AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

WEDNESDAY, MARCH 11, 2020
2:30 P.M. - STATE CAPITOL, ROOM 4202
(PLEASE NOTE ROOM CHANGE)

ITEMS TO BE HEARD

NON-DISCUSSION ITEMS

LIST OF PANELISTS IN ORDER OF PRESENTATION

Sub. 1 asks all panelists to please be succinct and brief in their presentations (2-3 minutes is suggested) in order to facilitate the flow of the hearing. Thank you.

ITEMS TO BE HEARD

4170 CALIFORNIA DEPARTMENT OF AGING

ISSUE 1: UPDATE ON THE MASTER PLAN FOR AGING AND LONG-TERM SERVICES AND SUPPORTS (LTSS) SUBCOMMITTEE REPORT

- Kim McCoy Wade, Director, California Department of Aging
- Sarah Steenhausen, Senior Policy Advisor, The SCAN Foundation and Member, LTSS Subcommittee
- Han Wang, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

ISSUE 2: ADVOCACY PROPOSALS FOR THE CALIFORNIA DEPARTMENT OF AGING

A. Fund Supportive Services for Seniors
- Assemblymember Rebecca Bauer-Kahan
- Wendy Peterson, Director, Senior Services Coalition of Alameda County

B. Expand the Aging and Disability Resource Connection Program
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

C. Extend Falls Prevention Program
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

D. Increase Baseline Allocation for Area Agencies on Aging
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

E. Establish Office of the Patient Representative
- Assemblymember Adrin Nazarian
- Jennifer Snyder, California Association of Health Facilities

F. Create Three-Year Pilot Program on Dementia Caregiver Education
- Assemblymember Adrin Nazarian
- Monica Miller, Alzheimer's Los Angeles, Orange County and San Diego

G. Update Informational Guidebook "Partnering With Your Doctor"
- Jared Giarrusso, Government Affairs Director, Alzheimer's Association

After each of the listed proposals, the Chair will ask for feedback, comment, and questions from:

- Kim McCoy Wade, Director, California Department of Aging
- Han Wang, Department of Finance
- Jackie Barocio, Legislative Analyst's Office

Public Comment for this issue will be addressed in the hearing.

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 3: GOVERNOR'S BUDGET FOR THE IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

ISSUE 4: ADVOCACY PROPOSALS FOR IHSS

A. Make Permanent Restoration of the Seven Percent Hours Reduction
- Assemblymember Adrin Nazarian
- Tiffany Whiten, Long-Term Care Director, Service Employees International Union (SEIU) California

B. Provide Paid Sick Leave for Waiver of Personal Care Services IHSS Providers
- Assemblymember Chu
- Tiffany Whiten, Long-Term Care Director, Service Employees International Union (SEIU) California

C. Maintain State/County Share of Cost for Wages and Benefits
- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

D. Require Public Disclosure of Vendor Contracts Associated with Labor Negotiations
- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

E. Reinstate Accelerated Caseload Growth Calculation
- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

F. Adopt Statewide and Make Permanent the Pilot on New Employee Orientations
- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

G. Increase Penalty for County Collective Bargaining Impasses
- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930
- Speaking in reaction to the proposal: Justin Garrett, Legislative Representative, California State Association of Counties (CSAC)

After <u>each</u> of the listed proposals, the Chair will ask for feedback, comment, and questions from:

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office

Public Comment for this issue will be addressed in the hearing.

ISSUE 5: GOVERNOR'S BUDGET FOR THE SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) PROGRAM

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

ISSUE 6: ADVOCACY PROPOSALS FOR SSI/SSP

A. Increase Grant Levels
- Assemblymember Ash Kalra
- Mike Herald, Director of Policy Advocacy, Western Center on Law and Poverty
- Kim Johnson, Director, Jennifer Troia, Chief Deputy Director, and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

B. Reduce Administrative Expenses

- Graciela Castillo-Kings, representing Griffin/Stevens & Lee Consulting, LLC on behalf of the Commonwealth of Pennsylvania
- Kim Johnson, Director, Jennifer Troia, Chief Deputy Director, and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

ISSUE 7: ADVOCACY PROPOSAL ON ADULT PROTECTIVE SERVICES (APS)

- Assemblymember Joaquin Arambula
- Paul Dunaway, Adults and Aging Division Director, Sonoma County
- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

NON-DISCUSSION ITEMS

There are no panels for non-discussion items, but the Chair will ask if there is any public comment for these items. If a Member of the Subcommittee wishes for a discussion on any of these issues, please inform the Subcommittee staff.

4170 CALIFORNIA DEPARTMENT OF AGING

ISSUE 8: BUDGET CHANGE PROPOSAL ON HEADQUARTERS RELOCATION FUNDING

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 9: MANDATORY IHSS SOCIAL WORKER TRAINING TRAILER BILL LANGUAGE

ITEMS TO BE HEARD

4170 CALIFORNIA DEPARTMENT OF AGING

ISSUE 1: UPDATE ON THE MASTER PLAN FOR AGING AND LONG-TERM SERVICES AND SUPPORTS SUBCOMMITTEE REPORT

PANEL

- Kim McCoy Wade, Director, California Department of Aging
- Sarah Steenhausen, Senior Policy Advisor, The SCAN Foundation and Member, LTSS Subcommittee
- Han Wang, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

BACKGROUND ON CDA

With a proposed 2020-21 budget of $254.9 million ($67.3 million General Fund), the California Department of Aging (CDA) administers community-based programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state. As the federally designated State Unit on Aging, the department administers federal Older Americans Act (OAA) programs and the Health Insurance Counseling and Advocacy Program.

California Department of Aging
Expenditures by Fund Source
* Dollars in thousands

Grand Total By Fund	Fiscal Year	
	2019-20	2020-21 (Proposed Budget)
General Fund	$84,276	$67,282
State HICAP Fund	$2,506	$2,506
Federal Funds	$188,660	$168,731
Special Deposit Fund	$2,213	$1,213
Reimbursements	$14,892	$12,883
Department of Public Health Licensing and Certification Program Fund	$400	$400
Skilled Nursing Facility Quality and Accountability Fund	$1,900	$1,900
Total All Funds	$294,847	$254,915

2019 Budget Actions. The 2019 Budget Act provided significant investments in various programs at CDA, including:

- **Long-Term Care Ombudsman.** The 2019 Budget increased funding for local Long-Term Care Ombudsman offices by $5.2 million annually. Additionally, the budget included trailer bill language requiring quarterly visits to Skilled Nursing Facilities and Residential Care Facilities for the Elderly by Long-Term Care Ombudsman staff. In 2019, local Ombudsman programs received an approximately 125 percent increase in General Fund support. Local Ombudsman programs reported being able to hire 36 new full-time equivalents, 20 new part-time staff, nine existing staff went from part-time to full-time and 12 existing part-time staff had an increase in hours.

- **Senior Nutrition.** The 2019 Budget increased funding for senior nutrition programs by $17.5 million General Fund annually. The 2020-21 budget proposes to suspend this funding on July 1, 2023, unless there is sufficient General Fund revenue to support all programs proposed for suspension in the subsequent two fiscal years, as determined by the Department of Finance. Each Area Agency on Aging (AAA) received a base of $150,000 for start-up and equipment costs. The remaining funding was allocated to each AAA using an interstate funding formula.

- **Multipurpose Senior Services Program (MSSP).** The 2019 Budget included a one-time increase of $29.6 million ($14.8 million General Fund) to be expended over three years to provide supplemental payments to MSSP providers. This resulted in a 25 percent supplemental payment increase for each MSSP site. The $4,285 per slot per year payment increased to $5,356.

- **"No Wrong Door" Model.** The 2019 Budget included $5 million General Fund annually to provide grants to local AAAs and Independent Living Centers to utilize the "No Wrong Door" model. "No Wrong Door" is an approach designed to serve the needs of older adults, people with disabilities and caregivers in navigating the fragmented/complicated system of long-term services and supports (LTSS) and achieving their personal goals and preferences for healthy aging. The ADRC program provides core services/functions (i.e., Enhanced Information & Referral, Options Counseling, Short-Term Service Coordination, and Facility-to-Home Transition Services) using person-centered practices that empower individuals to make informed decisions and exercise control over their long-term care needs.

  The 2020-21 budget proposes to suspend this funding on July 1, 2023, unless there is sufficient General Fund revenue to support all programs proposed for suspension in the subsequent two fiscal years, as determined by the Department of Finance. Six local partnerships (jointly referred to as Aging and Disability Resource Centers (ADRCs)) have been approved as "State Designated ADRCs" and qualified for funding. Another ten local partnerships have been approved as "Emerging ADRCs" and also qualified for funding. Each designated ADRC will receive $180,000 base funding for each fiscal year. The table below shows funding allocations for 2019-20 and 2020-21. Each emerging ADRC will receive $90,000 in base funding. The remaining funding for both designated and emerging ADRCs will be allocated based on county population, county square mileage, and county geographic isolation.

Designated ADRCs	**SFY 2019-20 Allocation[a]**	**SFY 2020-21 Allocation[b]**
Marin County ADRC	$262,755	$239,380
Nevada County ADRC	$243,542	$225,594
Orange County ADRC[c]	$400,000	$781,322
Riverside County ADRC	$907,588	$702,073
San Francisco County ADRC	$410,632	$345,488
Ventura County ADRC	$425,483	$356,143
Total	$2,650,000	$2,650,000

Emerging ADRCs	**SFY 2019-20 Allocation[a]**	**SFY 2020-21 Allocation[b]**
Alameda County	$215,272	$215,272
Kern County	$180,824	$180,824
Monterey County	$133,919	$133,919
Amador, Calavera, Mariposa and Tuolumne Counties	$128,564	$128,564
Placer County	$131,596	$131,596
San Benito County	$98,172	$98,172
San Bernardino County	$279,757	$279,757

- **Dignity at Home Fall Prevention Program.** The 2019 Budget includes $5 million General Fund one-time to provide grants to local AAAs for injury prevention education and home modifications for seniors at risk of falling or institutionalization. The CDA allocated $4.6 million (of the $5 million total) equally among the 32 participating AAAs.

The funding display on the next page shows the historical level of funding per program and the budgeted amount for 2020-21.

