.60	\$8.60	\$0.00	\$492,000
Marin	1,450	\$11.30	\$8.60	-\$2.70	\$4,114,000
Mariposa	230	\$8.00	\$8.00	\$0.00	\$73,000
Mendocino	1,310	\$10.05	\$8.60	-\$1.45	\$2,175,000
Merced	2,810	\$9.10	\$8.60	-\$0.50	\$1,861,000
Modoc	110	\$8.00	\$8.00	\$0.00	\$35,000
Mono	30	\$8.00	\$8.00	\$0.00	\$10,000
Monterey	2,960	\$11.10	\$8.60	-\$2.50	\$7,818,000
Napa	760	\$11.10	\$8.60	-\$2.50	\$1,929,000
Nevada, Plumas, and Sierra**	930	\$9.16	\$8.60	-\$0.56	\$760,000
Orange	13,860	\$9.00	\$8.60	-\$0.40	\$4,174,000
Placer	1,720	\$10.10	\$8.60	-\$1.50	\$2,650,000
Riverside	13,080	\$10.85	\$8.60	-\$2.25	\$28,166,000
Sacramento	19,500	\$11.10	\$8.60	-\$2.50	\$47,699,000
San Benito	310	\$11.10	\$8.60	-\$2.50	\$852,000
San Bernardino	16,400	\$9.63	\$8.60	-\$1.03	\$15,817,000
San Diego	23,240	\$9.71	\$8.60	-\$1.11	\$19,823,000
San Francisco	18,000	\$13.39	\$8.60	-\$4.79	\$73,077,000
San Joaquin	6,250	\$10.02	\$8.60	-\$1.42	\$7,683,000
San Luis Obispo	1,520	\$9.60	\$8.60	-\$1.00	\$1,409,000
San Mateo	2,430	\$12.10	\$8.60	-\$3.50	\$10,249,000
Santa Barbara	2,540	\$11.10	\$8.60	-\$2.50	\$4,851,000
Santa Clara	12,780	\$14.68	\$8.60	-\$6.08	\$62,875,000

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Santa Cruz	1,900	\$12.10	\$8.60	-\$3.50	\$5,794,000
Shasta	2,380	\$8.60	\$8.60	\$0.00	\$40,000
Siskiyou	490	\$8.00	\$8.00	\$0.00	\$6,000
Solano	2,660	\$11.10	\$8.60	-\$2.50	\$6,660,000
Sonoma	4,090	\$11.10	\$8.60	-\$2.50	\$10,286,000
Stanislaus	5,210	\$9.44	\$8.60	-\$0.84	\$3,306,000
Sutter	710	\$8.85	\$8.60	-\$0.25	\$169,000
Tehama	1,030	\$8.60	\$8.60	\$0.00	\$16,000
Trinity	160	\$8.00	\$8.00	\$0.00	\$2,000
Tulare	2,400	\$9.60	\$8.60	-\$1.00	\$1,655,000
Tuolumne	300	\$8.00	\$8.00	\$0.00	\$4,000
Ventura	3,090	\$10.10	\$8.60	-\$1.50	\$3,778,000
Yolo	1,650	\$11.10	\$8.60	-\$2.50	\$3,426,000
Yuba	650	\$10.10	\$8.60	-\$1.50	\$833,000
<b>Total</b>	<b>392,050</b>				<b>\$618,461,000</b>

\* Reflects the combined impact of the Governor's May Revision proposals to cap the state's contribution toward IHSS wages and benefits below the current level and to eliminate domestic services for IHSS recipients with less severe impairments. Assumes that counties do not use their own dollars to make up for lost state funding under the proposal to cap the state's contribution toward IHSS wages and benefits. Total lost compensation is greater than estimated state savings under these proposals because of the associated loss of county and federal dollars that would occur, although counties could make up for state dollars that would be lost due to the wage and benefit proposal.

\*\* These counties operate under a single IHSS Public Authority.

Note: Total lost compensation is based on IHSS hours of service provided in each county in April 2008, adjusted to reflect the Governor's proposal to eliminate domestic services for certain IHSS recipients in 2008-09. The number of IHSS workers and compensation levels in each county are from the California Association of Public Authorities. Numbers of workers are as of April 2008 and are rounded to the nearest 10; estimates of lost compensation are rounded to the nearest \$1,000. County estimates may not sum to totals due to rounding.

Source: CBP analysis of California Association of Public Authorities and Department of Social Services data