



## **Human Services**

**2015-16**

### **Budget Conference Committee on AB 93**

**Senator Mark Leno, Chair**

**Assembly Member Shirley Weber, Vice Chair**

**Members: Senator Ricardo Lara, Senator Jim Nielsen**

**Assembly Member Richard Bloom, and Assembly Member Melissa A. Melendez**

# Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<b><u>Human Services</u></b>		
<b>4300</b>	<b>Department of Developmental Services</b>	
	Porterville Secured Treatment Program Expansion .....	1
	Porterville Development Center: Fire Alarm System Upgrade.....	2
	Delayed Egress/Secured Perimeter Facilities .....	3
	Self-Determination Program.....	4
	Institutions for Mental Disease Clarification.....	5
	Fair Labor Standards Act Overtime Regulation .....	6
	Addressing Disparities in Service Delivery.....	7
	Rate Increase Proposal .....	8
<b>5160</b>	<b>Department of Rehabilitation</b>	
	Supported Employment Program.....	9
<b>4170</b>	<b>Department of Aging</b>	
	State Long-Term Care Ombudsman Program .....	10
<b>5180</b>	<b>Department of Social Services</b>	
	IHSS – Fair Labor Standards Act .....	11
	IHSS –Restoration of the Seven Percent Reduction in Service Hours.....	12
	Managed Care Hour Reporting on the Case Management Information and Payrolling System (CMIPS) II.....	13
	CalWORKs Cost-of-Living Adjustment .....	14

## Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<b><u>Human Services</u></b> – continued		
	CalWORKs Housing Support Program .....	15
	CalWORKs Welfare-to-Work 24-Month Clock Delay .....	16
	Child Welfare Services – Foster Care.....	17
	Community Care Licensing .....	18
	Supplemental Security Income/State Supplemental Payment Cost-of Living Adjustment ..	19
	State Emergency Food Assistance Program .....	20
	Federal Immigration Reform – Caseload Impact .....	21
	May Revision Local Assistance Estimates .....	22
	Temporary Assistance to Needy Families (TANF) Transfer to Student Aid Commission...	23
	CalFresh Certification Period – Intent Language .....	24

**4300****Department of Developmental Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
4300-003-0001 4300-004-0001	<b>Department of Developmental Services</b>		
	<b>Porterville Secured Treatment Program (STP) Expansion</b>	Senate -\$9,703	
	<b>Governor</b> increased the STP from the current 170 beds to 211 beds, eliminated the cap on transition beds, and corrects a staffing formula error.	Assembly \$0	
	<b>Senate</b> rejected the May Revision adjustment and reduced the Governor’s budget funding level by \$9 million General Fund and 92.2 positions as a placeholder amount and directed staff to work with the Administration on determining the appropriate number of STP and transition beds and other statutory changes that would reduce demand.	Difference -\$9,703	
	<b>Assembly</b> approved May Revision and adopted supplemental report language on the need for additional beds and the length of stay for residents in the transitional beds.		

**4300****Department of Developmental Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**4300-301-0001 Department of Developmental Services (DDS)**

**Porterville Developmental Center (PDC): Fire Alarm System Upgrade** Senate  
\$0

**Governor** proposed \$0.8 million GF, through the capital outlay process, to upgrade the fire alarm system at PDC in both the secure treatment and general treatment areas. Assembly  
\$0

**Senate** proposed to limit the upgrade to the secure treatment area and the administration building. Difference  
Project Scope

**Assembly** adopted Governor's Budget.

0000

Department of Developmental Services

Issue

Description

Difference  
(dollars in thousands)

Conference Action

4300-101-0001 Department of Developmental Services (DDS)

Delayed Egress/Secured Perimeter Facilities

Governor proposed trailer bill language to eliminate the statutory requirement that these facilities be eligible for federal funding.

Senate modified the Governor’s proposed trailer bill language to include language to specify admittance criteria and program design components for both a forensic and non-forensic population and for children, and, to the extent the final language removes the federal funding requirement, how the health and safety safeguards required by federal funding participation will still be met.

Assembly approved the Governor’s proposed TBL.