Local Assistance Expenditures	Fiscal Year		
Program	2018/19 [1]	2019/20 [1/2/3]	2020/21 [1]
Nutrition			
General Fund	8,984	25,806	25,806
Federal Fund: Title IIIC1, C2 and NSIP	92,227	92,654	85,163
Reimbursements	1,592	3,978	2,163
Subtotal	**102,803**	**122,438**	**113,132**
Supportive Services			
General Fund	0	9,800	4,250
Federal Fund: Title IIIB	67,367	65,792	57,659
Reimbursements	0	66	66
Subtotal	**67,367**	**75,658**	**61,975**
Multipurpose Senior Services			
General Fund	20,232	35,082	20,232
Reimbursements			
Subtotal	**20,232**	**35,082**	**20,232**
Ombudsman			
General Fund	3,295	7,500	8,500
Federal Fund: Title IIIB, Title VII Ombudsman	3,511	3,443	2,911
State Health Facility Citations Penalty Account	1,093	2,094	1,094
State Department of Public Health Licensing and Certification Program Fund	399	400	400
Skilled Nursing Quality & Accountability Fund	1,897	1,900	1,900
Subtotal	**10,195**	**15,337**	**14,805**
Health Insurance Counseling and Advocacy			
HICAP	2,246	2,346	2,246
Federal Fund: State Health Insurance Assistance Program	3,917	4,683	4,683
Reimbursements	4,493	4,493	4,493
Subtotal	**10,656**	**11,422**	**11,422**
Senior Community Employment			
Federal Fund: Title V	6,420	7,339	7,339
Subtotal	**6,420**	**7,339**	**7,339**
MIPPA			
General Fund	0	0	0
Federal Fund [1]	1,551	1,575	0
Subtotal	**1,551**	**1,575**	**0**
Community-Based Program and Projects			
Federal Fund: Financial Alignment/Alzheimer's Grants	486	761	761
Subtotal	**486**	**761**	**761**
Elder Abuse Prevention			
Federal Fund: Title VII Elder Abuse Prevention	517	499	467
Other State Funds		0	0
Subtotal	**517**	**499**	**467**
Grand Total By Fund			
General Fund	32,511	78,138	58,788
State HICAP Fund	2,246	2,346	2,246
Federal Fund	175,996	176,746	158,983
State Health Facility Citations Penalty Account	1,093	2,094	1,094
State Department of Public Health Licensing and Certification Program Fund	399	400	400
Skilled Nursing Quality & Accountability Fund	1,897	1,900	1,900
Reimbursements	6,085	8,537	6,722
Total All Funds	**220,227**	**270,061**	**230,133**

[1] FY 2018-19 shows actual expenditures; FY 2019-20 and 2020-21 show budgeted expenditure authority

[2] FY 2019-20 includes funding for Medicare Improvements for Patients and Providers Act grant 9/30/19-9/29/20

[3] Federal Funds for FY 2019-20 include the Title III/VII/NSIP grant funds, including carryover, reallotment, and supplemental Title III/VII/NSIP grant funds.

Overview of CDA Programs.

Medi-Cal Programs. CDA administers two Medi-Cal programs: it contracts directly with agencies that operate the Multipurpose Senior Services Program (MSSP) and provides oversight for the MSSP waiver and certifies Community-Based Adult Services (discussed further in next item) centers for participation in Medicaid. The department administers most of these programs through contracts with the state's 33 local AAAs. At the local level, AAA contract for and coordinate this array of community-based services to older adults, adults with disabilities, family caregivers, and residents of long-term care facilities.

MSSP provides social and health case management services for frail, elderly clients who wish to remain in their own homes and communities. Clients must be aged 65 or older, eligible for Medi-Cal, and certified (or certifiable) as eligible to enter into a nursing home. Teams of health and social service professionals assess each client to determine needed services and work with the clients, their physicians, families, and others to develop an individualized care plan. CDA implements MSSP under the supervision of the Department of Health Care Services (DHCS) through an interagency agreement.

Senior Nutrition. This is the largest OAA program in terms of funding and the most well-known. It consists of the Congregate Nutrition Program and the Home Delivered Meal Program. The Congregate Nutrition program targets individuals age 60 or older with the greatest economic or social need. In 2016-17, approximately 28,694 meals a day were served at these sites; 7.2 million a year -- and approximately 27 percent of the participants were at high nutritional risk. The Home Delivered Meal Program serves older adults who are not able to attend congregate programs. In addition, programs provide nutrition education at least four times per year and nutrition counseling is available in some areas. In 2016-17, approximately 44,000 meals were delivered each day, 11 million annually.

Supportive Services. The Supportive Services Program assists older individuals to help them live as independently as possible and access services available to them. Services include information and assistance, transportation services, senior centers, in-home and case management, and legal services for frail older persons.

Senior Legal Services. The Senior Legal Services Program assesses legal service needs and assists older adults with disabilities in their community with a variety of legal problems. This is a priority service under Title IIIB and each AAA must include it as one of their funded programs. There are 39 legal services projects in California.

Family Caregiver Support. The Family Caregiver Support Program provides support to unpaid family caregivers of older adults and grandparents (or other older relatives) with primary caregiving responsibilities for a child or individual with a disability. Each AAA is responsible for determining the array of services provided to unpaid family caregivers. Those services can include respite care, support services (such as support groups and training), supplemental services (such as assistive devices and home adaptations), access assistance, and information services.

Long-Term Care Ombudsman (LTCO). The LTCO identifies, investigates, and resolves community complaints made by, or on behalf of, individual residents in long-term care facilities. These facilities include nursing homes, residential care facilities for the elderly, and assisted living facilities. The LTCO Program is a community-supported program, of which volunteers are an integral part. Approximately, 167 staff and 717 volunteers advocate on behalf of residents of long-term care facilities. These include 1,230 skilled nursing and intermediate care facilities and 7,300 residential care facilities for the elderly. The office also maintains a 24-hour, seven days a week crisis line to receive complaints by, and on behalf of, long-term care residents.

Elder Abuse Prevention. The Elder Abuse Prevention Program develops, strengthens, and implements programs for the prevention, detection, assessment, and treatment of elder abuse. Most programs educate the public about how to prevent, recognize, and respond to elder abuse.

Health Insurance Counseling and Advocacy (HICAP). The HICAP Program provides personalized counseling, outreach and community education to Medicare beneficiaries about their health and long-term care (LTC) coverage options. In 2016-17, the program counseled approximately 79,000 clients, provided telephone help to 44,000 individuals and close to 3,700 interactive consumer presentations. This program utilizes 799 active counselors (volunteers and paid) who provide this assistance under the direction of the paid program staff.

Senior Community Service Employment Program (SCSEP). The SCSEP Program provides part-time, subsidized work-based training and employment in community service agencies for low-income persons, 55 years of age and older, who have limited employment prospects.

Aging and Disability Resource Connection (ADRC). The ADRC program's purpose is to improve consumers' experience by having a trusted point-of-contact that can provide reliable information and facilitate access to services for people of all ages, incomes, and disabilities. CDA collaborates with the DHCS to provide these services. However, the interagency agreement between the two is set to expire on June 30, 2019. The core partnership of an ADRC is between the regional AAAs and Independent Living Center (ILC). Neither CDA nor CHDS provide local assistance funding to ADRC. Since the federal ADRC demonstration grant funding ended in 2009, regional ADRCs have had to rely on either federal and state Older Americans Act and Older Californians Act funding, or the existing ILC funding.

MASTER PLAN ON AGING

In June 2019, Governor Newsom issued an executive order calling for the creation of a Master Plan for Aging (MPA). This plan was spurred, in large part, by the projected growth of California's over-65 population to 8.6 million by 2030. This plan will serve as an outline for state and local governments, the private sector, and philanthropic organizations to promote health aging and prepare for demographic changes. The MPA will include key data indicators to support implementation and recommendations to better coordinate programs and services to older adults, families, and caregivers. The ultimate goal is to provide a person-centered, data-driven, ten-year California Master Plan for Aging by October 1, 2020. This includes a state plan, data dashboard, and best practice toolkit. The CDA has taken a lead role in developing the MPA.

As part of the MPA, the California Health and Human Services Agency (CHHS) convened a cabinet workgroup for aging. A stakeholder advisory committee and two subcommittees – research and long-term services and supports (LTSS) were also convened by CHSS. CHHS also convened an equity workgroup to provide advice on the MPA through an equity lens.

The following is the broad timeline for the MPA's work.

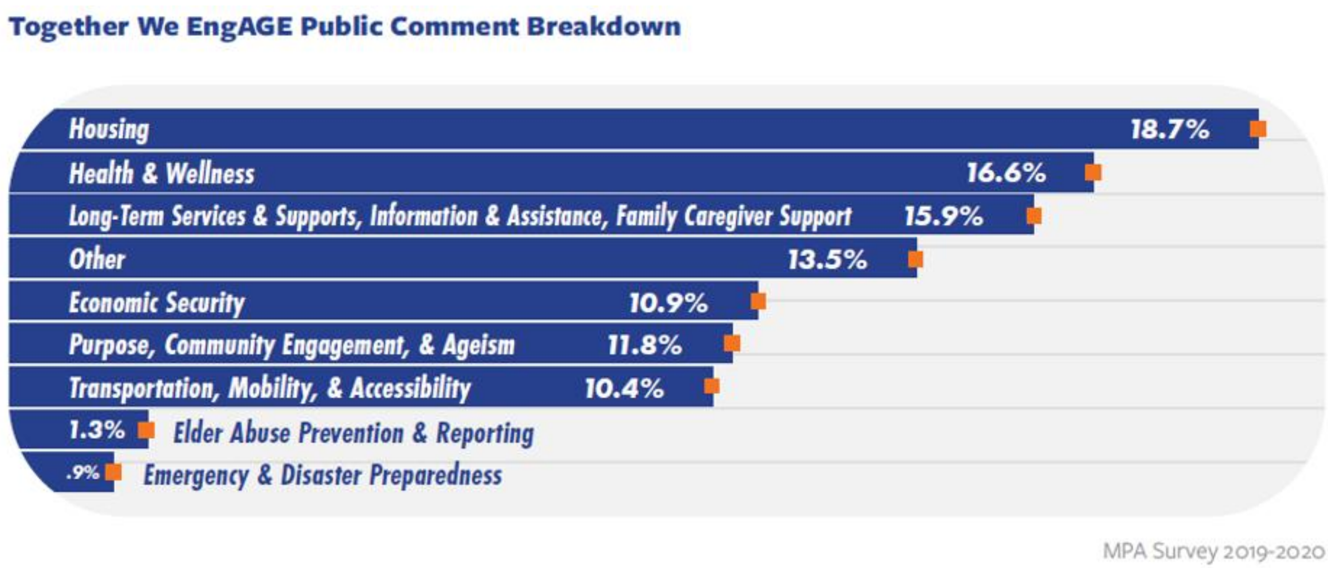
PHASES OF THE MASTER PLAN

JUNE 2019	AUGUST 2019	FALL+WINTER 2019	MARCH 2020	SUMMER 2020	OCTOBER 2020
Governor Newsom issues Executive Order N-14-19 calling for a Master Plan for Aging	Launched Together We EngAGE campaign and named Stakeholder Advisory Committee members	Master Plan framework in development. Analysis of policy & program options and expansion of cross-sector engagement	**Report due to the Governor from the Stakeholder Advisory Committee with recommendations on stabilizing long-term services and supports**	Adoption of stakeholder and public feedback into Master Plan; submission to Cabinet Workgroup for review	Master Plan issued by the governor

Through its e-mail portal, recommendations from advocates, public comments, committee discussions, Webinar Wednesday polls, and community roundtables, the MPA reports hearing the following top issues from the public and advocacy organizations.

