

# California State Assembly



## Informational Hearing Agenda

### Assembly Budget Subcommittee No. 2 on Human Services

Joined for Issues 1 and 2 by the  
Assembly Budget Subcommittee No. 1 on Health

Assemblymember Dr. Corey Jackson, Chair of Sub. 2  
Assemblymember Dawn Addis, Chair of Sub. 1

Wednesday, April 9, 2025  
1:30 P.M. – State Capitol, Room 444

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## Panels

**4170 California Department of Aging (CDA)**

**4260 Department of Health Care Services (DHCS)**

**5180 Department of Social Services (CDSS)**

### **Issue 1: “The Forgotten Middle” and Long-Term Care Supports and Services**

- Susan Philip, Deputy Director, Health Care Delivery Systems, Department of Health Care Services
- Sarah Steenhausen, Deputy Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Trinh Phan, Director, State Income Security, Justice in Aging
- Margot Kushel MD, Professor of Medicine University of California (UCSF), San Francisco; Director UCSF Benioff Homelessness and Housing Initiative and Action Research Center for Health Equity; Division Chief Division of Health Equity and Society
- Sarita A. Mohanty, MD, President and Chief Executive Officer, The SCAN Foundation
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst’s Office
- Karina Hendren, Fiscal and Policy Analyst, Legislative Analyst’s Office

### **Issue 2: Adult Day Services and Community-Based Adult Services (CBAS) Rates**

- Mark Beckley, Chief Deputy Director, California Department of Aging
- Susan Philip, Deputy Director, Health Care Delivery Systems, Department of Health Care Services
- Brian Rutledge, Executive Director, California Association for Adult Day Services
- Isabella Alioto, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst’s Office
- Jason Constantouros, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office

### **Issue 3: Issues and Concerns Regarding the In-Home Supportive Services (IHSS) Collective Bargaining Report**

- Leora Filosena, Deputy Director, Adult Programs Division, California Department of Social Services
- Tiffany Whiten, Senior Government Relations Advocate, California State Council of the Service Employees International Union (SEIU)
- Kristina Bas Hamilton, Senior Director of External Affairs, United Domestic Workers (UDW)/AFSCME, Local 3930
- Justin Garrett, Senior Legislative Advocate, California State Association of Counties
- Janie Whiteford, President, California In-Home Supportive Services (IHSS) Consumer Alliance

- Kate Laddish, IHSS Consumer from Yolo County and Chair, Yolo County IHSS Advisory Committee
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 4: "No Wrong Door" – Concrete Steps to Streamline Access to Supports and Services**

- Mark Beckley, Chief Deputy Director, California Department of Aging
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 5: SSI/SSP Grant Levels and State Cost of Living Adjustment (COLA)**

- Danielle Morris, Fiscal, Appeals, and Benefit Programs Branch Chief, Adult Programs Division, California Department of Social Services
- Rebecca Gonzales, Policy Advocate, Western Center on Law and Poverty, and Representing the Californians for SSI Coalition
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 6: Older Americans and Older Californians Act Funding and Needs**

- Nicole Shimosaka, Deputy Director, California Department of Aging
- Christina Mills, Executive Director, California Association of Area Agencies on Aging
- Rachel Tate, MSW, Vice President of Ombudsman Services for Wise and Healthy Aging
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 7: Home Safe, Housing Disability Advocacy Program (HDAP), and Community Care Expansion (CCE) Wind-Down and Consequences of Loss of One-Time Funds**

- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Grace Belluscio, Regional Manager, Adult Services Division, Riverside County Department of Public Social Services
- Monica Kirkland, State Policy Director, Senior Services Coalition of Alameda County
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 8: Review of Federal Threats and Possible Impacts**

- Susan DeMarois, Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services

- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Issue 9: Disaster Response, Impact of Los Angeles Fires, and Related Governor's Trailer Bill Proposal**

- Susan DeMarois, Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Public Comment will be taken -- in person only -- after the completion of all panels and discussion, and this Public Comment will be for all issues covered in the hearing, including issues in the Non-Presentation part of the agenda, under Issue 10.**

**Thank you.**

## Items To Be Heard

**4170 California Department of Aging (CDA)**

**4260 Department of Health Care Services (DHCS)**

**5180 Department of Social Services (DSS)**

### Issue 1: “The Forgotten Middle” and Long-Term Care Supports and Services

**Issues for Subcommittee Consideration.** This issue provides an overview of the demographic and economic realities of the need for long-term care supports and services in the general population. This is a joint issue for Subcommittees No. 1 and No. 2 for this hearing, as the discussion crosses over jurisdictional lines and involves both health and human services.

The following information was largely provided by the Administration.

**Defining Long-Term Services and Supports.** Long-Term Services and Supports (LTSS) includes a broad range of services and supports delivered by paid providers and unpaid caregivers to people who have limitations in their ability to care for themselves. These limitations are due to physical, mental, cognitive, or chronic health conditions that are expected to continue for an extended period. LTSS services can be provided in a variety of settings including at home, in the community, in residential care, or in institutional settings.

**Background and Challenges Faced.** Most older adults in California, 6.5 million, are covered by Medicare for primary and acute care, prescription drugs, and most other health services. Although Medicare covers many services, it provides limited coverage for long-term services and supports (LTSS). While Medicaid (Medi-Cal in California) covers LTSS for low-income individuals of all ages (about 44% of LTSS costs nationwide), Medi-Cal does not cover middle income older adults.

Most Californians cannot afford to purchase private long-term care insurance. Paying out-of-pocket for LTSS is cost prohibitive for many and creates a significant financial and social burden for families. Consequently, many Californians forego the care they need or, alternatively, incur high out-of-pocket costs that lead to impoverishment. Addressing challenges in how to finance LTSS, particularly for those in the “overlooked middle” is a key component to California’s [Master Plan for Aging](#) (MPA).

A national solution to the challenge of LTSS affordability was envisioned in the federal Affordable Care Act, through the Community Living Assistance Services and Supports Act, a voluntary and public long-term care insurance option for employees. In October 2011, the Obama Administration announced it was unworkable and would be dropped, due to adverse selection concerns. Since 2011, the nation’s aging population has increased exponentially making this issue even more of a concern today.

In response to the State of Washington passing a public LTSS benefit funded by a payroll tax, the 2019 Budget Act authorized funding for the Department of Health Care Services (DHCS) to contract with a qualified entity for a feasibility study and actuarial analysis of long-term services and supports financing and services options. DHCS selected Milliman, a national actuarial firm, to prepare this study. The final report, dated September 2020, provides a list of policy options and fiscal estimates, and actuarial analysis of the policy options, and is available on the DHCS website.

On December 15, 2022, the California Department of Insurance (CDI) Long Term Care Insurance (LTCI) Task Force approved a Feasibility Report on a Long-Term Care Insurance program, prepared by Oliver Wyman. A subsequent actuarial report was completed in 2023. This effort was authorized by Chapter 746, Statutes of 2019. These reports are posted on the CDI website.

With funding provided by the Legislature, the California Department of Aging (CDA) launched the LTSS Financing and Affordability Initiative, which includes population analysis as well as policy research and analysis of options to address the LTSS financing crisis. The final report will be submitted to the Legislature in June 2026. A stakeholder webinar will be held in May 2025 to provide an update on progress to date.

States and researchers use different terminologies and definitions for middle income older adults who have trouble affording LTSS. CDA uses the term “Overlooked Middle” to set a benchmark for what constitutes an income level that is necessary to afford the cost of LTSS. Using this definition, we define the “overlooked middle” as adults aged 60 and older with annual incomes between approximately 139% to 500% of the Federal Poverty Level (FPL). Approximately 3.86 million Californians aged 60 years or older were in this “Overlooked Middle” cohort in 2023. These individuals do not qualify for full Medi-Cal coverage, and most would be unable to afford a \$50,000 LTSS expense without having to compromise basic living needs.

Multiple programs across CDA, DHCS, Department of Rehabilitation (DOR), and the California Department of Social Services (CDSS) provide low-income individuals with long-term services and supports, housing, and supplemental security income/state supplemental payments (SSI/SSP). However, for the most part, these programs do not support the Overlooked Middle. CDA offers additional programs that serve older adults regardless of income.

**Population Estimates and Projections of LTSS Needs.** The Congressional Research Service indicates LTSS spending for all ages totaled \$467.4 billion in the U.S. in 2021, with 44% paid by Medicaid, 20% paid by Medicare, 7% other public, 14% out of pocket, 8% private insurance, and 7% other private.

It is estimated that in 2023, approximately 3.86 million Californians aged 60 years or older fell in the “Overlooked Middle” cohort. CDA is working with the University of Massachusetts, Boston and the Urban Institute to analyze current and potential LTSS needs and identify factors driving this potential need for LTSS. This effort is funded by the \$5.0 million investment in the 2022-23 Budget Act for LTSS review. The analysis will consider the impact of LTSS need on continued

income adequacy to afford shocks including significant LTSS needs, caregiver network capacity and availability, and implications for service availability/access.

Additionally, to better understand and identify the needs and preferences of individuals falling in the Overlooked Middle, CDA is leading a mixed method analysis with its LTSS Financing Initiative partners: 1) [NORC](#), a nonpartisan research organization, will field a survey related to LTSS financing, affordability and service delivery; and 2) Community Catalyst will hold a series of listening sessions with older adults, people with disabilities and caregivers from across the state. The survey and focus group findings will be released by CDA in the spring of 2025.

**Population Estimates and Projections of Supplemental Security Income /State Supplementary Payment.** Currently, slightly more than one million older adults and people with disabilities in California rely on Supplemental Security Income (SSI) and State Supplementary Payment (SSP) income to meet their needs. For Individuals that are Aged or Disabled, their SSI/SSP monthly payment increased from \$907 per month in 2009 to \$1,207 per month in 2025. In the current year, 2025, the SSI/SSP payment amount for individuals falls 7.5 percent below the Federal Poverty Level. More on the SSI/SSP program is included under Issue 5 of this agenda.

SSI/SSP Caseload included in the 2025-26 Governor's Budget:

- 2024-25: 1,086,694
- 2025-26: 1,078,708

**Population estimates of homelessness.** California's population is aging, and older adults are the fastest growing population experiencing homelessness in California. According to the UCSF Benioff Homelessness and Housing Initiative, 48% of single homeless adults were 50 and older. ([California Statewide Study of People Experiencing Homelessness](#)). Older adults and people with disabilities who are housing insecure often face unique challenges and can be subject to inequities in service delivery systems, including, but not limited to living on fixed incomes, lack of accessible housing and shelter options, lack of employment opportunities, and limited support to navigate bureaucratic systems.

**Population estimates of Community Care Licensing on Adult and Senior Care Programs (ASCP).** Community Care Licensing data on its Adult and Senior Care Programs (ASCP) is included in the charts on the next two pages.

<b>ASCP Total Licensed Facilities and Capacity by Facility Type FY 2023/2024</b>		
<b>Facility Type</b>	<b>Facility Count</b>	<b>Facility Capacity</b>
Adult Day Program	943	58,530
Adult Residential Facility (ARF)	5,895	39,201
ARF for Persons with Special Health Needs	93	443
Community Crisis Home - ARF	24	99
Continuing Care Retirement Community - RCFE	110	34,787
Enhanced Behavioral Supports Home - ARF	77	289
Residential Care Facility for the Chronically Ill	13	193
Residential Care Facility for the Elderly (RCFE)	7,578	176,959
Social Rehabilitation Facility	311	2,996
<b>Total</b>	<b>15,044</b>	<b>313,497</b>

**Number of Facilities<sup>1</sup> and Total Capacity<sup>2</sup> that Serve SSI/SSP Recipients<sup>3</sup> - Q4 2024**

<b>Facility Type</b>	<b>2024 Q4 Facilities</b>	<b>2024 Q4 Capacity</b>
Adult Care Facilities	617	11,679
Senior Care Facilities	1,315	52,667
<b>Total</b>	<b>1,932</b>	<b>64,346</b>

**Data Sources:**

*Facility data from the Community Care Licensing (CCL) Field Automation System, Regional Center data from the Department of Developmental Services (DDS) Home and Community Based Services (HCBS) list, and SSI/SSP Recipient data from the Social Security Administration (SSA)*

**Table Notes:**

**1:** Facilities vendored by Regional Centers that serve individuals with intellectual disabilities/developmental disabilities and receive federal funding have been excluded from the data including all Adult Residential Facilities for Persons with Special Health Care Needs, Community Crisis Homes, and Enhanced Behavioral Support Home facilities. The methodology for identifying regional center facilities was updated February 2023. As a result, discrepancies between previously reported quarterly figures and updated quarterly figures may be observed.