Senate  
Modified  
TBL  
  
Assembly  
Governor’s  
TBL  
  
Difference  
Modified  
TBL

Issue	Description	Difference (dollars in thousands)	Conference Action
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**4300-101-0001 Department of Developmental Services (DDS)**

**Self-Determination Program Provisional Budget Bill Language and Placeholder Trailer Bill Language**

Senate  
BBL/TBL

**Governor** proposed provisional language to allow the transfer of funds from local assistance to state operations, once federal approval is secured, to allow GF savings in purchase-of-services to offset the administrative cost of the program, and to notify the Joint Legislative Budget Committee (JLBC) within ten days of the transfer.

Assembly  
\$  
Difference  
BBL/TBL

**Senate** modified the Governor’s provisional language to require JLBC notice at least 30 days prior to the transfer of funds. Adopted placeholder TBL to expand the program by up to 250 slots so that up to half of available slots would be available for use by persons moving from a developmental center.

**Assembly** approved Governor’s provisional language.

**4300****Department of Developmental Services**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
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**4300-101-0001 Department of Developmental Services (DDS)****Institutions for Mental Disease (IMD) Clarification**Senate  
TBL**Governor** had no proposal.**Senate** adopted placeholder trailer bill language to clarify the responsibility of a regional center when a consumer is placed in an IMD, regardless of who makes the placement.Assembly  
\$0Difference  
TBL**Assembly** had no proposal.



Issue	Description	Difference (dollars in thousands)	Conference Action
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**4300-101-0001 Department of Developmental Services (DDS)**

<b>Fair Labor Standards Act (FLSA) Overtime Regulation Placeholder Trailer Bill Language</b>	Senate TBL
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<b>Governor</b> proposed \$43.3 million (\$23.4 million GF) in the budget year to provide a rate increase to providers who would be impacted if the FLSA regulation goes into effect in the budget year. The Governor proposed no trailer bill language.	Assembly \$0  Difference TBL
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**Senate** approved the May Revision funding and adopted placeholder trailer bill language to require, in the event that the FLSA regulation is implemented, the monitoring of, and reporting on, the impact of the regulation.

**Assembly** approved the May Revision funding and proposed no trailer bill language.

**4300****Department of Developmental Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**4300-101-0001 Department of Developmental Services**

**Addressing Disparities in Service Delivery Placeholder Trailer Bill Language (TBL)**

Senate  
TBL

**Governor** proposed no action.

Assembly  
\$0

**Senate** adopted placeholder TBL to clarify when regional centers must provide written information to consumers or their families in their native language; require the Health and Human Services Agency to convene a workgroup to make recommendations relative to reducing disparities, and require regional center performance contracts to include guidelines and measurements to reduce disparities.

Difference  
TBL

**Assembly** proposed no action.

## 4300-101-0001 Department of Developmental Services (DDS)

Issue	Description	Difference (dollars in thousands)	Conference Action
4300-101-0001	Department of Developmental Services		
5160-001-0001	Department of Rehabilitation		
	Rate Increase Proposal		
	Governor had no proposal.	Senate \$100,941 (\$63,623 GF)	
	Senate provided, effective July 1, 2015, a 10 percent rate increase for supported living, supported employment, and respite services, and a five percent rate increase for transportation services; provided each of the 21 regional centers with a dental coordinator position and a forensic coordinator position, and approved a 10 percent increase in the client rights advocacy contract.	+ TBL	
	The Senate also provided a corresponding 10 percent increase to the portion of the supported employment program funded under the Department of Rehabilitation (see discussion under that item).	Assembly \$118,415 (\$77,193 GF)	
	The Senate adopted TBL to require DDS to make recommendations, on January 10, 2016, for revision to rate-setting methodologies and to regional center core staffing formula.	Difference -\$17,474 (-\$13,570 GF)	
	The Senate adopted TBL stating legislative intent to have GF savings derived from the closure of developmental centers be used to benefit consumers living in the community, and require the department to display the savings and new community investments associated with a developmental center closure.	+TBL	
	Assembly provided, effective January 1, 2016, a 5 percent, across-the-board rate increase for the regional center purchase-of-services and operations budgets. Assembly approved an additional 5 percent rate increase for POS and OPS in FY 2016-17, however, this will require TBL to implement.		