Top Issues

1. ***Housing & Homelessness — Challenge:*** More housing of all kinds, affordable housing, supportive housing, and innovative options, like home sharing and accessory dwelling units, are needed across the state.
2. ***Home & Community Living — Challenge:*** More long-term services and supports that are available, affordable, and even findable to help people and families live in our homes of choice as we age.
3. ***Inclusion, Isolation, & Purpose — Challenge:*** Older people in California are too often separated and excluded from community life causing loneliness, depression, and rising suicide rates.
4. ***Protection from Abuse, Neglect, & Exploitation — Challenge:*** Older adults and families are experiencing harm — including growing online and home repair scams; more modern and comprehensive prevention and response systems are needed.
5. ***Emergency Preparedness, Response, & Recovery — Challenge:*** From preparedness to communication, evacuation, shelter, and recovery, the access and functional needs of older adults and people with disabilities need stronger focus, in order to prevent trauma and loss of life during California's far-too-frequent power shutoffs, fires, mudslides, floods, and earthquakes.



A draft of the Long-Term Services and Supports Subcommittee Report entitled "A Blueprint to Design, Develop and Deliver LTSS for all Californians" was recently released (dated February 25, 2020). The full report is available at: https://www.chhs.ca.gov/wp-content/uploads/2020/02/MPA-LTSS-Subcommittee-Report-Version-2.25.2020-to-post.pdf.

Included in the report are the following high-level objectives and recommendations:

Objective 1: A system that all Californians can easily navigate

1A: Develop a Comprehensive Statewide Navigation System
1B: Streamline Access through Standardized Screening and Assessment
1C - Expand Aging & Disability Resource Connection (ADRC) Statewide
1D - Develop a Five-Year Plan for Integrated Medi-Cal Managed Care
1E - Establish a Statewide Integration Oversight Council
1F - Create a Medi-Cal/Medicare Innovation and Coordination Office
1G - Simplify IHSS Program Administration
1H - Enhance IHSS Public Authority Practices and Training
1I - Improve Coordination Between IHSS, Health and Other LTSS Providers

Objective 2: Access to LTSS in every community

2A - Remove Barriers to Community Living
2B - Invest in Public/Private Infrastructure Expansion for Local Communities
2C - Increase Access to Home and Community Based Waiver Programs
2D - Expand Access to Equitable, Accessible and Affordable Medi-Cal
2E - Improve Emergency Preparedness and Response in the LTSS System
2F - Strengthen Quality and Choice in 24/7 Residential Care
2G - Strengthen Oversight of 24/7 Residential Facilities
2H - Strengthen Remedies to Protect People Living in Residential Facilities
2I - Avoid Inappropriate Transfer to Higher Care Levels for Persons with Dementia
2J - Ensure Stability and Sustainability of IHSS Financing
2K - Improve Equity in and Access to the IHSS Program

2L - Increase Support for IHSS Recipients Who Need and Want It
2M - Reduce Barriers to Accessing IHSS for Homeless Individuals

Objective 3: Affordable LTSS choices

3A -Create LTSS Financing Program
3B - Establish a Dedicated Funding Stream: HCBS as a Right
3C - Explore New Funding Streams for LTSS Through the Medicare Program

Objective 4: Highly valued, high-quality workforce

4A - Expand Workforce Supply and Improve Working Conditions
4B - Strengthen IHSS Workforce Through Statewide Collective Bargaining
4C - Address Staffing Issues in 24/7 Residential Settings
4D - Address IHSS Social Worker Caseload, Training and Support
4E - Build a Dementia Capable Workforce
4F - Ensure a Culturally Responsive Workforce
4G - Invest in LTSS Workforce Education & Training Strategies
4H - Support Family Caregivers by Expanding Nurse Delegation of Certain Tasks
4I - Paid Family Leave for All Working Caregivers

Objective 5: Streamlined state and local administrative structures

5A – Establish New Focused Unit at Health and Human Services Agency
5B – Re-Organize State Department
5C - Explore Feasibility of Integrating Aging and Adult Services at County Level
5D - Explore Cross-Departmental Budgeting

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

ISSUE 2: ADVOCACY PROPOSALS FOR THE CALIFORNIA DEPARTMENT OF AGING

PANEL

A. Fund Supportive Services for Seniors
- Assemblymember Rebecca Bauer-Kahan
- Wendy Peterson, Director, Senior Services Coalition of Alameda County

B. Expand the Aging and Disability Resource Connection Program
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

C. Extend Falls Prevention Program
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

D. Increase Baseline Allocation for Area Agencies on Aging
- Assemblymember Adrin Nazarian
- Clay Kempf, Executive Director, Seniors Council of Santa Cruz and San Benito

E. Establish Office of the Patient Representative
- Assemblymember Adrin Nazarian
- Jennifer Snyder, California Association of Health Facilities

F. Create Three-Year Pilot Program on Dementia Caregiver Education
- Assemblymember Adrin Nazarian
- Monica Miller, Alzheimer's Los Angeles, Orange County and San Diego

G. Update Informational Guidebook "Partnering With Your Doctor"
- Jared Giarrusso, Government Affairs Director, Alzheimer's Association

After each of the listed proposals, the Chair will ask for feedback, comment, and questions from:

- Kim McCoy Wade, Director, California Department of Aging
- Han Wang, Department of Finance
- Jackie Barocio, Legislative Analyst's Office

Public Comment for this issue will be addressed in the hearing.

ADVOCACY PROPOSALS

A. Fund Supportive Services for Seniors

Assemblymember Rebecca Bauer-Kahan and Senior Services Coalition of Alameda County request $15.98 million in ongoing General Funds to build local assistance capacity in long neglected Supportive Services programs administered by CDA, specifically Case Management, Information & Assistance, Visiting, Respite, Adult Day Care, Legal Assistance, and Senior Center Activities.

The above services are powerfully effective at improving health outcomes and preventing crises. They often represent lifelines for older people who are isolated, economically insecure, and/or at risk of losing their housing. They serve very low income as well as “not-poor-enough” older adults who are not eligible for Medi-Cal, but nonetheless need preventive, supportive, and long term care services that they cannot afford – a demographic that is growing rapidly.

To derive the sum, the advocates started with the 2008 General Fund levels for programs in the Supportive Services category (funding that was eliminated the following year and never restored), then added an inflation adjustment of 24.12% (the cumulative annual inflation rate from 2007 to 2019 According to Bureau of Labor Statistics). It should be noted that the requested funding represents baseline funding that the advocates assert will stabilize existing programs. To bring funding – and service capacity – to levels adequate to meet current needs, both inflation and population growth must be taken into account, steps that the advocates anticipate will be addressed in the Master Plan for Aging and its implementation.

B. Expand the Aging and Disability Resource Connection (ADRC) Program

Assemblymember Adrin Nazarian and the California Association of Area Agencies on Aging request $19 million in 2020-22, $30.1 million in 2021-22, and $51 million in 2022-23 for the expansion of the ADRC network. This request would expand the network from six designated ADRCs to 58. The proposal is intended to address the difficulty older Californians and people with disabilities faces accessing the services and supports they need. Getting timely, accurate information is critical to avoiding costly institutional care, preventing health and safety emergencies, or seeking aid during disasters. The California Association of Area Agencies on Aging proposes a three-year phased in approach where in year 1 designated and emerging ADRC’s in the system would be funded, year 2 additional ADRCs would be established, and in year three the network would be extended to cover all counties.

C. Extend Falls Prevention Program

Assemblymember Adrin Nazarian and the California Association of Area Agencies on Aging request additional funding of $5 million to extend the Falls Prevention program, allowing the current $5 million appropriation to be ongoing.

D. Increase Baseline Allocation for Area Agencies on Aging

Assemblymember Adrin Nazarian and the California Association of Area Agencies on Aging request an increase in the baseline funding for AAAs, allowing them to administer aging programs more effectively. The advocates state that there are no State funds for the basic operations of AAA oversight duties and responsibilities. There is a $50,000 per year baseline distribution of federal dollars, as well as federal funds, allocated for programs and services. No adjustment to the baseline allocation has ever been made, since its inception, 50 years ago.

The advocates contend that the increase in baseline would help cover the costs of doing business, allow new opportunities for needed services, and strengthen the administrative activities of AAAs. Increasing the baseline for AAAs would cost $3.3 million General Fund annually on an on-going basis, providing $100,000 to each of the 33 AAAs.

E. Establish Office of the Patient Representative

Assemblymember Adrin Nazarian and the California Association of Health Facilities are requesting $13 million General Fund in 2020-21 $12.7 million General Fund in 2021-22 and on-going to establish an Office of Patient Representatives to serve as a clearinghouse for county senior programs including the AAAs, non-profit, faith-based, senior, patient rights or other types of organizations that are interested in serving as patient representatives.

On July 22, 2019, the California Court of Appeal issued a decision in the *CAHNR v. Chapman* case related to HS Code 1418.8. The Court of Appeal upheld the structure of HS Code 1418.8 for incapacitated and unrepresented nursing home patients to receive informed consent for their medically-necessary care. However, the court made clear that a patient representative must participate in the interdisciplinary team (IDT) meetings. This person cannot be affiliated with or paid for by the skilled nursing facility.

In order to operationalize the Court of Appeal decision, the Alameda Superior Court, provided a timeframe of 18 months for the implementation of the new “patient representative” requirement. This is a short timeframe where the state will need to establish some type of program where representatives can be available to act as patient representatives for the approximate 10,000 patients in nursing homes in need of this assistance. Without a program that assures patient representatives are available to participate in the IDT meetings as outlined in HS Code 1418.8, incapacitated and unrepresented patients will not be able to be cared for in nursing homes and will have to remain in or will need to be sent back to the hospital.

In addition to approving patient representative program applications for all 58 counties or other regional entities, the Office of Patient Representatives would establish training standards for the patient representatives. Curriculum could include training regarding the law related to incapacitated patients, ethics, what to do if the representative believes that the medical decisions being made are or not in the best interests of the patient.

F. Create Three-Year Pilot Program on Dementia Caregiver Education

Assemblymember Adrin Nazarian and Alzheimer's Los Angeles, Orange County and San Diego request $5 million General Fund one-time (to be spent over three years, available for five) for a Alzheimer's Disease and Dementia Caregiver Education Pilot Program. This program, administered by CDA, will award funding to ten sites to implement and administer train-the-trainer, evidence based, or evidence derived dementia caregiver education programs. This three-year pilot program will bring caregiver education to urban and rural regions across the state. Awards of $50,000 to $500,000 will be prioritized for programs that reach underserved and hard-to-reach communities, especially those that develop linguistically and culturally appropriate programs.

The advocates state that unpaid family caregivers are unsung heroes of our nation's long-term care system—often providing selfless care while facing increased financial burden, emotional stress, and negative impacts on their health. Investing in education, support, and resources for family caregivers is an integral part of Alzheimer's care and services. Over half of individuals with dementia receive assistance from family members or other informal caregivers compared to 11 percent of older adults without dementia. These caregivers provide a wide range of care including assistance with activities of daily living, providing medical care, and managing behavioral symptoms. The advocates contend that when caregivers are armed with knowledge and skills, they can better handle the stress of caregiving, are more likely to seek help, and can reduce higher costs like expensive trips to the emergency room.