**2:** Licensed capacity represents total facility capacity and is not indicative of available beds or the ability to accept clients receiving SSI/SSP benefits.

**3:** Data limitations: Community Care Licensing collects information on facility-specific licensing data, not the particular resident. To obtain resident-specific information, the division collects data from the Social Security Administration (SSA) and overlays the information onto the facility database. The ability to match CCL data to SSA data is dependent on the accuracy of the address on file with the SSA. A facility is counted as serving SSI/SSP recipients if there is at least one address match. The data presented includes all facilities with SSI/SSP recipients at each facility address, which could be licensees, their family, or staff. This data may include duplicate counts if a recipient lived in multiple addresses during each quarter reported.

**Opportunities in LTSS.** There is no one-size-fits-all solution to addressing issues in LTSS, but there are opportunities at the local, state, and federal levels. CDA will present a report that surveys policy and program opportunities at the state and federal level that together could help find solutions to the financing crisis. A component of the initiative includes outlining how the federal Medicare program could play a role in financing a Home and Community Based Services (HCBS) benefit targeting those in the “Overlooked Middle.” The concept outlines how Medicare could cover specified HCBS to delay or prevent institutionalization, while supporting Medicare beneficiaries who fall in the “Overlooked Middle.” CDA looks forward to releasing the final report that presents the population and policy analysis in June 2026.

**Housing and Homelessness.** The Community Care Expansion (CCE) program preserves and creates new housing with care and supportive services to help make sure that communities across the state continue to expand and preserve the long-term supportive services capacity to address the housing and care needs of older adults and individuals with disabilities that are underserved and living on a fixed income. All CCE Expansion funding has been awarded. Nearly \$570 million has been invested in local communities, which will produce more than 3,100 beds/units of housing at licensed adult and senior care residences, permanent supportive housing sites, medical respite and other housing options.

CDSS has awarded \$247 million in CCE Preservation funds to 34 counties. Since the spring/summer of 2023, counties have started developing and launching their local CCE programs. As of February 2025, at least 14 counties have contracted with 82 facilities to preserve 2,022 beds within licensed RCFE's and ARF's that serve applicants and recipients of SSI/SSP or CAPI who are experiencing or are at risk of homelessness.

Additionally, in 2023-24, Home Safe and Housing and Disability Advocacy Program (HDAP) served 18 percent of adults over 55 receiving homelessness services through local homeless response systems. In 2023-24, 6,959 individuals were served by Home Safe, and 16,071 individuals were served by HDAP. Grantees have identified these resources as a critical part of the safety net for older adults who are at risk of or are experiencing homelessness, by helping to increase stability and better housing outcomes for vulnerable older adults. Of note, the California Interagency Council on Homelessness is co-chaired by California Health and Human Services Agency Secretary Johnson alongside the Business, Consumer Services and Housing Agency Secretary Moss. The Departments of Aging, Health Care Services, Social Services, and Rehabilitation, among others, all serve on the council and recently approved the [2025-27 Action Plan to Prevent Homelessness](#). Additionally, the Governor recently released a [new website](#) dedicated to data transparency focused-on housing, homelessness, and behavioral health.

Issue 7 of this agenda includes additional information about these housing and homelessness programs.

### Panel

#### Questions for the Panel:

- ◇ What are the challenges for aging Californians and what are possible strategies to connect them with needed long-term care supports and services if they do not qualify for Medi-Cal?
- ◇ How big is the cohort of the Forgotten or Overlooked Middle, and how is it likely to change in the future?
- ◇ What pressures will there be on public programs and how can we prepare for that?
- ◇ How do we strengthen RCFE and ARF capacity to match needs better and to avoid older adult homelessness, which is increasing?

**Panelists:**

- Susan Philip, Deputy Director, Health Care Delivery Systems, Department of Health Care Services
- Sarah Steenhausen, Deputy Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Trinh Phan, Director, State Income Security, Justice in Aging
- Margot Kushel MD, Professor of Medicine, University of California (UCSF), San Francisco; Director UCSF Benioff Homelessness and Housing Initiative and Action Research Center for Health Equity; Division Chief Division of Health Equity and Society
- Sarita A. Mohanty, MD, President and Chief Executive Officer, The SCAN Foundation
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office
- Karina Hendren, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

**Staff Recommendation:** Hold open.

**Issue 2: Adult Day Services and Community-Based Adult Services (CBAS) Rates**

**Issues for Subcommittee Consideration.** This issue provides an overview of Community Based Adult Services (CBAS) program and asks questions regarding the CBAS rates. This is a joint issue for Subcommittees No. 1 and No. 2 for this hearing, as the discussion crosses over jurisdictional lines and involves both health and human services departments.

The following information was largely provided by the Administration.

**Program Description.** CBAS is a community-based day health program that provides services to older persons and adults with chronic medical, cognitive, or mental health conditions and/or disabilities that are at risk of needing institutional care. The purpose is to delay or prevent institutionalization and maintain individuals in their homes and communities for as long as possible. CBAS operates as a Medi-Cal waiver program.

Former adult day health care (ADHC) participants who met the more stringent CBAS eligibility standards began receiving CBAS services in approved CBAS centers on April 1, 2012. There are 303 certified CBAS centers serving 28 counties throughout the state. In addition to meeting Medi-Cal program and waiver requirements, CBAS providers must maintain an ADHC license.

Under an interagency agreement, the CBAS Program is administered among the Department of Health Care Services (DHCS), California Department of Public Health (CDPH), and the California Department of Aging (CDA). CDA certifies licensed ADHC centers as Medi-Cal CBAS providers. CDA is responsible for initial certification of new CBAS centers as Medi-Cal providers, certification renewal, providing ongoing training and technical assistance to centers, and initiating adverse certification actions against centers that are substantially out of compliance with program requirements.

**Program Benefits.** The CBAS Program is an alternative to institutionalization for those individuals who are capable of living at home with the aid of appropriate health, rehabilitative personal care, and social services. The Program stresses partnership with the participant, the family and/or caregiver, the primary care physician, and the community in working toward maintaining personal independence.

Each CBAS center has a multidisciplinary team of health professionals who conduct a comprehensive assessment of each potential participant to determine and plan services needed to meet the individual's specific health and social needs. Services provided at the center include the following:

- Professional nursing services
- Physical, occupational, and speech therapies
- Mental health services
- Therapeutic activities
- Social services
- Personal care
- Hot meals and nutritional counseling
- Transportation to and from the participant's residence

**Eligibility Requirements.** Services are available to individuals 18 years of age or older who meet specific medical necessity and eligibility criteria. Individuals must be currently eligible for Medi-Cal under a qualifying primary Medi-Cal aid code, as CBAS is a Medi-Cal managed care benefit.

CBAS remains a Medi-Cal fee-for-service benefit for a small percentage of individuals who are exempt from Medi-Cal managed care enrollment. ADHC remains a non-Medi-Cal program for individuals who pay out-of-pocket for services in licensed ADHC centers, such as third-party payers (long-term care insurance companies, Regional Centers, or the Veterans Administration).

**Program Statistics.**

- In 2022-23, CBAS served approximately 37,632 participants.
- In 2023-24, CBAS served approximately 38,081 participants

**Panel**

**Questions for the Panel:**

- ◇ Please describe the population served in the CBAS program and their challenges. How is CBAS keeping these individuals in community-based settings and avoiding institutionalized care, i.e. skilled nursing homes?
- ◇ What is the supply and demand for this service and how do we expect this to change in the near-term?
- ◇ What was the rate change for CBAS last year and what occurred as a result of the passage of Proposition 35?
- ◇ Will providers need to pay back the rate differential that was recently rescinded pursuant to the Department of Health Care Services notification?

**Panelists:**

- Mark Beckley, Chief Deputy Director, California Department of Aging
- Susan Philip, Deputy Director, Health Care Delivery Systems, Department of Health Care Services
- Brian Rutledge, Executive Director, California Association for Adult Day Services
- Isabella Alioto, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office
- Jason Constantouros, Principal Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

**Staff Recommendation:** Hold open.

**4170 California Department of Aging (CDA)**  
**5180 Department of Social Services (DSS)**

**Issue 3: Issues and Concerns Regarding the In-Home Supportive Services (IHSS) Collective Bargaining Report**

**Issues for Subcommittee Consideration.** This issue provides an overview of the In-Home Supportive Services (IHSS) program, administered by the California Department of Social Services (CDSS). The focus of the discussion is on the pending report, anticipated to be released formally shortly after this hearing, regarding the costs and benefits of transitioning the IHSS program from the current county level collective bargaining model to a statewide or regional collective bargaining model.

**Background on IHSS.** In-Home Supportive Services (IHSS) is a Medi-Cal program administered by CDSS that allows low-income individuals who are blind, over 65, or have disabilities to receive personal care and assistance with daily living in their own home by a provider of their choice, delaying or avoiding more expensive institutional settings. Eligibility is based on Medi-Cal eligibility and assessed need for supportive services.

**Governor's Budget for IHSS.** The revised 2024-25 budget includes \$25.8 billion (\$9.5 billion General Fund) for the IHSS program and administration costs. This reflects an increase of \$654.9 million (\$365.8 million General Fund) from the 2024 Budget Act, reflecting growth in caseload, cost per hour, and hours per case.

The Governor's proposed 2025-26 budget includes \$28.5 billion (\$10.6 billion General Fund) for IHSS, an increase of \$3.3 billion (\$1.4 billion General Fund) compared to the 2024 Budget Act. This also reflects an increase in projected caseload, cost per hour, and hours per case. Overall, the Governor's budget projects a 10 percent increase in total funds for IHSS compared to revised 2024-25 estimates.

**Costs and Caseload.** IHSS costs are shared between federal, state, and local governments. Approximately 98 percent of the IHSS caseload receives federal financial participation, with the majority of the caseload receiving about 50 percent federal financial participation, about four percent receiving 90 percent federal financial participation, and about two percent in the IHSS Residual program receiving only state and county funding.

IHSS caseload in 2024-25 is 717,814 and is projected at 771,650 for 2025-26, a 7.5 percent increase. IHSS recipients generally are eligible to receive up to 283 hours per month of assistance with tasks such as bathing, dressing, housework, and meal preparation. Social workers employed by county welfare departments conduct an in-home assessment of an individual's needs in order to determine the amount and type of service hours to be provided. In most cases, the recipient is responsible for hiring and supervising a paid IHSS provider—oftentimes a family member or relative. The average number of service hours that will be provided to an estimated 771,650 IHSS recipients is projected to be 123.7 hours per person per month in 2025-26 (which is the same number of hours per case estimated for 2024-25).

The Legislative Analyst's Office (LAO) notes that based on the most recent actual caseload data, it appears that the IHSS caseload is growing at a faster rate than the Governor's 2025-26 budget proposal – meaning that actual costs may be higher than projected for 2025-26. Many factors contribute to IHSS caseload growth, including: the phase-in of full-scope Medi-Cal regardless of immigration status from 2020-2024, the elimination of the Medi-Cal asset test effective January 2024, and changes to streamline eligibility for minor recipients of IHSS in 2023.