**5160 Department of Rehabilitation**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
<b>5160-001-0001</b>	<b>Department of Rehabilitation</b>		
	<b>Supported Employment Program</b>	Senate \$264 GF	
	Governor had no proposal.		
	Senate approved \$264,000 General Fund to support a corresponding action in the Senate’s plan in Department of Developmental Services that provides a ten percent rate increase for supported employment programs vendored by regional centers.	Assembly \$0  Difference \$264 GF	
	Assembly had no proposal.		

**4170-101-0001 Department of Aging**

**State Long-Term Care Ombudsman Program**

Senate  
\$1,400 SF

**Governor** had no proposal.

**Senate** approved \$1.4 million to facilitate an increase in skilled nursing facility (SNF) complaint investigations and quarterly visits through the State Health Facilities Citation Penalties Account and an increase in licensing and certification fee for SNFs.

Assembly  
\$1,400 SF  
\$5,000 GF

Difference  
\$5,000 GF

**Assembly** approved \$1.4 million to facilitate an increase in skilled nursing facility (SNF) complaint investigations and quarterly visits through the State Health Facilities Citation Penalties Account and an increase in licensing and certification fee for SNFs. Also, approved \$5 million ongoing to increase unannounced monitoring visits and investigations responding to complaints for the long-term care ombudsman program.

5180	Department of Social Services	Difference (dollars in thousands)	Conference Action
Issue	Description		

**5180-Various Department of Social Services**

**In-Home Supportive Services – Fair Labor Standards Act (FLSA)** Senate  
-\$64,901 GF

**Governor** proposed full-year estimates for overtime payments, FLSA compliance, and cases for parent providers with minor adult recipients, in case the courts, ultimately, require states to implement the new FLSA rules. The structure of overtime is pursuant to SB 855 (Budget and Fiscal Review), Chapter 29, Statutes of 2014. Assembly  
\$0 GF  
TBL  
Difference  
-\$64,901 GF  
TBL

**Senate** adopted a delay to reflect implementation time that the Administration indicated may be necessary (estimated at October 1, 2015).

**Assembly** adopted Governor’s proposal and placeholder TBL to remove any perceived barriers to implementation.

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5180-Various</b>	<b>Department of Social Services</b>		
	<b>In-Home Supportive Services – Restoration of the Seven Percent Reduction in Service Hours</b>	Senate \$227,965 GF \$267,537 FF	
	<b>Governor</b> proposed to use revenue, in the amount of \$228 million GF, from a restructured managed care organization tax to restore the seven percent reduction in IHSS service hours. Total cost to restore service hours would be \$495.5 million (\$228 million General Fund).	Assembly \$0 GF \$227,965 SF \$267,537 FF	
	<b>Senate</b> added \$228 million GF and \$268 million in federal reimbursement authority to restore the seven-percent reduction in IHSS service hours, irrespective of the MCO tax.	Difference Fund source (GF vs. SF)	
	<b>Assembly</b> restored \$228 million GF and \$268 million in federal reimbursement authority to restore the seven-percent reduction in IHSS service hours. The funds would come from the General Fund, unless the MCO expansion is approved and provides revenues for this purpose.		

**5180****Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5180-111-0001</b>	<b>Department of Social Services</b>		
	<b>Managed Care Hour Reporting on the Case Management Information and Payrolling System (CMIPS) II</b>	Senate \$0 GF	
	<b>Governor</b> had no proposal.	Assembly \$2,000 GF \$5,000 reimb.	
	<b>Senate</b> had no proposal.		
	<b>Assembly</b> approved \$7 million (\$2 million General Fund) to retool the Case Management Information and Payrolling System (CMIPS) II to allow managed care plans to assign additional IHSS hours for consumers as permitted under the Coordinated Care Initiative (CCI).	Difference \$2,000 GF \$5,000 reimb	



**5180****Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5180-101-0001</b>	<b>Department of Social Services</b>		
	<b>CalWORKs Cost-of-Living Adjustment (COLA)</b>	Senate \$0 GF	
	<b>Governor</b> had no proposal. The statutory CalWORKs COLA was discontinued as part of the 2009 Budget.	Assembly \$46,000 GF	
	<b>Senate</b> made no proposal.	TBL	
	<b>Assembly</b> approved a COLA starting January 1, 2016, with \$46 million General Fund (\$91.9 million full-year cost) with placeholder trailer bill language to effectuate the change. The estimated California Necessities Index (CNI) is 2.54 percent in 2016.	Difference \$46,000 GF TBL	