G. Update Informational Guidebook "Partnering With Your Doctor"

Assemblymember Monique Limón and the Alzheimer's Association request $100,000 General Fund one-time to allow CDA to update the existing "Partnering With Your Doctor" informational guidebook, in consultation with other state department partners and in collaboration with external stakeholders. The guidebook assists individuals who are experiencing cognitive impairment and their caregivers, helping them to communicate with health care providers before and after receiving a diagnosis of Alzheimer's disease. Funds are needed to update the guidebook to ensure it is culturally responsive to California's diverse population.

The advocates state that Alzheimer's disease is a growing public health crisis. It is a progressive, neurodegenerative disease, which results in memory loss, impaired cognitive function, and ultimately death. According to the Alzheimer's Association, 670,000 individuals in the state currently have the disease, and over 1.2 million Californians care for someone with the disease. However, one of the largest issues people with Alzheimer's face is a lack of consistent and timely diagnosis. According to the Alzheimer's Association, less than half of individuals with the disease have received a diagnosis. Without a timely diagnosis, individuals and caregivers are left without crucial information to help guide their lives and their care decisions.

CDA currently conducts "Health Promotion" through the 33 AAAs. Consumer-focused resources like "Partnering With Your Doctor" could be integrated into existing information and assistance methods and thus the advocates do not believe new staff is necessary for development of this guide, but rather additional support to CDA.

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 3: GOVERNOR'S BUDGET FOR THE IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM

PANEL

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

BACKGROUND

The In-Home Supportive Services (IHSS) program provides personal care services to approximately 610,457 qualified low-income individuals who are blind (1.5 percent), over 65 (36.8 percent), or who have disabilities (61.7 percent). Services include feeding, bathing, bowel and bladder care, meal preparation and clean-up, laundry, and paramedical care. These services help program recipients avoid or delay more expensive and less desirable institutional care settings.

As of November 2019, 15.2 percent of IHSS consumers are 85 years of age or older, 40.3 percent are ages 65-84, 36.9 percent are ages 18-64, and 7.5 percent are 17 years of age or younger. There are approximately 522,500 IHSS providers. Close to 54 percent of providers are live-in.

GOVERNOR'S BUDGET

The budget proposes $14.9 billion ($5.2 billion General Fund) for services and administration in 2020-21. 2019-20 funding includes $13.2 billion ($4.5 billion General Fund) for the program. 2020-21 funding is about 13 percent above estimated 2019-20 expenditures.

County social workers determine IHSS eligibility and perform case management after conducting a standardized in-home assessment of an individual's ability to perform activities of daily living. In general, most social workers annually reassess recipients' need for services. Based on authorized hours and services, IHSS recipients are responsible for hiring, firing, and directing their IHSS provider(s). If an IHSS recipient disagrees with the hours authorized by a social worker, the recipient can request a reassessment, or appeal their hour allotment by submitting a request for a state hearing to DSS. The average number of service hours provided to IHSS recipients in 2020-21 is estimated to be 114 hours per month.

The program is funded with federal, state, and county resources. Federal funding is provided by Title XIX of the Social Security Act. About 98 percent of the IHSS caseload receives federal funding. The IHSS program predominately is delivered as a benefit of the Medi-Cal program.

IHSS is subject to federal Medicaid rules, including the federal reimbursement rate of 50 percent of costs for most Medi-Cal recipients. The state receives an enhanced federal reimbursement rate—93 percent in calendar year 2019 and 90 percent in calendar year 2020 and beyond—for individuals that became eligible for IHSS as a result of the Patient Protection and Affordable Care Act (about three percent of IHSS recipients). The federal government provides a 56 percent match for about 45 percent of recipients based on their higher assessed level of need. This higher reimbursement rate is referred to as the Community First Choice Option.

When the state transferred various programs from the state to county control during 1991 Realignment, it altered program cost-sharing ratios and provided counties with dedicated tax revenues from the sales tax and vehicle license fee to pay for these changes. Beginning in 2011, an IHSS county maintenance-of-effort (MOE) was put into place, meaning county costs would reflect a set amount of nonfederal IHSS costs. Historically, counties paid 35 percent of the nonfederal share of costs.

Major Drivers of Increasing Costs. Primary drivers of the increased costs are caseload growth, an increasing number of paid hours per case, and wage increases for IHSS providers.

- Caseload growth. According to the LAO, the average monthly caseload for IHSS increased 30 percent over the past ten years from 430,000 in 2009-10 to an estimated 560,000 in 2019-20. The average year-to-year caseload growth is about five percent, and is estimated to continue to grow at that rate in 2020-21.

- Increasing paid hours per case. Over the past ten years, the average number of monthly hours per case for IHSS has increased by 29 percent, from about 87 paid hours in 2009-10 to an estimated 112-paid hours in 2019-20. Just between 2013-14 and 2018-19 average paid hours per case increased by 22 percent. Note that this increase is in part due to policy changes within the program. For example, in 2015-16, the state implemented requirements that providers be compensated for previously unpaid tasks, such as waiting during their recipient's medical appointments.

- State and Local wage increases. The LAO estimates that about 40 percent of the increase in wage costs ($220 million General Fund) are due to recent state minimum wage increases from $12 per hour to $13 per hour, and the scheduled increase to $14 per hour on January 1, 2021. The LAO estimates that the remainder of the increase in wage costs ($305 million General Fund) is due to local wage increases above the state minimum wage, largely because of collective bargaining agreements.

Recent and Proposed Policy Changes. In addition to the policies listed above, several other proposed and recently enacted policies impact the IHSS program – both fiscally and programmatically, including:

- IHSS Maintenance of Effort (MOE). The enactment of the 2019 Budget Act legislated several changes to the state IHSS MOE. The 2019 budget established the statewide MOE at $1.6 billion. The new MOE created a more sustainable fiscal structure for counties to manage costs by increasing the General Fund commitment for those costs.

- Restoration of the seven percent reduction in service hours. A legal settlement in *Oster v. Lightbourne* and *Dominguez v. Schwarzenegger*, resulted in an eight percent reduction to authorized IHSS hours, effective July 1, 2013. Beginning in July 1, 2014, the reduction in authorized service hours was changed to seven percent. The 2015 Budget Act approved one-time General Fund resources, and related budget bill language, to offset the seven-percent across-the-board reduction in service hours. Starting in 2016, the seven percent restoration was funded for the duration of the Managed Care Organization (MCO) tax. The MCO tax expired on July 1, 2019. The 2019 budget restored the seven percent reduction, but with a potential suspension date of December 31, 2021. The proposed 2020 budget proposes $894.5 million ($402.4 million General Fund) to continue to fund the restoration with a later suspension date of July 1, 2023.

- Undocumented 65 and Older Full-Scope Expansion. Currently, California provides full scope Medi-Cal coverage to the undocumented population up through 25 years of age. The proposed 2020 budget expands full-scope Medi-Cal to undocumented residents of California who are 65 years of age or older, regardless of immigration status, effective January 1, 2021. Estimated costs associated with the proposed expansion equal $5.9 million General Fund in 2020-21, increasing to $120 million in 2021-22. An additional $1 million is included in the budget for automation updates within the Department of Health Care Services budget.

- Paid sick leave. SB 3 (Leno), Chapter 4, Statutes of 2016, provided eight hours of paid sick leave to IHSS providers who work over 100 hours beginning July 1, 2018. Beginning January 1, 2020, IHSS providers will accrue 16 hours, and when the state minimum wage reaches $15, providers will receive 24 hours of sick leave. The proposed budget includes $52 million ($24 million General Fund) in 2019-20 for this purpose and $116.4 million ($53.3 million General Fund) in 2020-21. The budget assumes that about 80 percent of providers will use the maximum amount of paid sick leave. However, the LAO notes that costs could come in lower than estimated if fewer providers utilize paid sick leave or if providers use a lower than estimated amount.

- Electronic Visit Verification. H.R. 2646 was signed in December of 2016, and contains provisions related to Electronic Visit Verification, or "EVV." These provisions would require states to implement EVV systems for Medicaid-funded personal care and home health care services, such as IHSS. The bill stipulates that the electronic system must verify (1) the service performed, (2) the date and time of service, (3) the location of the service, and (4) the identities of the provider and consumer. California has until January 2021 to comply for personal care services, and until January 2023 for home care services, or escalating penalties will be incurred.

  In October 2018, the department submitted a request for $8 million ($800,000 General Fund and $7.2 million federal funds) to the Department of Finance (DOF) in order to comply with the federal mandate to implement EVV. The department used the funds to modify its existing Case Management, Information, and Payrolling System (CMIPS). The department has leveraged its existing Electronic Services Portal and Telephonic Timesheet System to meet EVV requirements. The EVV was piloted in Los Angeles County from July-December 2019.

EVV will be implemented statewide during 2020. The proposed 2020 budget includes county administration funds to implement the remaining cases. $2.6 million is included for implementation in 2020-21, and $3.2 million is included for ongoing maintenance.

EVV as it relates to IHSS will be discussed in additional detail on April 1, when the automation projects for DSS programs are heard by the Subcommittee.

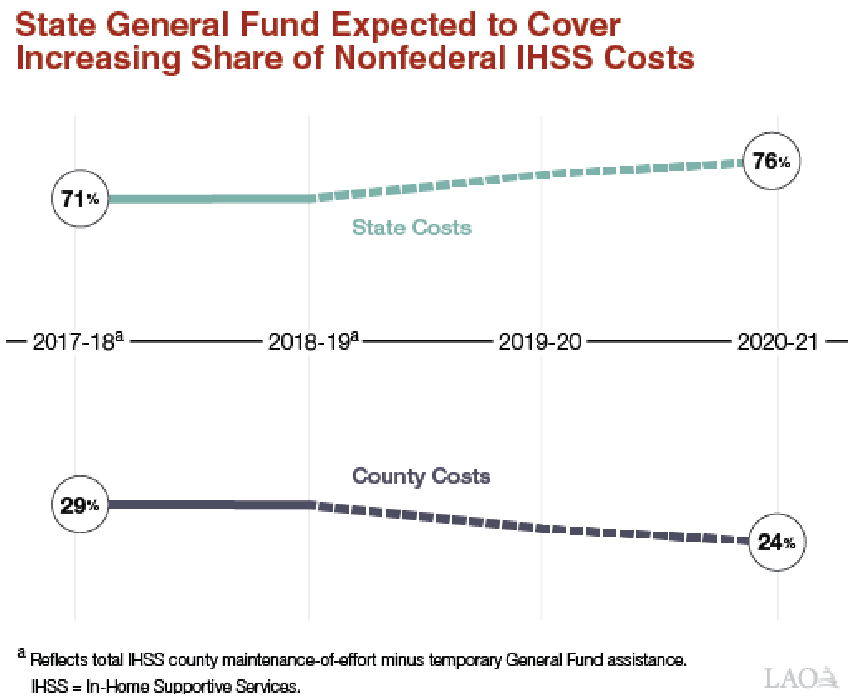
UPDATE ON IHSS MOE

The 2019 budget enacted many changes to the IHSS county MOE. The most significant of which was lowering the county MOE and increasing the state's General Fund commitment. Beginning in 2019-20, the county MOE was rebased to $1.56 million. The 2020-21 budget updates the MOE to $1.59 billion in 2019-20 and $1.67 billion in 2020-21. This reflects a slight decrease in 2019-20 due to lower projected hours based on recent actual data and an increase in 2020-21 due to anticipated adjustments to the MOE calculation. While total IHSS county MOE costs increase from 2019-20 to 2020-21, the IHSS county MOE is projected to offset a decreasing share of the nonfederal IHSS costs -- 26 percent and 24 percent, respectively.