**Collective Bargaining Analysis Update.** The 2023-24 Budget Act provided DSS with \$1.5 million to analyze the costs and benefits of transitioning the IHSS program from the current county level collective bargaining model to a statewide or regional collective bargaining model. Among other issues, this analysis was requested to include a fiscal analysis of the cost of making such a transition, including potential fund sources and potential impacts on the current realignment structure. Additionally, this analysis was to discuss how this transition may impact workforce recruitment and retention.

Though this analysis was required to be released no later than January 2025, DSS has communicated that they are in the final processes of releasing their analysis. CDSS reports that the IHSS Collective Bargaining Report was released to workgroup members on March 21, 2025, and they have until April 4, 2025 to complete their review and provide a formal letter that will be included in the report. Once workgroup members complete their review, the report will be released to the Legislature soon after.

**IHSS Administrative Funding Rebase Efforts.** CDSS was required in statute (Chapter 46 of 2024 [AB 161, Committee on Budget]) to review the budgetary methodology used to determine annual funding for the county administration of IHSS alongside workload and administrative costs. This review was required to begin with fiscal year 2025-26 and every three years thereafter. This work is currently underway. The administration is also required to provide information to the appropriate budget committees on the review and how it may impact costs.

**Additional Long-Term Supports and Services (LTSS) Workforce-Related Efforts.** The Administration provided the following information on additional efforts regarding and supporting the caregiver community and workforce.

Both the California Department of Aging (CDA) and CDSS have made concerted efforts to help address the workforce shortage for older adults. This includes support for both the direct care workforce, In-Home Support Services (IHSS) workers, and unpaid family caregivers. The over-representation of women and people of color within these positions only emphasizes the need to make sure the state is providing support to this critical workforce.

**Direct Care Workforce.** CDA's CalGrows Initiative provided incentives, support, and career pathways for the non-In-Home Supportive Services (IHSS) Home and Community-Based Services (HCBS) workforce, contributing to high-quality care statewide. California saw the following outcomes in CalGrows:

- 33,429 unique learners with 220,646 courses completed
- Over \$35.9 million paid out in stipends and incentives to direct care workers

- 850 courses offered in 10 languages
- 72 local, regional and statewide nonprofit and academic organizations participating as grantees

While CalGrows ended in September 2024 with the one-time federal funding ending, the free training content remains accessible through the CalGrows website

**Family Caregivers.** Ensuring that we have the workforce needed to care for our aging population includes supporting California's 5 million family caregivers who care for parents, spouses and friends at home and in the community.

In partnership with the University of California, Davis Family Caregiving Institute and the State's 11 Caregiver Resource Centers, CDA developed a caregiver equity roadmap to improve the quality of services and support for family caregivers across the state. This roadmap will be released in July 2025.

In 2024, CDA was awarded nearly \$500,000 from the federal Administration for Community Living (ACL) to advance the 2022 National Strategy to Support Family Caregivers. With this funding, CDA is launching Cal CARES (California Caregiver Awareness, Resources, Education & Support) with a focus on underserved and underrepresented communities to improve outreach to caregivers, navigation of caregiver resources, and access to caregiver education and training opportunities.

**IHSS Workforce.** In 2024-25, the IHSS caseload is projected to be 717,814 individuals with about 716,822 of IHSS providers delivering care across the state. IHSS is the largest home and community-based service program in California. As such, supporting and strengthening the IHSS workforce is critically important. In 2021-22, DSS received one-time funding for the IHSS Career Pathways program, a pilot training project to incentivize, support, and fund training for IHSS providers. The IHSS Career Pathways program offered training to providers from October 2022 until September 2024. As of January 8, 2025, the program served over 59,000 providers, enabling providers to receive wages and earn incentives by taking training classes in five different pathways to help enhance their skills to better serve IHSS recipients and to support the recruitment, retention, and advancement of providers.

There was a strong demand for IHSS Career Pathways classes. The CDSS has approved and paid providers for 1,429,512 claims for their time spent in training. Specifically, CDSS has approved and paid providers for the following incentives:

- 83,376 15-Hour Training Incentives (\$500 each)
- 7,638 One-Month Incentives (\$500 each)
- 4,957 Six-Month Incentives (\$2,000 each)

**Panel****Questions for the Panel:**

- ◇ How can California strengthen the IHSS workforce and workforce needs more generally to meet the demand as the aging population increases?
- ◇ What are the main considerations that will be reflected in the pending analysis on the costs and benefits of transitioning to a collective bargaining model?
- ◇ What work is occurring on the IHSS county administrative funding rebase and when can the Legislature expect to receive the information pursuant to statute?

**Panelists:**

- Leora Filosena, Deputy Director, Adult Programs Division, California Department of Social Services
- Tiffany Whiten, Senior Government Relations Advocate, California State Council of the Service Employees International Union (SEIU)
- Kristina Bas Hamilton, Senior Director of External Affairs, United Domestic Workers (UDW)/AFSCME, Local 3930
- Justin Garrett, Senior Legislative Advocate, California State Association of Counties
- Janie Whiteford, President, California In-Home Supportive Services (IHSS) Consumer Alliance
- Kate Laddish, IHSS Consumer from Yolo County and Chair, Yolo County IHSS Advisory Committee
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**LAO Comments**

The LAO's analysis of the IHSS program is available [here](#).

**Staff Comments**

The Subcommittee is in receipt of a letter from Assemblymember Matt Haney requesting \$1 million for staffing to support the intended implementation of statewide collective bargaining for IHSS.

The Subcommittee may want to ask about what role the Legislature would have in setting policy and modifying the budget for IHSS in the context of a collective statewide bargaining structure, particularly given the experience so far with child care collective bargaining.

**Staff Recommendation:** Hold open.

**Issue 4: “No Wrong Door” – Concrete Steps to Streamline Access to Supports and Services**

**Issues for Subcommittee Consideration.** This issue provides an overview of the efforts to improve access to long-term care supports and services, called “No Wrong Door.” The Administration has provided the following information as background to this discussion.

**Background on “No Wrong Door.”** Developing an Aging and Disability No Wrong Door System (NWD) is a key component to California’s Master Plan for Aging. The NWD system would build upon the state’s Aging and Disability Resource Connection (ADRC) network to assist older adults, persons with disabilities, and caregivers to find services and supports in their communities and discuss their service options with an experienced navigator.

In terms of steps to implement a NWD system, in 2024 CDA hired a consultant to research best practices for the development, implementation, and operation of Aging and Disability NWD systems in other states. Drawing on a federal grant award, CDA also established an Aging and Disability NWD State Leadership Council (SLC) consisting of CDA, DHCS, DOR, CDSS and DDS that together will help develop the policies of the NWD system, operational standards and procedures, and what the configuration of the NWD resource hub would need to look like.

Also in 2024, CDA leveraged the Home and Community Based Services (HCBS) Aging and Disability Resource Connections (ADRC) funds to develop a data repository to centrally store information about Aging programs. This system will enable the department to conduct research on the availability and provider capacity for different types of services throughout the state as well as any gaps, program improvement, and expansion opportunities. By the end of 2025, the data repository will contain information about the Older Americans Act programs, the Ombudsman program and the Office of the Patient Representative programs. CDA is leveraging funding from the American Rescue Plan Act to include these programs in the data repository.

Over time, the Administration anticipates the need for formal Memorandums of Understanding (MOUs) to memorialize partnerships with government agencies that are participating in the NWD system to ensure roles and expectations of the parties are clear. Such MOUs would be crafted in collaboration with the partner agencies and reviewed by the State Leadership Councils.

**Panel****Questions for the Panel:**

- ◇ What was compiled and learned from the \$5 million (HCBS) investment for ADRCs?
- ◇ What specific laws and MOUs must be established in order to achieve a no-wrong-door system?
- ◇ What are other near-term steps the state can take to advance this initiative?

**Panelists:**

- Mark Beckley, Chief Deputy Director, California Department of Aging
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

**Staff Recommendation:** Hold open.

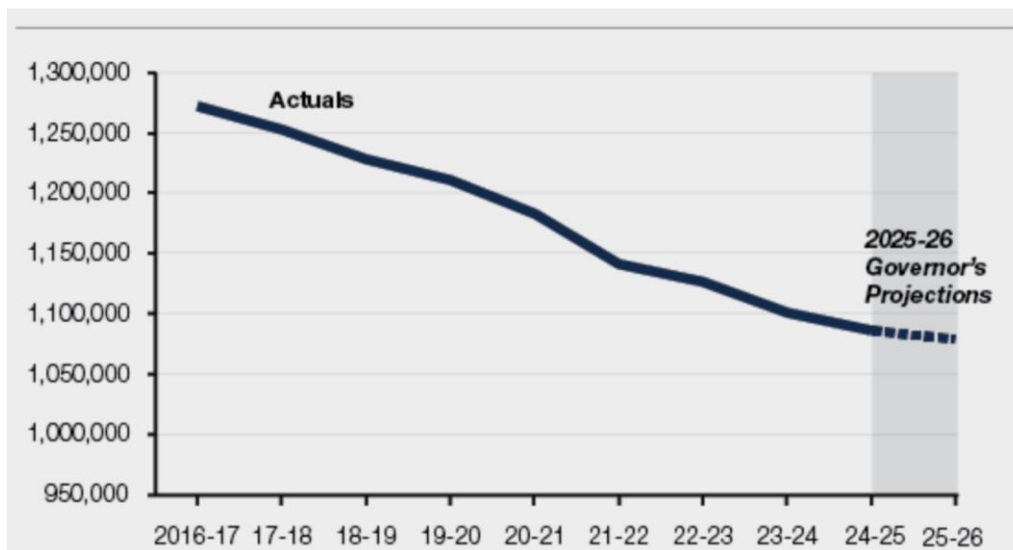
### Issue 5: SSI/SSP Grant Levels and State Cost of Living Adjustment (COLA)

**Issues for Subcommittee Consideration.** This issue provides an overview of the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program, which is administered jointly by the federal government and the California Department of Social Services (CDSS). The SSI/SSP program provides cash grants to low-income aged, blind, and disabled individuals. Grant levels for SSI/SSP are determined by both the federal government and the state. Specifically, the federal government pays for the SSI portion of the grant while the state pays the SSP portion of the grant.

**Governor's Budget for SSI/SSP.** The Governor's revised 2024-25 budget includes \$11.1 billion (\$3.6 billion General Fund) for SSI/SSP, which reflects a decrease of \$211.9 million (\$55.9 million General Fund). The total fund decrease reflects a lower average grant, partially offset by a slower caseload decline than previously projected in the 2024 Budget Act. The costs for the Cash Assistance Program for Immigrants (CAPI) program, which provides grants to individuals ineligible for SSI/SSP solely due to immigrant status, are \$239.7 million General Fund in 2024-25.

The 2025-26 Governor's budget includes \$11.2 billion (\$3.6 billion General Fund) for SSI/SSP, which reflects a decrease of \$83.6 million (\$61.3 million General Fund) compared to the Budget Act of 2024. The total fund decrease reflects a lower average grant, partially offset by a slower caseload decline than previously projected in the 2024 Budget Act as well as the full-year impact of the 2025 cost of living adjustment (COLA) of 2.5 percent, and the half-year impact of the anticipated 2026 Federal COLA of 2.3 percent. The costs for the CAPI program are \$254 million General Fund in 2025-26.

**Caseload Declining.** The SSI/SSP caseload for 2025-26 is projected at 1,078,708 individuals, about a 0.7 percent decrease from the revised 2024-25 estimate (SSI/SSP caseload has been on a steady decline for years due to several factors, including the asset limit of \$2,000 for individuals and \$3,000 for couples).



The following chart from the LAO includes more detail on the SSI/SSP population across California's 58 counties.

### SSI/SSP Enrollment/Spending by County

Calendar Year 2024 (Dollars in Millions)

County	Number Enrolled in SSI/SSP (Total Cases, Monthly Average)	Percentage of County Population Enrolled in SSI/SSP	SSI/SSP Spending From All Funds
Alameda	43,170	2.6%	\$423.2
Alpine	19	1.8	0.2
Amador	631	1.6	6.2
Butte	8,253	4.0	80.9
Calaveras	889	2.0	8.7
Colusa	473	2.1	4.6
Contra Costa	22,751	2.0	223.0
Del Norte	1,546	5.8	15.2
El Dorado	2,575	1.4	25.2
Fresno	39,647	3.9	388.7
Glenn	964	3.3	9.4
Humboldt	4,843	3.6	47.5
Imperial	9,373	5.1	91.9
Inyo	310	1.7	3.0
Kern	31,157	3.4	305.4
Kings	4,280	2.8	42.0
Lake	3,176	4.8	31.1
Lassen	819	2.9	8.0
Los Angeles	341,605	3.5	3,348.8
Madera	4,150	2.6	40.7
Marin	2,734	1.1	26.8
Mariposa	425	2.5	4.2
Mendocino	3,010	3.3	29.5
Merced	9,866	3.4	96.7
Modoc	376	4.4	3.7
Mono	73	0.6	0.7
Monterey	6,985	1.6	68.5
Napa	1,815	1.3	17.8
Nevada	1,878	1.8	18.4
Orange	69,290	2.2	679.2
Placer	5,653	1.4	55.4
Plumas	482	2.5	4.7
Riverside	59,539	2.4	583.7
Sacramento	58,259	3.7	571.1
San Benito	907	1.4	8.9
San Bernardino	64,321	2.9	630.5
San Diego	72,546	2.2	711.2
San Francisco	35,305	4.2	346.1
San Joaquin	23,916	3.0	234.4
San Luis Obispo	3,613	1.3	35.4
San Mateo	9,190	1.2	90.1
Santa Barbara	7,366	1.7%	72.2
Santa Clara	38,205	2.0%	374.5
Santa Cruz	4,678	1.8%	45.9

(Continued)

County	Number Enrolled in SSI/SSP (Total Cases, Monthly Average)	Percentage of County Population Enrolled in SSI/SSP	SSI/SSP Spending From All Funds
Shasta	7,999	4.4%	78.4
Sierra	62	1.9	0.6
Siskiyou	2,186	5.1	21.4
Solano	10,239	2.3	100.4
Sonoma	7,119	1.5	69.8
Stanislaus	17,525	3.2	171.8
Sutter	3,343	3.4	32.8
Tehama	2,643	4.1	25.9
Trinity	540	3.4	5.3
Tulare	17,133	3.6	168.0
Tuolumne	1,427	2.7	14.0
Ventura	14,582	1.8	142.9
Yolo	4,442	2.0	43.5
Yuba	3,237	3.9	31.7
<b>Totals</b>	1,093,537	2.8%	\$10,719.9

Note: Data are from DSS reports, DOF population estimates, and our office's own analysis. Spending figures should be considered to be rough estimates.

**Maximum Monthly Grant Levels.** The maximum SSI/SSP monthly payment, effective January 2025, is \$1,206.94 for individuals and \$2,057.83 for couples. Projected 2025-26 maximum grant levels generally equate to about 90 percent of the federal poverty line for individuals and 114 percent of the federal poverty for couples, as shown in the LAO chart below.

	2023-24 (Actual)	2024-25 (Actual)	2025-26 (Projected)
<b>Maximum Grant—Individuals</b>			
SSI	\$943.00	\$967.00	\$989.00
SSP	239.94	239.94	239.94
<b>Totals</b>	<b>\$1,182.94</b>	<b>\$1,206.94</b>	<b>\$1,228.94</b>
Percent of federal poverty level <sup>b</sup>	94.26%	92.54%	90.45%
<b>Maximum Grant—Couples</b>			
SSI	\$1,415.00	\$1,450.00	\$1,483.00
SSP	607.83	607.83	607.83
<b>Totals</b>	<b>\$2,022.83</b>	<b>\$2,057.83</b>	<b>\$2,090.83</b>
Percent of federal poverty level <sup>b</sup>	118.76%	116.76%	113.87%

<sup>a</sup>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 the respective fiscal year.

<sup>b</sup>Compares grant level to federal poverty guidelines from the U.S. Department of Health and Human Services for 2024 and 2025. Estimates of federal poverty guidelines for 2026 are based on the LAO Consumer Price Index for All Urban Consumers projection. The 2026 federal poverty guidelines will not be finalized until fall 2025.

**Sufficiency of Grant Levels to Meet Basic Living Needs.** Many individuals who receive SSI/SSP struggle to maintain stable housing and meet basic living expenses. While the maximum SSI/SSP grant is above the federal poverty line for couples, it is below the federal poverty line for individuals, and as shown in the LAO chart above, will fall further below the federal poverty line in 2025-26.

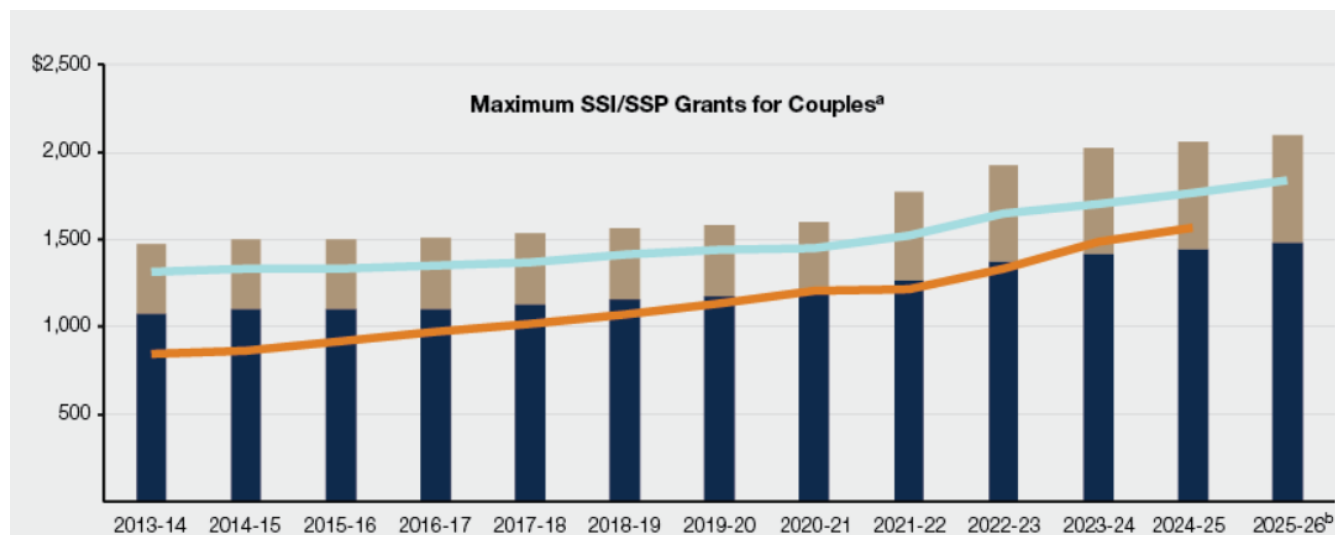
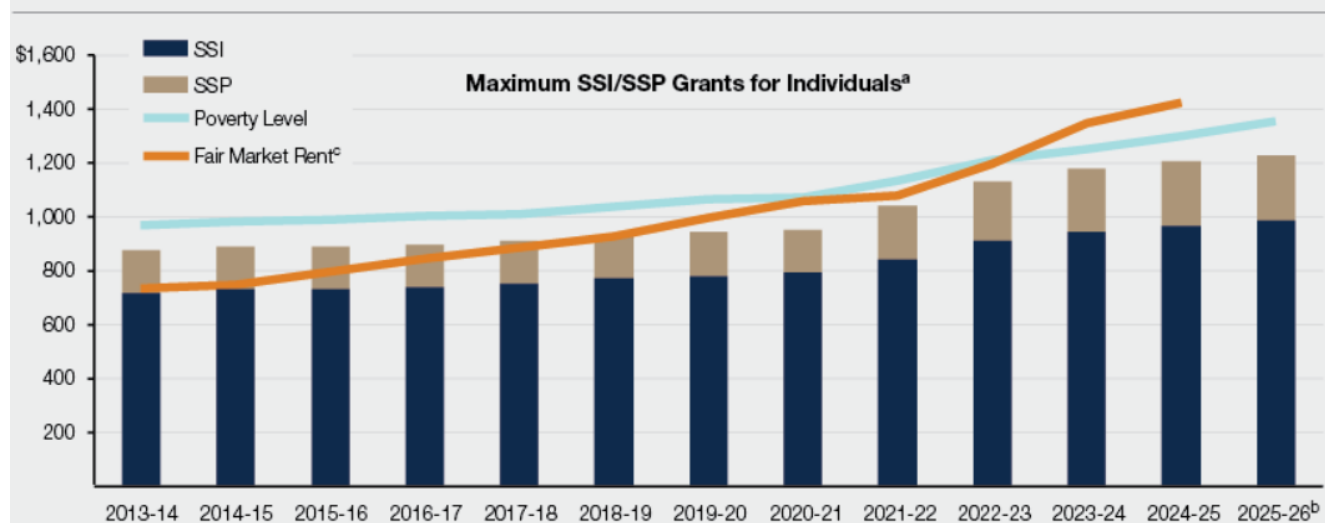
The projected increases to maximum SSI/SSP grant levels in 2025-26 are entirely due to the estimated federal SSI COLA. The Governor's budget estimates that the federal COLA for the SSI portion of the grant will be 2.5 percent in 2025-26, increasing maximum SSI grants by \$22 for individuals and \$33 for couples in January 1, 2026 (the actual federal SSI COLA will not be known until fall 2025). The Governor's budget does not propose any change in the maximum SSP grants for 2025-26.

**Looking at Grants Against Rental Costs.** Most SSI/SSP recipients (roughly 60 percent) live in the 14 counties with the highest fair market rents, all of which are located within the Central Coast and San Francisco Bay regions, as well as Los Angeles, Orange, and San Diego Counties. In all of these 14 counties, the maximum SSI/SSP grant for couples is less than the fair market rent for a one-bedroom unit. This includes nine counties (where 22.5 percent of SSI/SSP recipients live) where the maximum SSI/SSP grant for couples is less than the fair market rent for a studio apartment. The charts on the following page, provided by the LAO, demonstrate maximum SSI/SSP grants for individuals and couples compared to both fair market rent and the federal poverty level.

**Costs to Reinstitute a State COLA.** Based on the CNI of 3.00% from 2024, the estimated costs to reinstate the state statutory COLA for SSP, beginning on January 2026, is projected at \$54.5 million General Fund in 2025-26 (half-year costs) and \$108.9 million General Fund ongoing annually.

The most common SSP grant for individuals/couples is estimated to be \$239.94/\$607.83 on January 2026. CDSS references its Local Assistance Reference Document entitled "Estimated SSP Payment Standards if COLA had been Applied Based on January 2009" and states that the value of the most common SSP grant for individuals/couples would be \$394.51/\$961.72 if the annual SSP COLA had not been eliminated in 2009.