Historically, counties paid 35 percent of the nonfederal—state and county—share of IHSS service costs and 30 percent of the nonfederal share of IHSS administrative costs. Beginning in 2012-13, however, the historical county share of cost model was replaced with an IHSS county maintenance-of-effort (MOE), meaning county costs would reflect a set amount of nonfederal IHSS costs as opposed to a certain percent of nonfederal IHSS costs. In 2017-18, the initial IHSS MOE was eliminated and replaced with a new county MOE financing structure—referred to as the 2017 IHSS MOE. Under this MOE, counties were responsible for paying based on 2017-18 actual expenditures, which is adjusted for locally negotiated, mediated, imposed, or adopted by ordinance increases to wages and/or benefits and an annual inflation factor. The county MOE was scheduled to increase by an inflation factor – five percent for 2018-19, and seven percent for the following fiscal years.

The Budget Act of 2017 included a requirement for the DOF to submit a report to the Legislature that would review the funding structure of the 1991 realignment. The DOF released the report with the Governor's 2019-20 budget. The report acknowledged that the revenue sources for 1991 Realignment are not sufficient to cover increased program costs due to several changes in the structure of 1991 Realignment including collective bargaining, minimum wage increases, and federal overtime rules. IHSS has been one of the fastest growing programs within the state budget, with the exception of years where reductions were made in order to balance the budget. The 2017 MOE included an inflation factor of seven percent annually, which is below the average annual growth rate of eleven percent. The report proposed a number of recommendations that were reflected in the 2019 budget.

2019 MOE Changes. The 2019 changes to the MOE provided a supportable financial structure for counties. In addition to providing that sustainable arrangement, the annual inflation factor for counties will be lowered from seven percent to four percent, beginning in 2020-21. The county MOE will only increase by the inflation factor and the county share of locally negotiated wage and benefit increases. Once the state minimum wage reaches $15 per hour, county negotiated increases for IHSS wages and benefits will shift to a non-federal sharing ratio of 35 percent state and 65 percent county of the non-federal share of the increases with no state participation cap. The MOE no longer consists of four separate components for services, county administration, public authority administration and now contains only one component for services. Administrative costs will now be funded through a General Fund allocation and counties will be responsible for administrative costs above the General Fund allocation. Overall, these changes shifted about $300 million of what otherwise would have been county costs to the state in 2019-20, increasing to about $550 million in 2022-23. With the changes to the MOE, state IHSS costs are expected to increase more over time. The figure below, provided by the LAO, shows how the state share of nonfederal costs will increase over time, while county costs will decrease.



Collective Bargaining. The 2019 budget also made changes to IHSS collective bargaining provisions. Budget language requires a specified mediation process, including a fact-finding panel and recommended settlement terms, to be held if a public authority or nonprofit consortium and the employee organization fails to reach agreement on a bargaining contract with IHSS workers on or after October 1, 2019. The mediation process also includes the county board of supervisors holding a public hearing after the fact-finding panel's public release of its findings and recommended settlement terms. Counties would be subject to withholding of a specified amount of realignment funds if, after completion of the mediation process, the fact-finding panel issues recommendations more favorable to the employee organization, the parties do not reach an agreement within 90 days after release, and the collective bargaining agreement has expired. These provisions will expire on January 1, 2021.

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

ISSUE 4: ADVOCACY PROPOSALS FOR IHSS

PANEL

A. Make Permanent Restoration of the Seven Percent Hours Reduction

- Assemblymember Adrin Nazarian
- Tiffany Whiten, Long-Term Care Director, Service Employees International Union (SEIU) California

B. Provide Paid Sick Leave for Waiver of Personal Care Services IHSS Providers

- Assemblymember Chu
- Tiffany Whiten, Long-Term Care Director, Service Employees International Union (SEIU) California

C. Maintain State/County Share of Cost for Wages and Benefits

- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

D. Require Public Disclosure of Vendor Contracts Associated with Labor Negotiations

- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

E. Reinstate Accelerated Caseload Growth Calculation

- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

F. Adopt Statewide and Make Permanent the Pilot on New Employee Orientations

- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930

G. Increase Penalty for County Collective Bargaining Impasses

- Assemblymember Eloise Gómez Reyes
- Kristina Bas Hamilton, Legislative Director, United Domestic Workers (UDW)/AFSCME Local 3930
- Speaking in reaction to the proposal: Justin Garrett, Legislative Representative, California State Association of Counties (CSAC)

After each of the listed proposals, the Chair will ask for feedback, comment, and questions from:

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office

Public Comment for this issue will be addressed in the hearing.

ADVOCACY PROPOSALS

A. Make Permanent Restoration of the Seven Percent Hours Reduction

Assemblymember Adrin Nazarian, United Domestic Workers (UDW)/AFSCME Local 3930, and Service Employees International Union (SEIU) California request permanent restoration of the 7 percent reduction to the IHSS program.

SEIU Local 2015, representing 385,000 IHSS providers in 37 counties, advocates for the permanent restoration of the seven percent across-the-board cut to IHSS service hours; a cut that was made in 2014 and has been restored through subsequent budget actions since 2015. In 2019, the General Fund ($342.3 million) restored the cut through December 31, 2021. The proposed 2020-21 budget proposes to extend the restoration an additional 18 months, through June 30, 2023. Estimated 2020-21 costs are $402.4 million General Fund. SEIU continues to urge rescinding WIC section 12301.01 through section 12301.05 to permanently restore the seven percent cut.

UDW respectfully requests the repeal of Welfare and Institutions Code (WIC) Sections 12301.01 through 12301.05 to permanently restore the seven percent cut. "While we appreciate the Governor's proposal to temporarily restore the cut, we believe the restoration must be made permanent. In light of the recent preliminary denial by CMS of the state's Managed Care Organization (MCO) tax, this proposal is especially urgent."

B. Provide Paid Sick Leave for Waiver of Personal Care Services IHSS Providers

Assemblymember Chu and Service Employees International Union (SEIU) California request a General Fund appropriation of $223,000 annually for 965 WPCS--only providers to gain the ability to receive paid sick leave, mirroring the language in Senate Bill 3 (2016) that gives sick leave to IHSS providers. On July 1, 2018, IHSS providers gained the ability to receive 8 hours of paid sick leave. On July 1, 2020 IHSS providers will receive 16 hours and on July 1, 2022 providers will gain 24 hours of paid sick leave. Unfortunately, WPCS--only providers, that do the exact same work as IHSS providers, do not have the ability to receive paid sick leave. SEIU requests state law be amended to entitle WPCS--only providers the ability to receive paid sick leave.

Advocates state that this proposal brings parity among IHSS providers and WPCS-only providers as required by Assembly Bill (AB) 1811 of 2018. AB 1811 extended the same collective bargaining rights that currently exist for IHSS providers to WPCS workers. In addition, WPCS workers will receive equal wages, benefits, and other terms and conditions of employment as IHSS providers in their respective counties.

C. Maintain State/County Share of Cost for Wages and Benefits

Assemblymember Eloise Gómez Reyes and United Domestic Workers (UDW)/AFSCME Local 3930 request reversal of the 2019 change to state/county cost sharing in IHSS wage and benefit increases. Currently, the non-federal share of cost for negotiated wage and benefit increases in IHSS is 65 percent paid by the state and 35 percent paid by county. In the 2019-20 budget, the state reversed this formula to become 65 percent county/35 percent state, beginning on January 1, 2022. L. According to UDW, local collective bargaining in IHSS has always been very difficult and this will only get worse once the new formula goes into effect. UDW requests that the state rescind the changes enacted in last year's budget and to retain the current share of cost formula of 35 percent county – 65 percent state. The advocates assert that there is no General Fund cost associated with this proposal as the Governor's fiscal forecasts do not score General Fund savings associated with the pending change that would occur pursuant to current law.

D. Require Public Disclosure of Vendor Contracts Associated with Labor Negotiations

Assemblymember Eloise Gómez Reyes and United Domestic Workers (UDW)/AFSCME Local 3930 require transparency in spending of taxpayer dollars. According to UDW, some counties contract with anti-union law firms to represent them in IHSS contract negotiations. This results in counties spending millions of taxpayer dollars for outside contractors when that money could be better used to fund wage and benefit increases for IHSS providers. UDW requests that the state ensure transparency in taxpayer funding for IHSS collective bargaining by mandating public disclosure of costs paid by counties for vendor contracts for IHSS negotiations. In addition, UDW requests that the state ensure these costs do not exceed 80 percent of the total cost of the wage and benefit increase proposed by the union. The advocates assert that there is no General Fund cost associated with this proposal.

E. Reinstate Accelerated Caseload Growth Calculation

Assemblymember Eloise Gómez Reyes and United Domestic Workers (UDW)/AFSCME Local 3930 request the reinstatement of accelerated caseload growth to incent wage and benefit increase for providers. In 2019-20, the state returned to the pre-2017 methodology for calculating IHSS caseload growth, which is a comparison to prior years, instead of using the accelerated approach to allocating funds, which uses current estimate of caseload and cost estimates. According to UDW, the accelerated approach was adopted in 2017-18 because of longstanding complaints by counties in collective bargaining that they could not afford to fund wage and benefit increases because of the lag in time before they would receive caseload growth allocations. UDW requests this reinstatement of accelerated caseload growth to aid the fiscal capacity question for counties negotiating increased wages and benefits. The advocates assert that there is no General Fund cost associated with this proposal.

F. Adopt Statewide and Make Permanent the Pilot on New Employee Orientations

Assemblymember Eloise Gómez Reyes and United Domestic Workers (UDW)/AFSCME Local 3930 request the extension statewide and permanency of the three-county pilot authorized by Senate Bill 857 (2018). Under SB 857, provider unions in the three-county (Los Angeles, Merced and Orange) pilot were granted the right to negotiate to binding arbitration over the structure, time, and manner of access to new employee orientations. Currently, the pilot is scheduled to become inoperative on July 1, 2021. Based on the current three county pilot, the advocates assert that there is no General Fund cost associated with this proposal.