## Maximum SSI/SSP Grants for Individuals and Couples Compared to Federal Poverty Level & Fair Market Rent



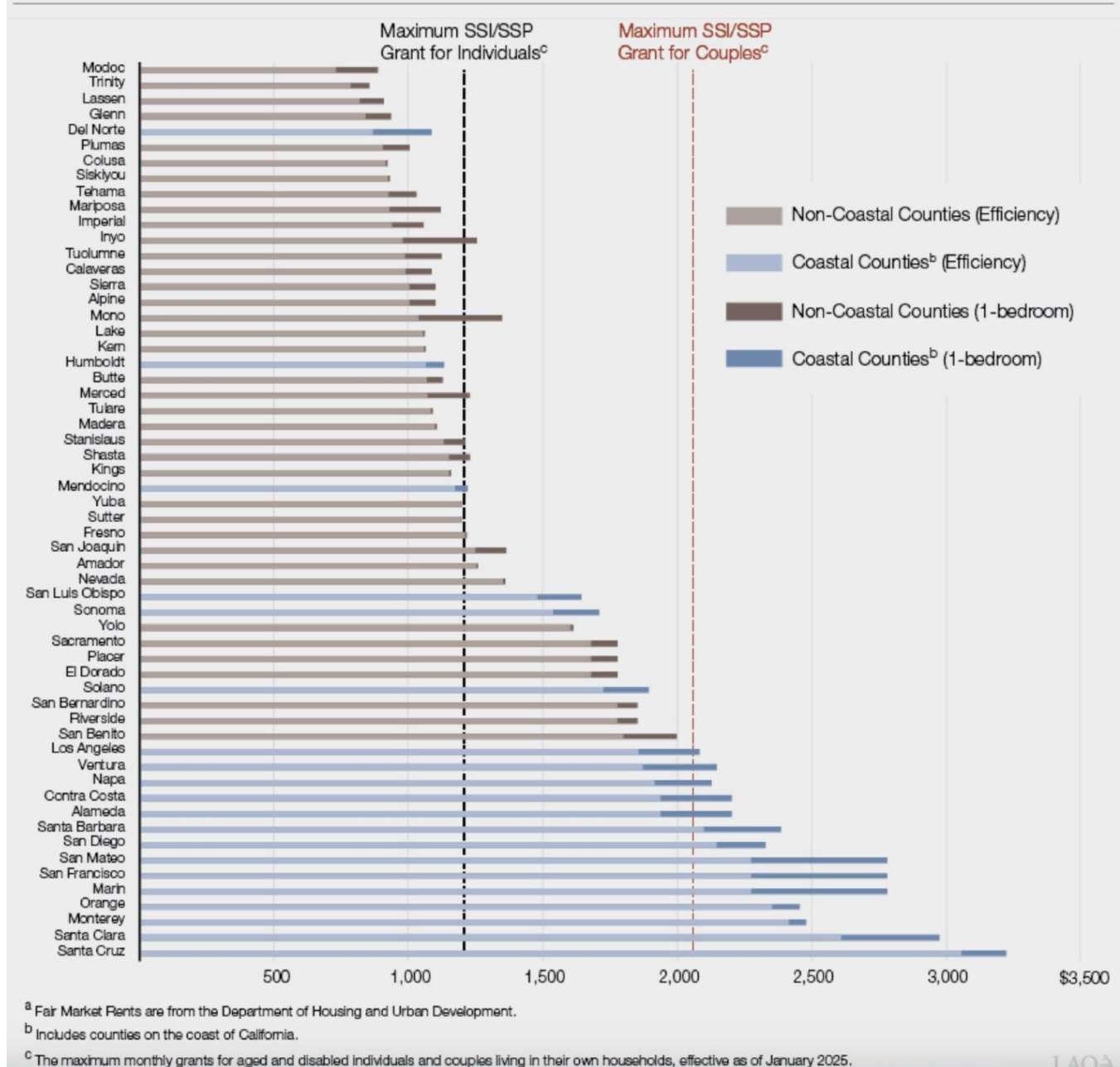
<sup>a</sup> The maximum SSP grant levels for aged and disabled individuals and couples living in their own households, effective January of each fiscal year.

<sup>b</sup> Federal poverty guidelines as established by the US department of Health and Human Services up to 2024-25. Federal poverty guidelines for 2025-26 are estimates.

<sup>c</sup> Fair market rents for an efficiency unit are displayed for individuals while fair market rents for a one-bedroom unit are displayed for couples. All fair market rents are from the US Department of Housing and Urban Development website (<https://www.huduser.gov/portal/datasets/fmr.html>).

LAOA

## County Level Fair Market Rents Compared to Maximum SSI/SSP Grants<sup>a</sup>



### Panel

#### Questions for the Panel:

- ◇ Are SSI/SSP grants high enough to allow individuals and couples receiving benefits to meet basic living needs?

- ◇ What would be the cost of providing a statutory state COLA again, as California did before the change was made to eliminate this in 2009?
- ◇ What level would grants be at if California had continued to provide a state COLA and how would this look against fair market rent today?

**Panelists:**

- Danielle Morris, Fiscal, Appeals, and Benefit Programs Branch Chief, Adult Programs Division, California Department of Social Services
- Rebecca Gonzales, Policy Advocate, Western Center on Law and Poverty, and Representing the Californians for SSI Coalition
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**LAO Comments**

The LAO's analysis of the SSI/SSP program is available [here](#).

**Staff Comments**

The Subcommittee is in receipt of a letter from Assemblymember Patrick Ahrens requesting the reinstitution of a state cost of living adjustment (COLA) for social security income recipients who are residing in a long-term care facility.

**Staff Recommendation:** Hold open.

**Issue 6: Older Americans and Older Californians Act Funding and Needs**

**Issues for Subcommittee Consideration.** This issue provides an overview of programs administered by the California Department of Aging chiefly through the 33 Area Agencies on Aging. The following background information was provided by the Administration.

**Aging Network Entities.**

**Area Agency on Aging.** CDA provides funding and oversight to the State's 33 Area Agencies on Aging (AAAs) responsible for covering all 58 counties. The AAA network is comprised of county-run, joint-powers authority, non-profit, and one city-run organization. Each AAA is responsible for providing programs and services to their Planning and Service Area (PSA). A PSA is a geographical area comprised of one or more counties. The AAAs administer Older Americans Act (OAA) and Older Californians Act (OCA) programs. CDA provides administration, programmatic oversight, monitoring, auditing, and continued collaboration with the AAA network.

**Office of the Long-Term Care Patient Representative (General Fund).** Under state law, ([Health and Safety Code 1418.8](#)), skilled nursing and intermediate care facilities may convene an interdisciplinary team to make medical decisions that require informed consent for residents who lack capacity and have no legal surrogate. These teams include the resident's physician, a registered nurse responsible for the resident's care, and other appropriate staff. In the past, the teams also sometimes included patient representatives, but this was not required. As the result of a court case, skilled nursing and intermediate care facilities are required to include a patient representative when they convene an interdisciplinary team. There are 1,191 skilled nursing and intermediate care facilities throughout the state. For 2024-25 there have been 498 requests for interdisciplinary team reviews; 217 reviews have been conducted.

**OAA Long-Term Care Ombudsman (Title III B and VII).** The Long-Term Care Ombudsman Program identifies, investigates, and resolves complaints made by or on behalf of residents of long-term care (LTC) facilities that impact the residents' health, safety, welfare, or rights. In California, the Program also receives and investigates reports of suspected elder and dependent adult abuse occurring in various types of LTC facilities, including residential care facilities (also known as board and care homes and assisted living facilities) and skilled nursing facilities. There are 35 LTC Ombudsman sites that contract with the 33 AAAs. In 2023-24, there were 8,987 licensed facilities representing 322,218 LTC beds.

**Caregiver Resource Centers (General Fund).** Founded in 1984, the California Caregiver Resource Centers are made up of a network of 11 nonprofit centers covering all 58 California counties serving family caregivers who are providing support for someone affected by chronic and debilitating health conditions including dementia, Alzheimer's disease, cerebrovascular diseases (such as stroke or aneurysms), degenerative diseases such as Parkinson's, Huntington's and multiple sclerosis, or traumatic brain injury (TBI), among others. California was the first state in the nation to establish a statewide network of support organizations for caregivers. Each CRC provides Specialized Information and Referral, Family Consultation and Care Planning, Respite Care, Short-Term Counseling, Support Groups, Professional Training,

Legal and Financial Consultation, and Education services to families and caregivers at low or no cost.

**Aging and Disability Resource Connections (General Fund).** The Aging and Disability Resource Connection (ADRC) initiative began as a collaborative effort between the State of California, the federal Administration for Community Living (ACL), the Centers for Medicare & Medicaid Services (CMS) and the Veterans Administration (VA), though there are no federal dollars in support of the initiative. The ADRC's purpose is to provide a single coordinated system for people seeking reliable information and access to Long-Term Services and Supports (LTSS). This purpose is achieved by building community partnerships, providing services using a person-centered approach, and reducing the number of barriers for accessing services. There are currently 24 ADRCs with three more emerging.

### **Older American Act (OAA) Programs.**

The OAA enables older individuals to maintain their well-being through locally developed community-based systems of services. CDA contracts with a statewide network of 33 AAAs to plan, develop, coordinate, and administer services to assist older adults, adults with disabilities, and their caregivers.

Older adults aged 60 and over are eligible for most OAA programs regardless of their income level. However, since the federal OAA funding is not an individual entitlement, the OAA requires targeting of these services to individuals who experience the greatest social and economic needs which includes income, race, ethnicity, and rural isolation among other factors.

**OAA Supportive Services (Title III B).** The Supportive Services Program provides a variety of services to address functional limitations, maintain health and independence, and promote access to services. Services provided may include, but are not limited to, Information and Referral Services, In-home Services, Legal Services, Outreach, Respite Care/Respite Care Registries, and Transportation. There are more than 30 authorized services that local AAAs can fund through Title III B. For many AAAs, the Title III B Information and Assistance (I&A) Program is considered the entry point to services in a Planning Service Area which enables staff to assess individuals' needs, make referrals to local services or programs in the community, and follow-up with individuals to find out if service needs were met.

**OAA Congregate Nutrition (Title III C-1).** The Congregate Nutrition Program serves healthy meals in a group (congregate) setting to individuals aged 60 or older, their spouses, and, in some cases, their caregivers and/or persons with disabilities who are not older individuals, but who reside in housing facilities occupied primarily by older individuals at which congregate nutrition services are provided. Congregate nutrition sites present opportunities for social engagement, health and wellness activities, and meaningful volunteer roles, all of which contribute to health and well-being. These sites may also provide nutrition education, nutrition risk screening and nutrition counseling.

**OAA Home-Delivered Nutrition (Title III C-2).** The Home-Delivered Nutrition Program provides nutritious meals, nutrition education, and nutrition risk screening to individuals aged 60

or older who are homebound. The program serves frail, food-insecure or isolated individuals and also provides a safety check via face-to-face contact or conversation with meal delivery staff and volunteers.

**OAA Disease Prevention and Health Promotion (Title III D).** The Disease Prevention and Health Promotion Program provides evidence-based preventive health and health promotion services. These services assist older adults in preventing or better managing chronic conditions.

**OAA Family Caregiver Support (Title III E).** The Family Caregiver Support Program provides various services to assist informal, unpaid family caregivers. The Program provides support to eligible adult family members (18+) or another individual who is an informal provider of in-home and community care to:

- an older adult (60+), regardless of income level
- an individual with Alzheimer's disease or related neurological and organic brain dysfunction, regardless of age and income level

In addition, support may be provided to older relatives (55+) who are parents (or not), living with and providing care to:

- a child (under age 18) whom they are identified as the primary caregiver through legal or informal arrangement, regardless of income
- an individual with a disability (age 18-59); regardless of income

**Department of Labor, Senior Community Service Employment (Title V).** The Senior Community Service Employment Program provides part-time, work-based training opportunities for older workers in local community service agencies to assist them in obtaining unsubsidized employment. Participants receive a variety of supportive services, such as personal and job-related counseling, job-related training to prepare for their community service assignments, and job search/referral assistance.

**OAA Elder Abuse Prevention (TITLE VII).** The Elder Abuse Prevention Program provides services to develop, strengthen, and implement programs for the prevention, detection, assessment, and treatment of elder abuse.

### **Older Californians Act Community-Based Services.**

**Health Insurance Counseling and Advocacy Program (HICAP).** HICAP provides free, confidential one-on-one counseling, education, and assistance to individuals and their families on Medicare, LTC insurance, other health insurance related issues, and planning ahead for LTC needs. The program also provides legal assistance or legal referrals in dealing with Medicare or LTC insurance related issues. There are 26 HICAPs statewide that provide services in every county. HICAP serves approximately 57,000 clients per year. The Governor's Budget includes a Budget Change Proposal regarding HICAP, which is covered under Issue 10 of this agenda.

**Medi-Cal Programs.**

**Multipurpose Senior Services Program (MSSP).** MSSP provides both social and health care management services to assist frail individuals aged 60 or older to remain in their own homes and communities. To be eligible for MSSP, these individuals must be Medi-Cal eligible and meet the criteria for skilled nursing facility care.

While most of the program participants also receive In-Home Supportive Services, MSSP provides on-going care coordination, links participants to other needed community services and resources, coordinates with health care providers, and purchases needed services that are not otherwise available in an effort to prevent or delay institutionalization. The total combined annual cost of care management and other services must be lower than the cost of receiving care in a skilled nursing facility.

There are 37 MSSP sites throughout the state with a capacity of 11,518 slots. The average number of participants served for FY2023-24 is 9,817. The recent CMS Medicaid waiver renewal permits the program to operate statewide and lowered the age for eligibility from 65 to 60.

**Community-Based Adult Services (CBAS).** CBAS is a community-based day health program that provides services to older adults and adults with chronic medical, cognitive, or behavioral health conditions and/or disabilities that place them at risk of needing institutional care.

The CBAS Program is an alternative to institutional care for Medi-Cal beneficiaries who can live at home with the aid of appropriate health, rehabilitative, personal care, and social services.

Under an interagency agreement, the CBAS Program is jointly administered by the Department of Health Care Services, the California Department of Public Health, and CDA. CDA certifies licensed Adult Day Health Care centers as Medi-Cal CBAS providers. Currently, there are 302 licensed centers in 28 counties, serving approximately 40,742 participants per year.

**Other.**

**Medicare Improvements for Patients and Providers Act (MIPPA).** One important provision within MIPPA provides funding to HICAP to help low-income and rural Medicare beneficiaries learn about and apply for two valuable benefits:

- The Medicare Part D Extra Help/Low-Income Subsidy, which helps pay for Medicare Part D Prescription Drug Benefit premiums and reduces the cost of prescriptions at the pharmacy; and
- The Medicare Savings Program (MSP) which helps pay for Medicare Part B Medical Insurance.

**Supplemental Nutrition Assistance Program Education (SNAP-Ed).** The SNAP-Ed Program provides evidence-based nutrition education and obesity prevention services to older adults aged 60 or older at eligible Title III C congregate nutrition sites and other venues.

**CalFresh Outreach.** The CalFresh Expansion program serves California older adults that are

at least 60 years old and have low-income who may also receive SSI or SSP benefits. The program provides much needed monthly food assistance to California older adults and economic benefit to local communities. Currently, 17 of 33 AAAs are implementing the CalFresh Outreach program to help qualified older adults sign up for CalFresh Food benefits.

**Division of Policy, Research, and Equity.** The Division of Policy, Research and Equity (DPRE) collaborates with state partners and stakeholders in advancing California's Master Plan for Aging (MPA). Through policy development, research, and stakeholder engagement, DPRE focuses on imbedding equity within all MPA policies, programs and initiatives that impact older adults, people with disabilities and caregivers. Specifically, the division is responsible for overseeing stakeholder engagement of the [six MPA Advisory Committees](#) and organizing the bi- annual [Day of Action](#) to inform the MPA initiative updates. Additionally, the division manages a number of key MPA policy initiatives including the Home and Community- Based Services Gap Analysis and Roadmap, the LTSS Financing and Affordability Initiative, the Data Dashboard for Aging, the LGBTQIA+ older adult study, and several pilots including Calz Connect, CalCompass, and the CalCARES caregiver initiative.

**Master Plan for Aging.** In June 2019, Governor Newsom signed Executive Order N-14-19, which called for the development of the [California Master Plan for Aging \(MPA\)](#), a ten-year blueprint to prepare for the year 2030 when one in four Californians will be age 60 or older, totaling 10.3 million older adults statewide. Since the launch of the MPA, the California Health and Human Services (CalHHS) Agency and the California Department of Aging (CDA) have been coordinating and facilitating six stakeholder committees who advise the Administration, CalHHS, and CDA on the implementation of the MPA and related aging, disability and caregiving issues, programs, and policy.

California's MPA is a nationally recognized blueprint for building communities for all ages and abilities. Since its launch in January 2021, the Newsom Administration and the Legislature have committed billions of dollars in unprecedented investments to advance the MPA, including strengthening existing programs and launching new services, as evidenced in the [Fourth Annual Report released in January 2025](#).

California's MPA:

- Leads with Equity
- Focuses on the Person
- Engages Diverse Stakeholders
- Advances Home and Community Care Choices
- Embraces a Whole-of-Government Framework
- Ensures Accountability

Of note, through the support of five MPA philanthropic partners, CDA hosted the "CA for ALL Ages & Abilities: 2024 MPA Day of Action," an event that highlighted the MPA's progress to date. The event featured recommendations from the six stakeholder advisory committees to advance the MPA's Five Bold Goals with opportunity to speak with state leaders on core priorities. In the fall of 2024, CDA and state partners developed the [2025-26 MPA initiatives](#), which were released in January along with the [4<sup>th</sup> Annual MPA Progress Report to the Legislature](#).

<b>California Department of Aging</b> <b>CY and BY Budget Comparison</b> 2025-26 Governor's Budget				
(Dollars in Thousands)				
	<b>Total Funding</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>Difference</b>
General Fund		\$ 167,331	\$ 164,697	\$ (2,634)
State HICAP Fund		\$ 4,582	\$ 4,832	\$ 250
Federal Trust Fund		\$ 218,061	\$ 208,285	\$ (9,776)
Special Deposit Fund		\$ 3,233	\$ 1,234	\$ (1,999)
Reimbursements		\$ 24,737	\$ 24,939	\$ 202
State Department of Public Health, Licensing & Certification Pgm		\$ 4,650	\$ 400	\$ (4,250)
Home & Community-Based Services American Rescue Plan Fund		\$ 25,107	\$ -	\$ (25,107)
<b>TOTAL</b>		<b>\$ 447,701</b>	<b>\$ 404,387</b>	<b>\$ (43,314)</b>

<b>Program Code</b>	<b>Local Assistance Funding</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>Difference</b>
3890100	Congregate Nutrition	\$ 64,190	\$ 64,190	\$ -
3890200	Home Delivered Nutrition	\$ 142,489	\$ 141,679	\$ (810)
3890300	CalFresh	\$ 10,748	\$ 10,748	\$ -
3895	Senior Community Employment Services	\$ 19,604	\$ 7,339	\$ (12,265)
3900100	Supportive Services	\$ 48,355	\$ 45,309	\$ (3,046)
3900200	Ombudsman & Elder Abuse Prevention	\$ 23,122	\$ 15,872	\$ (7,250)
3900300	Patient Representative	\$ 1,611	\$ 1,611	\$ -
3900400	Aging & Disability Resource Connection	\$ 10,000	\$ 10,000	\$ -
3900500	Family Caregiver Services	\$ 36,861	\$ 36,861	\$ -
3900600	Preventive Health Services	\$ 3,473	\$ 3,473	\$ -
3905100	Health Insurance Counseling	\$ 13,605	\$ 13,702	\$ 97
3905200	Alzheimer's Grants	\$ 514	\$ 311	\$ (203)
3905300	Medicare Improvements for Patients & Providers Act (MIPPA)	\$ 4,384	\$ 2,429	\$ (1,955)
3910100	Multipurpose Senior Services Program (MSSP)	\$ -	\$ -	\$ -
3910300	Community Based Adult Services (CBAS)	\$ -	\$ -	\$ -
3915100	Policy & Planning	\$ -	\$ -	\$ -
3915200	Master Plan for Aging	\$ 3,534	\$ -	\$ (3,534)
<b>TOTAL</b>		<b>\$ 382,490</b>	<b>\$ 353,524</b>	<b>\$ (28,966)</b>

<b>Program Code</b>	<b>State Operations Funding</b>	<b>FY 2024-25</b>	<b>FY 2025-26</b>	<b>Difference</b>
3890100	Congregate Nutrition	\$ 4,072	\$ 3,026	\$ (1,046)
3890200	Home Delivered Nutrition	\$ 5,632	\$ 2,654	\$ (2,978)
3890300	CalFresh	\$ 1,865	\$ 1,869	\$ 4
3895	Senior Community Employment Services	\$ 1,392	\$ 461	\$ (931)
3900100	Supportive Services	\$ 9,086	\$ 4,580	\$ (4,506)
3900200	Ombudsman & Elder Abuse Prevention	\$ 4,556	\$ 2,796	\$ (1,760)
3900300	Patient Representative	\$ 2,517	\$ 2,521	\$ 4
3900400	Aging & Disability Resource Connection	\$ 5,398	\$ 2,463	\$ (2,935)
39005000	Family Caregiver Services	\$ 2,797	\$ 1,830	\$ (967)
3900600	Preventive Health Services	\$ 173	\$ 15	\$ (158)
3905100	Health Insurance Counseling	\$ 2,573	\$ 2,406	\$ (167)
3905200	Alzheimer's Grants	\$ 49	\$ -	\$ (49)
3905300	Medicare Improvements for Patients & Providers Act (MIPPA)	\$ 608	\$ 290	\$ (318)
3910100	Multipurpose Senior Services Program (MSSP)	\$ 4,789	\$ 7,563	\$ 2,774
3910300	Community Based Adult Services (CBAS)	\$ 9,471	\$ 9,427	\$ (44)
3915100	Policy & Planning	\$ 8,390	\$ 8,394	\$ 4
3915200	Master Plan for Aging	\$ 1,843	\$ 568	\$ (1,275)
<b>TOTAL</b>		<b>\$ 65,211</b>	<b>\$ 50,863</b>	<b>\$ (14,348)</b>

The table on the preceding page provides a comprehensive fiscal display for the current year and 2025-26 budget year for the California Department of Aging.

**Panel****Questions for the Panel:**

- ◇ Where do the panelists see rising demands for services for seniors where providers are not available?
- ◇ Do the AAAs have waitlists, or how they do otherwise assess unmet needs and demands for services?
- ◇ What are the needs for the Long-Term Care Ombudsman program?

**Panelists:**

- Nicole Shimosaka, Deputy Director, California Department of Aging
- Christina Mills, Executive Director, California Association of Area Agencies on Aging
- Rachel Tate, MSW, Vice President of Ombudsman Services for Wise and Healthy Aging
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

The Subcommittee is in receipt of a letter from Assemblymember John Harabedian requesting \$3.2 million to support the work of the California Long-Term Care Ombudsman Program. He also joins Assemblymember James Gallagher in a higher dollar ask for the same purposes (\$15.9 million in additional annual funding).

**Staff Recommendation:** Hold open.

**Issue 7: Home Safe, Housing Disability Advocacy Program (HDAP), and Community Care Expansion (CCE) Wind-Down and Consequences of Loss of One-Time Funds**

**Issues for Subcommittee Consideration.** This issue provides background and information about housing and homelessness programs targeted to serve seniors. Resources were provided on a one-time basis and are nearing exhaustion.

**Background on CDSS Housing and Homelessness Programs for Seniors.** The California Department of Social Services (CDSS) oversees six housing and homelessness programs which are administered locally by counties and Tribes. Three of the six programs are the subject of this issue as they serve seniors. Older adults are the fast growing population experiencing homelessness. According to the California Statewide Study of People Experiencing Homelessness, among single homeless adults, 48 percent were age 50 and older. Among single adults age 50 and older, 41 percent became homeless for the first time at age 50 or older.

The department's approach recognizes that housing is foundational to a person maintaining their health and reaching their goals for employment, education, child and family well-being, and long-term stability. The programs utilize evidence-based practices, including Housing First principles, to offer a range of services, including outreach, housing-related case management, housing navigation, as well as housing-related financial assistance including rental subsidies, security deposits, rental arrearages, moving costs, and more. These resources are provided to clients in a flexible and tailored way in order to best meet their needs and ensure sustained housing outcomes. Additionally, programs coordinate with other local government agencies, Tribes, homeless continuums of care, community-based organizations, public housing authorities, and other entities to holistically support individual clients in reaching their housing goals.