G. Increase Penalty for County Collective Bargaining Impasses

Assemblymember Eloise Gómez Reyes and United Domestic Workers (UDW)/AFSCME Local 3930 request an Increase in the penalty for counties to seven percent annually for not successfully completing a collective bargaining process for IHSS wages and benefits for local providers. The average wage for IHSS providers across UDW's 21 counties is just above minimum wage, $13.23 per hour, and less than ten percent of providers receive county-sponsored health benefits. In fiscal year 2019-20, the state enacted a one-time fiscal penalty (equal to one percent of a county's IHSS MOE) against counties that fail to reach collective bargaining agreements in a reasonable amount of time. According to UDW, this penalty has not been enough to incentivize counties to reach an agreement. UDW requests the increase of the penalty for counties who refuse to bargain in good faith from one percent to seven percent of the county's IHSS MOE and from a one-time penalty to an annual penalty so long as the contract remains at an impasse. The advocates assert that there is no General Fund cost associated with this proposal. They also share that this proposal would result in savings to the General Fund as a result of enacting the fiscal penalty.

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

ISSUE 5: GOVERNOR'S BUDGET FOR THE SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) PROGRAM

PANEL

- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment (only on issues not otherwise covered in advocacy requests in the agenda)

BACKGROUND

The Supplemental Security Income/State Supplemental Payment (SSI/SSP) programs provide cash assistance to around 1.2 million Californians, who are aged 65 or older (29 percent), are blind (one percent), or have disabilities (70 percent), and in each case meet federal income and resource limits. A qualified SSI recipient is automatically qualified for SSP. SSI grants are 100 percent federally funded. The state pays SSP, which augments the federal benefit.

GOVERNOR'S BUDGET

The budget proposes $9.7 billion ($2.7 billion General Fund) in 2020-21 for SSI/SSP. The revised 2019-20 budget provides the same amount for the program. The flat funding level is largely due to estimated caseload decline being offset by increased federal expenditures. This increase in federally administered funds is due to the impacts of the 2020 and 2021 federal Cost-of-Living Adjustments (COLA) on the federal SSI version of the grant. The Governor's 2020-21 budget proposal does not include an increase to the SSP portion of the grant. The state pays administration costs to the Social Security Administration (SSA) to distribute SSP, around $183.3 million for the budget year. Costs for SSI/SSP include the Cash Assistance Program for Immigrants and the California Veterans Case Benefit Program.

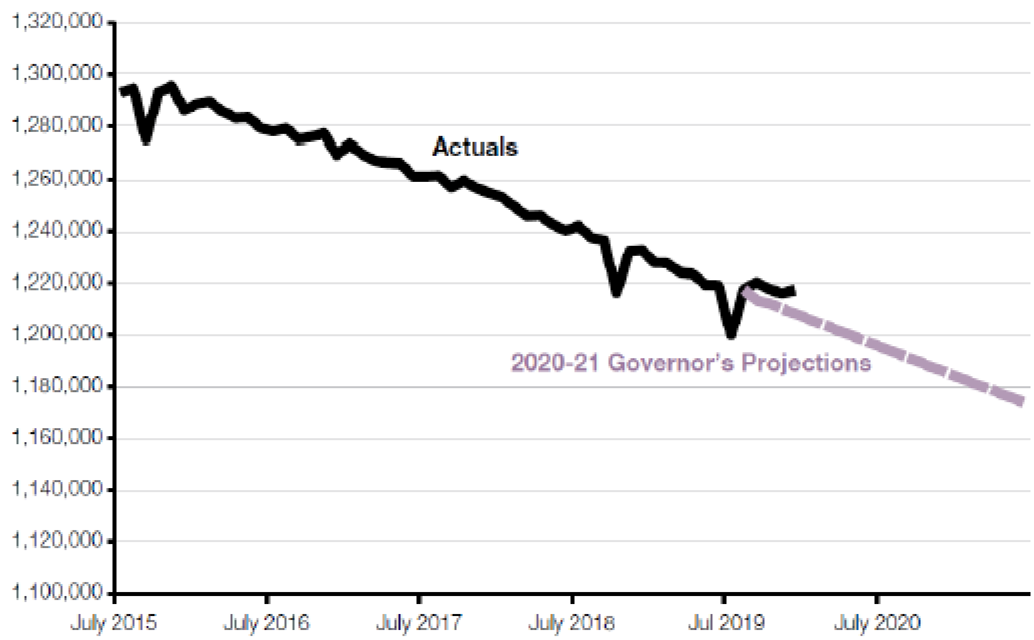
Cash Assistance Program for Immigrants (CAPI). In 1998, the Cash Assistance Program for Immigrants (CAPI) was established as a state-only program to serve legal non-citizens who were aged, blind, or had disabilities. After 1996 federal law changes, most entering immigrants were ineligible for SSI, although those with refugee status are allowed seven years of SSI. The CAPI recipients in the base program include 1) immigrants who entered the United States prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload, which is separate from the base CAPI caseload, includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program. In 2020-21, the estimated monthly average caseload is 13,511 for extended CAPI.

California Veterans Cash Benefit Program (CVCB) Program. The California Veterans Cash Benefit Program (CVCB) program is linked to the federal Special Veterans Benefit (SVB) Program, which was signed into law in 1999 and provides benefits for certain World War II veterans. The SVB application also serves as the CVCB application, and payments for both programs are combined and issued by the SSA. CVCB program benefits are specifically for certain Filipino veterans of World War II who were eligible for CA SSP in 1999, who are eligible for the SVB program, and who have returned to live in the Republic of the Philippines. Grant levels are identical to the SSP portion for individuals.

Caseload. Since 2014-15, caseloads have shown a steady decline. The Governor's budget projects that the caseload will decrease by 1.8 in percent in 2019-20 and 2020-21. The graph below, provided by the LAO, shows actual and projected caseload trends for SSI/SSP.

Actual and Projected SSI/SSP Caseload Trends in Governor's Budget

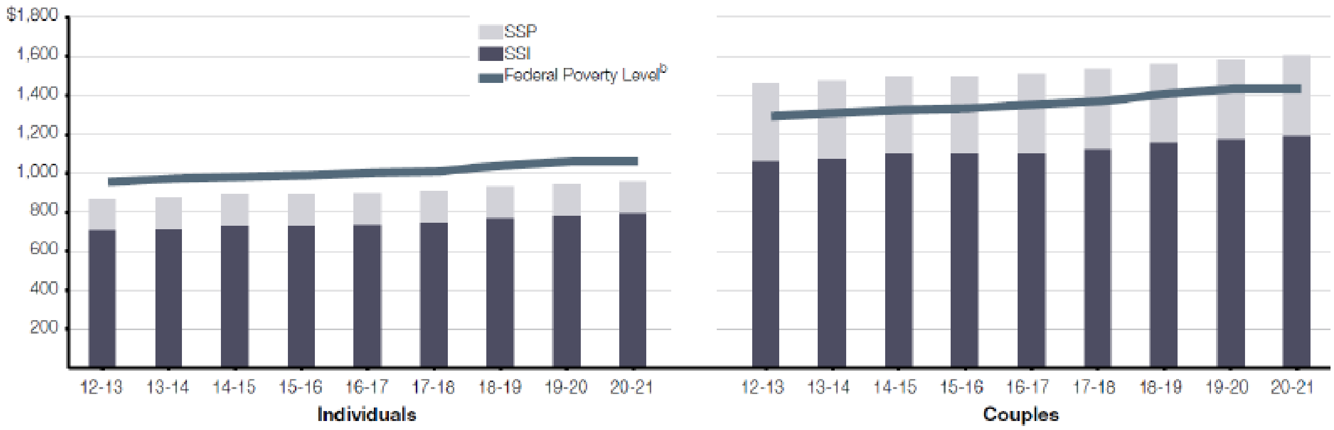
Monthly Caseload



SSI/SSP = Social Security Income/State Supplemental Program.

Grant Levels. The federal government, which funds the SSI portion of the grant, is statutorily required to provide an annual COLA each January. The state COLA for the SSP grant was suspended periodically throughout the 1990s and into the 2000s and was permanently repealed in 2011 through statute. The 2016 budget included a one-time SSP COLA of 2.76 percent. The 2020-21 Governor's budget does not include an increase to the SSP grant, however the 2018 Budget Act included trailer bill language that codified COLAs to SSP grants beginning in 2022-23, subject to funding in the annual Budget Act. The LAO estimates the cost of providing the SSP COLA in 2022-23 (based on an estimated California Necessities Index of 2.8 percent) would cost about $70 million. The Governor's budget estimates SSI/SSP monthly maximum grant levels will reach $957.72 for individuals and $1,602.14 for couples. The maximum grants for individuals and couples have gradually increased since 2011-12. Even with these increases, current maximum SSI/SSP grants for individuals are below the federal poverty level (FPL), and grants for couples are just above the FPL. As of January 2020, the FPL for individuals is $1,063 per month and $1,436 per month for couples. The graph below, provided by the LAO, shows SSI/SSP grant levels for both couples and individuals compared to the FPL.

Maximum SSI/SSP Grants for Individuals and Couples[a] Compared to Federal Poverty Level[b]



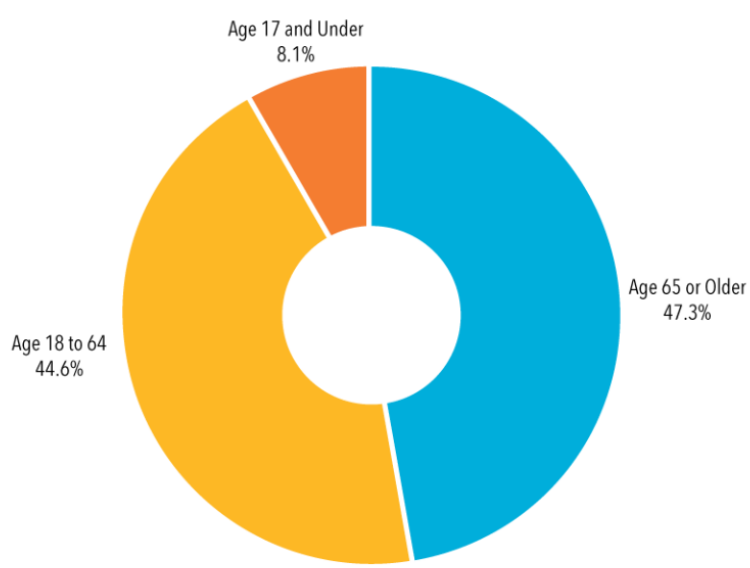
[a] The maximum monthly grants displayed refer to those for aged and disabled individuals and couples living in their own households, effective as of January 1 of respective budget year.

[b] Federal poverty guidelines as established by U.S. Department of Health and Human Services, effective as of January 1 of the respective budget year up to 2019-20.

The California Budget and Policy Center provided the following additional charts.