The three CDSS Housing and Homelessness programs for this issue are described below (for reference, additional programs have been discussed as part of prior agendas and hearings for Subcommittee No. 2).

**Home Safe Program.** The Home Safe Program supports the safety and housing stability of individuals involved in Adult Protective Services (APS). Home Safe assists APS clients who are experiencing or are at imminent risk of homelessness due to elder or dependent adult abuse, neglect, self-neglect, or financial exploitation. This may include seniors for whom abrupt changes to life circumstances have left them on the precipice of being homeless for the first time in their lives. The program provides financial assistance and housing-related wrap-around supportive services, including, but not limited to: housing-related intensive case management, housing related financial assistance, deep cleaning to maintain safe housing, eviction prevention, landlord mediation, mobility-related modifications to homes, and connections with local service providers including the homeless Continuum of Care. Home Safe served approximately 7,736 individuals in 2023-24.

**Housing and Disability Advocacy Program (HDAP).** HDAP assists people who are at risk of or experiencing homelessness and are likely eligible for SSI disability benefits. Housing-related financial assistance and wraparound supportive services may include interim housing, rental assistance, housing navigation, security deposits, utility payments, moving costs, legal services

(to help secure long-term disability benefits), and credit repair. People experiencing chronic homelessness and those who rely most heavily on state and county-funded services are prioritized. HDAP follows a Housing First model and uses evidence-based housing interventions. HDAP served approximately 16,194 individuals in 2023-24.

**Community Care Expansion (CCE).** The CCE program funds the acquisition, construction, and rehabilitation of adult and senior care facilities that serve applicants and recipients of Supplemental Security Income (SSI) or Cash Assistance Program for Immigrants (CAPI), including individuals who are at risk of or experiencing homelessness. Funds are also available to preserve residential care settings, including through operating subsidies for existing licensed adult and senior care facilities currently serving SSI or CAPI recipients. CCE is part of a statewide investment in infrastructure funding to address homelessness, support healthcare delivery reform, and strengthen the social safety net, particularly for older or frail adults. The California Health and Human Services Agency has bundled the CCE program with another program, the Behavioral Health Continuum Infrastructure Program. CCE Capital Expansion has created over 3,100 beds in licensed adult and senior facilities, and CCE Preservation has preserved over 2,000 beds in licensed facilities.

**2021 and 2022 Budget Acts Expansion.** The 2021 and 2022 budget acts included a historic expansion of Home Safe, HDAP, and CCE, using one-time, multi-year funding. This expansion allowed for local grantees (counties and Tribes) to launch and significantly scale up local capacity to provide housing supports integrated with social services. Details are provided below on these expansions:

PROGRAM	PRIOR APPROPRIATIONS (SINCE 2021)	BUDGET ACT OF 2024
Housing and Disability Advocacy Program (HDAP)	Budget Act of 2021: \$175 million (\$25 million annual and \$150 million one-time)	<ul style="list-style-type: none"> <li>\$25 million annual appropriation with local match requirement removed and reduced one-year encumbrance period</li> <li>Reappropriate FY 21/22 one-time funds through June 2025</li> <li>Reduce funding by \$50 million &amp; Reappropriate FY 22/23 one-time funds through June 2026</li> </ul>
	Budget Act of 2022: \$175 million (\$25 million annual and \$150 million one-time)	
Home Safe Program	Budget Act of 2021: \$92.5 million one-time	<ul style="list-style-type: none"> <li>Reappropriate FY 21/22 one-time funds through June 2025</li> <li>Reappropriate FY 22/23 one-time funds through June 2026</li> <li>No additional or ongoing funding</li> </ul>
	Budget Act of 2022: \$92.5 million one-time	
Community Care Expansion (CCE)	Budget Act of 2021: \$805 million one-time	<ul style="list-style-type: none"> <li>No additional or ongoing funding</li> </ul>
	Budget Act of 2022: \$55 million one-time	

Source: CDSS

**Program Outcomes.** CDSS Housing and Homelessness programs are uniquely successful in serving specific vulnerable populations and generally outperform state and national metrics in terms of exits to permanent housing. Below is a summary of outcomes across each program. The following information is from the March 20, 2025 agenda for the Senate Budget Subcommittee No 3:

*Home Safe outcomes:*

- Over 5,800 clients permanently housed since program launch in 2018.
- 76 percent of participants retained permanent housing six months post program exit; 71 percent retained permanent housing 12 months post program exit.
- In 2022-23, Home Safe served over 40 percent of the Adult Protective Services population with identified housing needs.
- Early findings from the expanded Home Safe program evaluation, launched by UCSF in 2023, indicate Home Safe continues to address a critical gap and no existing alternative program replicates its impact or population served.

*HDAP outcomes:*

- Over 8,200 individuals permanently housed since program launch in 2017.
- 77 approval rate for disposed disability applications.
- 92 percent of individuals retained permanent housing six months after disability benefits were approved; 82 percent retained housing 12 months after disability benefits were approved.
- Overall, 50 percent of participants exited to permanent housing in 2023-24.

*Community Care Expansion (CCE) outcomes:*

- \$569.7 million awarded in capital expansion funding for the construction of licensed facilities with over 3,100 beds produced or contracted to be produced (61 total projects).
- Seven housing projects providing 499 beds/units have completed construction.
- 13 housing projects providing 725 beds/units have broken ground.
- \$247 million awarded in preservation funding to support operation of licensed homes at risk of closure which have high populations of clients receiving SSI benefits.
- 34 counties participating in CCE Preservation; counties have contracted with 82 facilities and 2,022 beds within those facilities have been preserved.
- 97 percent of the beds preserved by licensed adult and senior care facility operators participating in CCE Preservation were reported occupied by SSI/SSP applicants or recipients.

**2024 Budget Act.** The 2024 Budget Act made the following changes to CDSS housing and homelessness programs:

- **HDAP:** Reduced one-time HDAP funding by \$50 million General Fund in 2025-26, and re-appropriated up to \$100 million General Fund from the 2022 Budget Act to be available through 2025-26. Removed baseline match requirement for HDAP grantees.
- **Home Safe Program.** Extends the grantee match waiver of one-time funds appropriated for the Home Safe program from June 30, 2025, to June 30, 2026.
- **Data Sharing for Housing Programs.** Trailer bill language permits the Interagency Council on Homelessness to, upon request, share personally identifiable, individual-level data from the Homeless Data Integration System with an agency or department that is a member of the council for purposes of measuring housing instability and examining the

effectiveness of, and need for, housing and homelessness programs and other antipoverty programs.

**Impact of the Loss of Funds.** The following information was provided by CDSS. When each county will exhaust their funds will be different based on their operations and activities. Based on current funding, a significant portion of grantees will fully utilize their Home Safe allocations in the next 6-12 months. Some counties may choose to modify their operations to extend the duration of their allocation.

Claiming can be 3–12 months behind actual expenditures, so estimated time to spend all available funds may vary from this estimate. However, this trend is already being reflected in program data reporting as approval rates for enrollment into CDSS housing and homelessness programs have and are projected to slow down across programs in 2024-25 and 2025-26 after peaking in 2023-24.

Grantees have shared that in anticipation of fully utilizing one-time funds, they are choosing to adjust operations in order to extend the availability of their allocation:

- Limit assistance available to each individual client, including the level and length of subsidies and supportive services which may include premature exits prior to permanent housing stability.
- Reduce the number of new clients to be served and time of enrollment for existing clients, due to concerns that they will not be able to deliver services for newly enrolled clients for the entire period of time needed to achieve housing stability.
- Counties are also prepared to end Home Safe operations as they fully utilize their allocations.

There is significant variance in counties' capacity and progress in implementing strategies to accommodate the expiration of one-time funding, including:

- Some programs have started routinely connecting CDSS program clients to other locally available housing programs, whereas others have reported that participants are exiting without specific connections to future resources.
- Some counties have begun diverting staff and resources away from housing and homelessness services due to funding uncertainty and spend down, whereas others have continued programming until they fully utilize funding.
- County and tribal grantee size and resources also impact capacity to weather the return to historical funding levels – generally, Tribes and smaller counties have fewer local resources to utilize or supplement the loss of HHD program funds.

Although HDAP has ongoing funding, there are some significant impacts as a result of expiring one-time funds. Some grantees have already modified program operations in the following ways:

- Limited to no emergency housing/hotel assistance.
- Pausing new enrollments or significantly reducing the number of participants they can serve.
- Offering much more limited range supports, including a shorter timeframe for monthly rental subsidies and a lower rate of financial assistance.

For CCE Expansion, CDSS received many more applications for CCE funds than the funds appropriated. Specifically, CDSS received 374 applications requesting \$3.8 billion in funding and was able to award \$570 million to 61 projects.

For CCE Preservation, it means that: 1) counties are limited in identifying and supporting via capital project funding or operating subsidy payments any additional licensed care facilities serving the CCE population that are at risk of closure, and 2) counties are limited in supporting participating facilities with operating shortfalls beyond the exhaustion of available funds for operating subsidy payments. CCE funds are available for liquidation through either September 2028 or March 2029, depending on the funding source.

**Annualized amount of funding that would be necessary if local programs were to continue.**

As technical assistance, below is a summary of Home Safe annual expenditures since 2022-23:

Fiscal Year	County Expenditures via Claims
22/23	\$31,323,513
23/24	\$58,269,584

As technical assistance, below is a summary of HDAP annual expenditures since 2022-23:

Fiscal Year	County Expenditures via Claims
22/23	\$69,726,349
23/24	\$83,329,863

CDSS notes that these expenditures are for county grantees, and do not include expenditures of tribal grantees or state operations associated with program oversight and implementation. Total expenditures and balances are subject to change due to potential supplemental claim and/or closeout adjustments. These expenditures reflect ramp up of the program and may not reflect annual expenditures of a fully-implemented program.

As technical assistance, CDSS notes the demand for the CCE Expansion funding exceeded the program's ability to fund viable projects. As highlighted above, 374 applications were submitted for CCE Expansion grant funding, 61 projects were awarded. The total amount of funding requested exceeded \$3.8 billion. For the CCE Preservation operational subsidies, the current funding level provided is \$55 million. This level of operating subsidy funding has been provided across 33 counties opting to participate in this aspect of the Preservation Program and is projected to provide over 600 facilities with the operating subsidies that are helping to make sure licensed RCFEs, ARFs, and RCFIs can continue to serve the CCE target population of individuals applying for or receiving SSI/SSP or CAPI. Regarding CCE Preservation capital project dollars, these funds are just beginning to be spent down by counties.

**Panel****Questions for the Panel:**

- ◇ What are the outcomes of the state's expansion of CDSS housing and homelessness programs that began in 2021 and 2022?
- ◇ How have these programs supported individuals and families who are homeless or at risk of homelessness?
- ◇ What lessons has the Administration learned broadly about how to address homelessness through these programs?
- ◇ What will be the impacts if no additional funding is provided for these programs? What will be the impact on people served and on homelessness across regions?

**Panelists:**

- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Grace Belluscio, Regional Manager, Adult Services Division, Riverside County Department of Public Social Services
- Monica Kirkland, State Policy Director, Senior Services Coalition of Alameda County
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

The Subcommittee is in receipt of a letter from Assemblymember Mark Gonzalez requesting \$95 million over three years (\$31.6 million per year) to continue the Home Safe program, which addresses homelessness for individuals involved in Adult Protective Services (APS).

The Subcommittee is in receipt of a letter from Assemblymember Catherine Stefani requesting \$100 million to continue the Community Care Expansion Program, which seeks to preserve and expand bed capacity for adult residential care to keep aging low-income people housed.

**Staff Recommendation:** Hold open.

**Issue 8: Review of Federal Threats and Possible Impacts**

The following information was provided by the Administration.

CDA reports that, for now, federal courts have prohibited federal agencies from pausing or terminating payment of federal financial assistance funds unless authorized by the applicable authorizing statutes, regulations, and terms. CDA's services remain fully operational. The Department is coordinating with their federal counterparts, and remains confident in their ability to continue serving older adults, adults with disabilities, and their caregivers.