Almost Half of SSI/SSP Recipients in California Are Age 65 or Older

Total Number of SSI/SSP Recipients in June 2019 = 1,216,540



Among Older Californians Enrolled in SSI/SSP, Nearly Two-Thirds Are Women

Total Number of SSI/SSP Recipients Age 65 or Older in June 2019 = 575,248

Studio Apartment Rent Exceeds One-Half of the SSI/SSP Grant in All 58 Counties and Is Higher Than the Entire Grant in 22 Counties

County	Maximum Grant for an Individual as of January 1, 2020*	Fair Market Rent (FMR) for a Studio Apartment**	Amount of Grant Remaining After Paying Studio Rent	Studio FMR as a Percentage of Grant	Rank by FMR (Highest to Lowest)
Alameda	$944	$1,488	-$544	157.7%	8
Alpine	$944	$685	$259	72.6%	44
Amador	$944	$851	$93	90.2%	28
Butte	$944	$761	$183	80.6%	36
Calaveras	$944	$668	$276	70.8%	46
Colusa	$944	$634	$310	67.2%	51
Contra Costa	$944	$1,488	-$544	157.7%	8
Del Norte	$944	$661	$283	70.0%	48
El Dorado	$944	$952	-$8	100.9%	20
Fresno	$944	$691	$253	73.2%	42
Glenn	$944	$597	$347	63.3%	55
Humboldt	$944	$687	$257	72.8%	43
Imperial	$944	$669	$275	70.9%	45
Inyo	$944	$783	$161	83.0%	35
Kern	$944	$711	$233	75.3%	39
Kings	$944	$841	$103	89.1%	29
Lake	$944	$662	$282	70.1%	47

Lassen	$944	$609	$335	64.5%	54
Los Angeles	$944	$1,279	-$335	135.5%	14
Madera	$944	$833	$111	88.3%	32
Marin	$944	$2,197	-$1,253	232.8%	1
Mariposa	$944	$716	$228	75.9%	38
Mendocino	$944	$805	$139	85.3%	33
Merced	$944	$651	$293	69.0%	49
Modoc	$944	$520	$424	55.1%	58
Mono	$944	$872	$72	92.4%	25
Monterey	$944	$1,334	-$390	141.4%	11
Napa	$944	$1,225	-$281	129.8%	16
Nevada	$944	$856	$88	90.7%	27
Orange	$944	$1,563	-$619	165.6%	6
Placer	$944	$952	-$8	100.9%	20
Plumas	$944	$619	$325	65.6%	53
Riverside	$944	$875	$69	92.7%	23
Sacramento	$944	$952	-$8	100.9%	20
San Benito	$944	$1,290	-$346	136.7%	13
San Bernardino	$944	$875	$69	92.7%	23
San Diego	$944	$1,404	-$460	148.8%	10
San Francisco	$944	$2,197	-$1,253	232.8%	1
San Joaquin	$944	$745	$199	78.9%	37
San Luis Obispo	$944	$1,153	-$209	122.2%	17
San Mateo	$944	$2,197	-$1,253	232.8%	1
Santa Barbara	$944	$1,502	-$558	159.2%	7
Santa Clara	$944	$2,103	-$1,159	222.8%	4
Santa Cruz	$944	$1,641	-$697	173.9%	5
Shasta	$944	$630	$314	66.8%	52
Sierra	$944	$858	$86	90.9%	26
Siskiyou	$944	$591	$353	62.6%	56
Solano	$944	$1,124	-$180	119.1%	18
Sonoma	$944	$1,302	-$358	138.0%	12
Stanislaus	$944	$788	$156	83.5%	34
Sutter	$944	$838	$106	88.8%	30
Tehama	$944	$649	$295	68.8%	50
Trinity	$944	$576	$368	61.0%	57
Tulare	$944	$710	$234	75.2%	40
Tuolumne	$944	$694	$250	73.5%	41
Ventura	$944	$1,266	-$322	134.1%	15
Yolo	$944	$1,010	-$66	107.0%	19
Yuba	$944	$838	$106	88.8%	30

* Grant level is for seniors and people with disabilities who live independently in their own homes and have cooking facilities.
** The FMR is for federal fiscal year 2020, which ends on September 30, 2020. FMRs are determined by the federal government and generally estimate the dollar amount below which 40% of standard-quality rental housing units are rented.
Source: Department of Social Services and US Department of Housing and Urban Development

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

ISSUE 6: ADVOCACY PROPOSALS FOR SSI/SSP

PANEL

A. Increase Grant Levels
- Assemblymember Ash Kalra
- Mike Herald, Director of Policy Advocacy, Western Center on Law and Poverty
- Kim Johnson, Director, Jennifer Troia, Chief Deputy Director, and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

B. Reduce Administrative Expenses
- Graciela Castillo-Kings, representing Griffin/Stevens & Lee Consulting, LLC on behalf of the Commonwealth of Pennsylvania
- Kim Johnson, Director, Jennifer Troia, Chief Deputy Director, and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

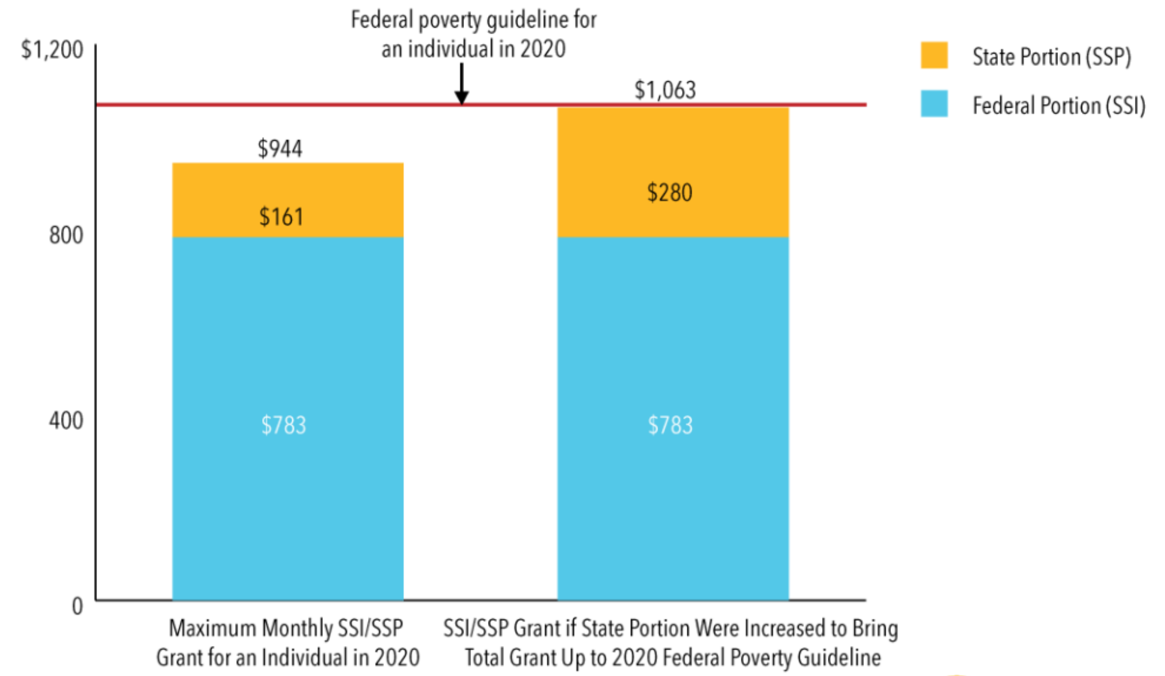
ADVOCACY PROPOSALS

A. Increase Grant Levels

Assemblymember Ash Kalra and the Californians for SSI (CA4SSI) Coalition, led by the Western Center on Law and Poverty and the California Association of Food Banks, request a grant increase to the SSP portion of the combined SSI/SSP grant. 1.2 million aged and disabled Californians rely entirely or partly on the federal/state SSI/SSP program for their income for housing, food, utilities and transportation. In 2009 the state reduced the state contribution to the grant from $223 a month to $156. With the exception of a single cost of living adjustment, these recession era grants have never been restored. With housing costs and availability at crisis levels, SSI grants are simply inadequate to afford housing and there is a rising number of SSI/SSP recipients that are homeless.

The advocates contend that restoring the cuts to SSI will reduce the housing cost burdens of SSI recipients. This means they will be less vulnerable to rent increases or losing their housing if an unexpected bill causes them to fall behind in their rent. Additionally, increased grants allow recipients to eat more and better food, which will lead to better health outcomes. Californians 4 SSI requests SSI/SSP grants be increased to restore them to the federal poverty level. Restoring these grants is estimated to cost $1.2 billion General Fund annually.

Policymakers Would Need to Increase SSI/SSP Grants by Over $100 Per Month to Bring Support to the Poverty Line



Source: Budget Center analysis of Department of Social Services and US Department of Health and Human Services data

California Budget & Policy Center
Independent Analysis. Shared Prosperity.

B. Reduce Administrative Expenses

Graciela Castillo-Kings, representing Griffin/Stevens & Lee Consulting, LLC on behalf of the Commonwealth of Pennsylvania requests consideration of a proposal to reduce California's administrative fee related to the delivery of the SSP benefit. A state may administer its own SSP or enter into an agreement with the SSA to make eligibility determination and payments on behalf of the state. States are required to pay a fee for Federal administration of SSP. The law provides a method to increase the fee for fiscal years after 2002. The method sets the fee for the next fiscal year to be the fee for the current fiscal year increased by the percentage by which the Consumer Price Index (CPI) for the month of June in the current year exceeds the CPI for the month of June in the preceding year. The resulting amount is to be rounded to the nearest whole cent. The law also allows the SSA to set a different fee "appropriate for the State." For fiscal year 2020, the SSA administrative fee is $12.41.

California currently uses the SSA to administer its SSP and has a caseload of about 1.2 million individuals receiving SSI/SSP. This means that California pays over $178 million annually for federal government to administer its SSP. In 2004, the Pennsylvania Treasury Department, along with the Department of Public Welfare, assumed the responsibility for processing the SSP payments to eligible Pennsylvania residents. The payments were previously administered by SSA and SSI recipients received one payment, which included both the SSI and SSP amounts. As of January 1, 2005, Pennsylvania has been directly administering the SSP. SSI recipients now receive a separate SSI payment from Social Security and an SSP from Pennsylvania. This has been a cost saving measure since Pennsylvania has been able to administer the payments at significantly less cost than SSA was charging.

Building on the success of its program, in 2014 the State of Pennsylvania approved legislation to allow the Pennsylvania Treasury Department to enter into contracts with other states to administer their SSP. By extending Pennsylvania Treasury Department's administration capabilities to California, it can potentially save the state over $89 million dollars annually. The Pennsylvania Treasury Department would provide the same services as SSA for an all-inclusive rate of $6.20 per transaction locked for the term of the contract. The advocate asserts that this proposal would require minimal to no upfront investment, as the Pennsylvania Treasury Department and its partners are willing to absorb and/or minimize most start-up costs.

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

ISSUE 7: ADVOCACY PROPOSAL ON ADULT PROTECTIVE SERVICES

PANEL

- Assemblymember Joaquin Arambula
- Paul Dunaway, Adults and Aging Division Director, Sonoma County
- Jennifer Troia, Chief Deputy Director and Debbi Thomson, Deputy Director of Adult Programs, California Department of Social Services
- Yang Lee, Department of Finance
- Jackie Barocio, Legislative Analyst's Office
- Public Comment

BACKGROUND

Each of California's 58 counties has an Adult Protective Services (APS) agency to aid adults aged 65 years and older and dependent adults who are unable to meet their needs, or are victims of abuse, neglect, or exploitation. The APS program provides 24/7 emergency response to reports of abuse and neglect of elders and dependent adults who live in private homes, apartments, hotels or hospitals, and health clinics when the alleged abuser is not a staff member. APS social workers evaluate abuse cases and arrange for services such as advocacy, counseling, money management, out-of-home placement, or conservatorship. APS social workers conduct in-person investigations on complex cases, often coordinating with local law enforcement, and assist elder adults and their families navigate systems such as conservatorships and local aging programs for in-home services. These efforts often enable elder adults and dependent adults to remain safely in their homes and communities, avoiding costly institutional placements, like nursing homes.

APS Realignment. In 2011, Governor Brown and the Legislature realigned several programs, including child welfare and adult protective services, and shifted program and fiscal responsibility for non-federal costs to California's 58 counties. DSS retains program oversight and regulatory and policymaking responsibilities for the program, including statewide training of APS workers to ensure consistency. DSS also serves as the agency for the purpose of federal funding and administration. APS expenditures since 2011 are in the table below.

Fiscal Year	Expenditures
2011-12	$119.7 million
2012-13	$120.7 million
2013-14	$126.3 million
2014-15	$137.6 million
2015-16	$147.6 million
2016-17	$159.7 million
2017-18	$169.9 million
2018-19	$191.4 million

APS Reports. APS reports have risen since 2011. Between 2014 and 2019, APS received 916,237 reports. During that same time, 800,709 cases were opened and 700,584 cases were resolved. Over the last year, the number of abuse reports received increased by 7.6 percent. Confirmed cases of financial abuse increased 10.3 percent in the last year.

Training. The 2014 Budget Act included $150,000 in funding for one staff position within the department to assist with APS coordination and training. In 2015, trailer bill language was adopted that codified the responsibilities of this staff person. In addition, $176,000 ($88,000 General Fund) was allocated to DSS for APS training. The 2016 Budget Act included one-time funding of $3 million General Fund for APS training for social workers. The 2019 Budget Act included $11.5 million ($5.8 million General Fund) to be used over three years for training of APS social workers and public guardians.

Federal Grants. APS received a federal Administration for Community Living (ACL) grant of $198,665 to study and develop an improved comprehensive data collection system in line with the National Adult Maltreatment Reporting System (NAMRS). As a result of this funded the state is now collecting more comprehensive data including statewide staffing figures, services provided as a result of APS investigations, and interagency coordination and services referred. The grant also allows the collection of demographic information on clients and alleged perpetrators.

APS received another federal ACT grant of $373,259 per year from federal fiscal year (FFY) 2018-19 through FFY 2020-21 to increase the capacity of APS managers to drive program improvements. These improvements would be made by providing training to APS managers by national experts, and a pilot of the first ever APS Master of Social Work stipend program with a two year employment payback requirement.

Home Safe. Home Safe Program was established by AB 1811 (Committee on Budget), Chapter 35, Statutes of 2018. The program serves APS clients that are homeless or at risk of homelessness due to elder or dependent adult abuse, neglect, or financial exploitation. Local APS agencies provide homelessness prevention and short-term housing interventions to support safety and housing stability. The goal of the Home Safe Program is to support the safety and housing stability of individuals involved in APS by providing housing-related assistance. Grantees operating Home Safe programs will implement a range of strategies to support housing stability for APS clients, including short-term financial assistance, legal services, eviction prevention, heavy cleaning, and landlord mediation, among other services.

The Housing and Homelessness Bureau of DSS will be offering ongoing technical assistance to counties participating in Home Safe as well as the greater APS community to ensure lessons learned and best practices are shared throughout the state. This will include regular and ongoing telephone and email correspondence as well as in-person site visits and meetings throughout the pilot. DSS is initiating data collection efforts and is collaborating with Dr. Margot Kushel at the University of California-San Francisco to provide an external evaluation of the program.

The Budget Act of 2018 provided $15 million General Fund (one-time) to fund the program over a three-year period, ending on June 30, 2021. The program is funded with a dollar-for-dollar match requirement, and a portion of funds are reserved for program evaluation purposes. In December 2018, CDSS allocated funds on a competitive basis to 24 counties. A list of counties and the funds allocated is below.

County	Allocation	County	Allocation
Alameda	955,400	Riverside	1,969,541
Contra Costa	740,079	Sacramento	263,640
Fresno	588,571	San Bernardino	600,000
Humboldt	335,848	San Diego	500,000
Kern	170,000	San Francisco	773,981
Kings	113,440	Santa Clara	720,822
Los Angeles	2,648,128	Santa Cruz	743,440
Mariposa	170,000	Shasta	216,516
Mendocino	216,417	Sonoma	680,000
Merced	747,080	Tehama	170,000
Nevada	50,620	Ventura	170,000
Placer	468,885	Yuba	287,592

ADVOCACY PROPOSAL

Assemblymember Joaquin Arambula and the County Welfare Directors Association of California (CWDA) request a total of $100 million General Fund on-going to expand and strengthen APS. The role of APS is growing as communities increasingly rely upon APS to address the complex needs of older adults, including those who are at risk of or experiencing homelessness or those with cognitive impairments. According to CWDA, the program will need additional state investment to support those individuals who require longer-term and more intensive assistance in order to remain safe in their homes and communities.

The approach for the requested $100 million General Fund is to:

1. Provide long-term case management, including for those who are homeless and have cognitive impairments and allow APS to serve highly vulnerable adults aged 60-65 ($65 million General Fund).

2. Build upon the APS Home Safe Program ($25 million General Fund). According to CWDA, the APS Home Safe program should be expanded to interested counties and modified to assist victims of abuse and neglect who have become homeless or who need longer-term housing support as a bridge to other housing programs.

3. Encourage Collaborative, Multi-Disciplinary Best-Practices across the state ($10 million General Fund). Financial Abuse Specialist Teams (FAST) and Forensic Centers are considered best practices in APS. They allow for a collaborative and targeted, rapid-response approach to the most complex cases. Currently, only a few counties have either model, but those that do see great success in interceding and stopping financial abuse and stabilizing victims who require a cross-systems response.

The older adult population in California is rapidly growing. By 2030, one in five Californians will be age 65 or older. Between 2018 and 2025, an estimated 29.2% of those over 65 are projected to have Alzheimer's. The number of older adults in California with disabilities will increase from 1 million in 2015 to nearly 3 million in 2060. Additionally, California's aging population is also an increasingly homeless population. According to Dr. Margot Kushel, Director of the UCSF Center for Vulnerable Populations, approximately 50 percent of homeless individuals are over age 50, and half of those became homeless after age 50.

The APS program as currently designed and funded could not have anticipated the widespread severity of the housing crisis nor the dramatic demographic changes that California is undergoing. County APS programs are struggling to keep up with the growth in reports and are not currently resourced to serve the increasing number of victims with complex needs who require more intensive case management to remain safe in their homes and communities. The requested $100 million would grow the APS program to meet the needs of a larger, more diverse population with more frequent complex cases that involve individuals with cognitive impairments or issues such as homelessness. It will also allow APS to serve an expanded older adult population in a more upstream capacity and intervene earlier in situations before they reach a crisis point. Intensive APS services will prevent re-abuse and reduce costs borne by law enforcement, health care, and society as a whole.

Staff Recommendation:

Hold open all issues pending the May Revisions hearings.

NON-DISCUSSION ITEMS

There are no panels for non-discussion items, but the Chair will ask if there is any public comment for these items. If a Member of the Subcommittee wishes for a fuller discussion on any of these issues, please inform the Subcommittee staff and the Chair's office as soon as possible. Thank you.

4170 CALIFORNIA DEPARTMENT OF AGING

ISSUE 8: BUDGET CHANGE PROPOSAL ON HEADQUARTERS RELOCATION FUNDING

GOVERNOR'S PROPOSAL

The Administration requests $2.3 million General Fund in 2020-21 and $619,000 ongoing General Fund to relocate the department's offices. One-time costs include moving expenses, informational technology equipment and set-up, and furniture. Ongoing costs would be for facilities operations costs.

Currently, the CDA and COA offices are located in the Natomas community of Sacramento. The departments have been in their current locations for the past 15 years. Recently, the building has had continuous ceiling leaks and problems with its heating, ventilation, and air conditioning system (HVAC), causing health and safety concerns for employees. The lessor of the building made modifications to the HVAC system in the spring of 2018, but problems with the system have persisted.

In addition to these concerns, CDA have outgrown the building's current capacity. As part of the Legislature's aging package in the Budget Act of 2019, the CDA was granted a total of approximately $65 million in additional investments to serve older Californians. With that additional funding came a need for expansion within the department. The CDA is also integrally involved in the development of the California Master Plan on Aging, creating additional growth at the CDA. With these additional responsibilities and investments, the CDA has outgrown its current space.

The CDA has already identified a new location. The new building is much easier to access with public transit, contains spaces for large stakeholder meetings, and has space to allow for future growth within the CDA.

Staff Recommendation:

Hold open.

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 9: MANDATORY IHSS SOCIAL WORKER TRAINING TRAILER BILL LANGUAGE

GOVERNOR'S PROPOSAL

The Administration proposes trailer bill language that would mandate new IHSS caseworkers, caseworker supervisors, quality assurance and program integrity staff, and program managers receive training within the first six months of employment to ensure compliance with IHSS statues, policies, and regulations on service assessment and authorization. The language would further require existing staff that did not have training before July 1, 2019, to complete a one-day refresher training on service assessment and the hourly task guide during 2020-21. The Governor's budget includes $3.7 million ($1.9 million General Fund) for the refresher training.

Since 2005, the DSS, in partnership with the California State University of Sacramento's Office of Continuing Education, has offered year-round IHSS training to all 58 counties through the IHSS Training Academy. In December 2017, an All-County Information Notice provided clarification regarding the IHSS assessment process, transmitting new and/or updated assessment tools, and ensuring appropriate case documentation. However, IHSS technical assistance training is not mandatory and a refresher was not required for current IHSS caseworkers, supervisors, quality assurance and program integrity staff, or program managers. Therefore, even with this guidance, annual state quality assurance reviews and technical assistance continue to find that counties are not correctly trained on provisions of supportive services.

Mandating all IHSS caseworkers and case supervisors, quality assurance and program integrity staff and program managers regardless of years of experience, to participate in the training would ensure uniformity and decrease errors when administrating the IHSS program. The academy will ramp up core competency training for new staff and facilitate 70 new one-day modules for experienced social workers and social worker supervisors, to refresh the use of functional ranks and hourly task guidelines to assess and authorize IHSS. The training will be provided to 3,306 new and existing social workers and managers.

Staff Recommendation:

Hold open.

This agenda and other publications are available on the Assembly Budget Committee's website at: https://abgt.assembly.ca.gov/sub1hearingagendas. You may contact the Committee at (916) 319-2099. This agenda was prepared by Nicole Vazquez.