DSS administers a wide variety of safety net, protective services, and other programs. These programs help Californians meet their most basic needs, like shelter, food, and the ability to complete activities of daily living. They support children's healthy development and the ability of older adults and individuals with disabilities to safely live at home and in the least restrictive environments.

Federal funding programs that are included in DSS' overall budget provides critical support to many of these programs. The federal government provides CalFresh and SSI/SSP benefits directly to recipients. In terms of federal funds that are included in DSS' budget, the 2025-26 Governor's Budget includes \$26.8 billion federal funds. The benefits that are provided directly to Californians in programs DSS administers receive an additional \$20 billion in federal funding that is not in the DSS' budget.

- SNAP benefits: \$12.6 billion in 2024-25 and \$12.7 billion in 2025-26
- SSI benefits: \$7.5 billion in 2024-25 and \$7.7 billion in 2025-26

Taken together, these aggregated federal funds represent approximately 70 percent of the total funding for DSS programs in the current year and for 2025-26. The beginning of 2025 has involved significant uncertainty about changes in the federal landscape.

For now, federal courts have prohibited the Executive Branch from pausing or terminating payments of federal financial assistance funding unless authorized by the applicable statutes, regulations, and terms. DSS' safety net and protective services programs remain operational. DSS is coordinating with their federal counterparts, and remains confident in their ability to continue serving Californians. That said, the Congressional budget process has also raised the specter of significant program or eligibility reductions for Medi-Cal, which could impact the In-Home Supportive Services program as well, and CalFresh, among many other potential changes.

**Panel****Questions for the Panel:**

- ◇ What could the federal reductions being implemented and contemplated mean for older, indigent adults in California?

- ◇ Does the state have any sense of the number of older adults receiving emergency food assistance, or the percentage of the population receiving emergency food who are 60 or 65 and older?
- ◇ Can DSS please provide an update on recent The Emergency Food Assistance Program (TEFAP) changes and truckloads of food that were recently cancelled?

**Panelists:**

- Susan DeMarois, Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Jennifer Ramirez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

**Staff Recommendation:** Hold open.

**Issue 9: Disaster Response, Impact of Los Angeles Fires, and Related Governor's Trailer Bill Proposal**

The following information was provided by the Administration.

CDA reports that the Los Angeles fires have had a profound impact on older adults and individuals with disabilities, many of whom rely on critical aging and disability services for daily support. The short and long-term effects of these fires have continued to disrupt service delivery, programmatic stability, and well-being for the aging population served through AAA partners. The destruction of the Altadena Senior Center that was burned down during the fires has left a gap in the delivery of congregate meals, services and supports, wellness programs, and socialization. While participants who utilize services from the Altadena Senior Center have been displaced to alternative sites for congregate meal services, supportive services, socialization and to-go meals, the loss of a familiar and accessible community space remains a significant hardship for them, especially for those with limited transportation options, mobility limitations, and strong ties to local resources that are familiar and comfortable.

There are still a significant number of adults, older adults and individuals with disabilities that are displaced at local shelters throughout Altadena, Pasadena, and Pacific Palisades, as well as other surrounding areas. Most, if not all the individuals in shelters are hoping to find housing closer to their home community, however, case workers from several local and federal organizations are having a hard time finding available long term placement options for them. For those who have been able to transition to longer-term housing, they are finding it hard to furnish their apartments with necessary, basic household items including kitchen supplies, toiletries, etc. Additionally, many of the locations that were serving in the capacity of a short-term shelter have closed and transitioned back to their original function in the community. For example, the Pasadena Convention Center, which served as one of the primary shelter locations for those displaced from the fires, just recently closed their shelter services to transition back into the building's normal convention center capacity.

In addition to the individualized impact on older adults and individuals with disabilities, disruption from the fires was also felt within the CBAS centers and adult day programs during the disaster. At the height of the fire event, there were 52 CBAS and adult day program centers that closed. Emergency Remote Services (ERS) was activated to allow participants to receive services including, but not limited to in-person therapies, socialization, etc. Nearly 2,159 participants were able to benefit from these programs.

For residents of long-term care facilities such as Skilled Nursing Facilities (SNFs), Board and Care Facilities, and Residential Care Facilities for the Elderly (RCFEs), evacuation and repopulation efforts have been particularly complex. The long-term Care Ombudsman teams have worked tirelessly to help make sure residents are accounted for and safe; however, the fires reflected gaps in emergency planning, especially for smaller facilities that faced staffing shortages and logistical barriers due to displacement and relocation. The local ombudsmen are still working to make sure all clients are settling into their new facilities to minimize disruption as much as possible.

CDSS reports that on January 15, 2025, DSS sent a notice to licensees impacted by the wildfires explaining the Governor's [Executive Order N-2-25](#) and [Executive Order N-3-25](#), which grant DSS the flexibilities to grant waivers to certain licensing requirements, as necessary to respond to the emergency. The process for a waiver request is explained in the following notice: [CCL Alert: Message from CA Department of Social Services, Community Care Licensing Division Regarding State of Emergency](#). Licensing staff continue to prioritize disaster waiver requests and work diligently to guide and support licensees during this time.

**Adult and Senior Care Program (ASCP).** Of the 232 facilities monitored:

- 116 facilities reported impacts
- 20 facilities were destroyed
- 2 facilities sustained damage

The ASCP Centralized Application Bureau (CAB) is actively assisting licensees in maintaining or regaining their licensure by expediting the application process with significantly reduced processing times and documentation requirements for impacted facilities. Utilizing the DSS' authority to issue a Provisional License, CAB has streamlined the application process, enabling approval for location changes and new residential facility proposals, once the statutory mandates for property control, a valid fire clearance, and clear background checks are completed. As a result, the typical licensure approval time has been reduced from an average of 170 days to under 60 days.

**DSS Adult Programs.** DSS reached out on a regular basis to Los Angeles County to offer assistance and to identify unmet need related to IHSS recipients. DSS did not receive any requests related to IHSS to assist with unmet needs for the recipients of our programs due to the LA Fires.

**DSS Housing and Homelessness Programs.** DSS Housing and Homelessness Division is participating in the Housing Taskforce. DSS is providing disaster-related information and support to grantees of Housing and Homelessness Division-administered programs in the Los Angeles area – for example, working with contracted technical assistance providers to explore possible administrative flexibilities and streamlining opportunities in these programs to support faster deployment of services and assistance for those in need as well as considering how DSS funded housing and homelessness programs can be leveraged to rapidly support recovery efforts for those that are experiencing or at risk of homelessness and impacted by disasters.

### Panel

#### Questions for the Panel:

- ◇ How many participants in programs under discussion today were impacted by the Los Angeles Fires?
- ◇ Does CDSS have updates on the licenses re-instated?
- ◇ How are CDA and CDSS tracking recovery outcomes?

**Panelists:**

- Susan DeMarois, Director, California Department of Aging
- Claire Ramsey, Chief Deputy Director, California Department of Social Services
- Idalys Perez, Finance Budget Analyst, Department of Finance
- Juwan Trotter, Fiscal and Policy Analyst, Legislative Analyst's Office

**Staff Comments**

**Staff Recommendation:** Hold open.

## Non-Presentation Items

The following proposals do not require a formal presentation from the Administration, as issues are not being raised about them for discussion as of this writing. Members of the Subcommittee may ask questions, make comments, or request a presentation by the Administration on these proposals, at the discretion of the Subcommittee Chair. Members of the public can provide public comment on these items during the Public Comment period, after discussion on the issues to be heard has concluded.

### 4170 California Department of Aging

#### Issue 10: Related Governor's Budget Change Proposals (BCPs)

A description of each of these proposals in the Governor's Budget is included below. For more detailed information please see the Department of Finance's website [here](#).

**HICAP BCP.** The Health Insurance and Advocacy Program (HICAP) BCP requests funding of \$2.3 million from the HICAP Fund in 2025-26 and 2026-27 to provide additional support of the HICAP program at the state and local levels. This funding was originally appropriated for a two-year period in 2021-22. Of the \$2.3 million, \$1.8 million is to enable local HICAP providers to continue to fund one full-time volunteer coordinator position. Between 2018-19 to 2022-23, there has been a 20 percent decrease in the number of HICAP counselors while there has been an 8.1 percent increase in the number of Medicare beneficiaries in California. The remaining \$500,000 has supported a research data specialist, a budget analyst, and a training analyst to support the HICAP program.

CDA plans to release its HICAP Modernization Business Plan in May 2025. The plan will contain strategies to increase public awareness of the HICAP program, increase services to more beneficiaries, and enhance training to HICAP counselors.

The \$10 million one-time loan was transferred from the State HICAP Fund as a part of the 2024 Budget Act. At the time of the Governor's Budget, the fund balance at the end of 2025-26 is projected to be \$8.899 million. Per WIC 9541.5(a), revenue is generated on a fee of \$1.40 to \$1.65 annually assessed from each person enrolled with a health care service plan under a prepaid Medicare program. More detail is provided on the following table, made available by the Administration.

<b>4170 DEPARTMENT OF AGING</b>			
<b>STATE HICAP FUND</b>			
<b>FUND CONDITION STATEMENT</b>			
<b>0289 State HICAP Fund</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
BEGINNING BALANCE (adjusted)	\$15,984	\$ 17,087	\$ 8,079
<b>REVENUES</b>			
4163000 Investment Income-Surplus Money Investments	778	778	778
4172500 Miscellaneous Revenue	4,890	4,890	4,890
Transfer and Other Adjustments:			
Loan from State HICAP Fund to General Fund		(10,000)	
Loan Repayment from General Fund to State HICAP			
<b>TOTAL REVENUES</b>	<b>\$ 5,668</b>	<b>\$ (4,332)</b>	<b>\$ 5,668</b>
<b>EXPENDITURES</b>			
State Operations *	933	905	772
Local Assistance	3,632	3,771	4,076
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,565</b>	<b>\$ 4,676</b>	<b>\$ 4,848</b>
<b>FUND BALANCE</b>	<b>\$17,087</b>	<b>\$ 8,079</b>	<b>\$ 8,899</b>

**MSSP BCP.** The Multipurpose Senior Services Program (MSSP) BCP is requesting a care management and billing software system for MSSP that will unify all providers and CDA on one platform. CDA requests \$2.8 million General Fund in 2025-26, \$2.7 million General Fund in 2026-27, and \$1.1 million General Fund in 2027-28 and ongoing to support 2 positions and to acquire and implement a case management software system that would be used by all Multipurpose Senior Services Program (MSSP) providers and state staff to operate the MSSP. This will create a uniform and real-time data capture environment that will enable the following outcomes:

- Compliance with capturing and reporting federal Access Rule required participant level information and data.
- Facilitates enrollment approvals by CDA.
- Creates a pathway for standardized data exchange with managed care plans to facilitate care coordination and eliminate duplication of services.

The timeline for implementation of the software from procurement to going live is as follows:

- October 2025 – April 2026:
  - Confirm system requirements
  - Commence system design, configuration, development and testing
- May 2026 – September 2026

- Statewide training and User Acceptance Testing
- October 2026
  - Data and reporting testing
- November 2026: Go live with full implementation

The MSSP currently has 11,518 slots available to serve individuals across California. In 2022-23, the program served 10,443 individuals and 10,290 in 2023-24. Prior to January 2022, the program slot capacity was 9,232 which was a result of Medicaid cuts that took place during the 2007-08 and 2008-09 budget cycles. In January 2022, the slots available increased to 11,518 when restored through the state budget process.

#### Staff Comments

Staff is not aware of issues being raised with these BCPs as of this writing.

**Staff Recommendation:** Hold open.

This agenda and other publications are available on the Assembly Budget Committee's website at: [Sub 2 Hearing Agendas | California State Assembly](#). You may contact the Committee at (916) 319-2099. This agenda was prepared by Nicole Vazquez.