**5180****Department of Social Services**

<b>Issue</b>	<b>Description</b>	<b>Difference</b> <small>(dollars in thousands)</small>	<b>Conference Action</b>
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**5180-101-0001 Department of Social Services****CalWORKs Housing Support Program**Senate  
\$0 GF

**Governor** funds the CalWORKs Housing Support Program at \$20 million for 2015-16, the amount that was included in the 2014 Budget Act.

Assembly  
\$30,000 GF

**Senate** adopted the Governor's proposal.

Difference  
\$30,000 GF

**Assembly** approved a \$30 million General Fund augmentation for the program. Applications from counties for the 2014-15 funds exceeded \$54 million.

**5180****Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**5180-101-0001 Department of Social Services****CalWORKs Welfare-to-Work 24-Month Clock Delay**

Senate  
\$1,000 GF  
TBL

**Governor** estimates \$1 million General Fund in savings for cases that will receive a grant reduction for not meeting federal requirements after 24 months of Welfare-to-Work services. Approximately 1,500 cases will have the adult's portion of the grant removed by June 2016.

Assembly  
\$0 GF  
Difference  
\$1,000 GF  
TBL

**Senate** adopted placeholder trailer bill language to delay the effect of the 24-month clock policy for clients who were not afforded the benefits of early engagement changes, and approved \$1 million GF to ensure that these clients do not receive a grant reduction in 2015-16.

**Assembly** had no proposal.

## 5180-Various Department of Social Services

**Child Welfare Services – Foster Care**Senate  
\$0 GF

**Governor** proposed \$10.8 million (\$7 million GF) to begin implementation of the Continuum of Care Reform, with (1) \$3.8 million (\$2.8 million GF) additional investments in foster care recruitment and retention, and (2) \$5.8 million (\$4.2 million GF) to increase foster family agency social worker rates by fifteen percent.

Assembly  
\$56,000 GFDifference  
\$56,000 GF

**Senate** approved the Governor’s proposals and adopted placeholder trailer bill language to include additional detail and specifications for how funds for foster parent outreach, recruitment, and support will be used, as well as expected outcomes.

**Assembly** adopted a Foster Care Package with a net cost of \$56 million General Fund in 2015-16, and ongoing, including the following components:

- Approval of the Governor’s proposal for relative and foster parent recruitment, retention, and support with additional funding of \$25 million General Fund.
- Approval of \$20 million General Fund for Transitional Housing Program (THP)-Plus for non-minor dependents aging out of care and to homeless youth.
- Funding of \$6.86 million General Fund for “Bringing Families Home” or housing supports and services for child welfare involved families.
- Funding of \$3.25 million General Fund for the Strengthening Families Act.
- Approval of the Governor’s budget proposal for the Foster Family Agency Social Worker Rate Increase.

**5180-Various Department of Social Services**

**Community Care Licensing**

**Governor** proposes \$2.9 million in a multi-year plan, and positions, to improve the timeliness of complaint investigations; to expand technical assistance; and to establish a Southern California training unit. The Administration also requests a corresponding \$859,000 for FY 2016-17 through 2019-20 for the Office of Administrative Hearing (OAH) and other hearing-related costs, and \$397,000 in ongoing costs.

Senate  
\$2,987 GF  
TBL

Assembly  
\$2,987 GF

Difference  
TBL

In addition, the Administration proposes to increase the frequency of inspections from the current level of at least once every five years, to once every three years for child care facilities; once every two years for children’s residential facilities; and annual inspections for adult and senior care facilities. Proposed trailer bill language implements these provisions.

**Senate** adopted the Governor’s May Revise and placeholder trailer bill to require the department to provide to the Legislature specified information regarding the implementation of the multi-year proposal, as well as policy and fiscal implications of returning to annual inspections for all facilities.

**Assembly** adopted the Governor’s proposal.

**5180****Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5180-111-0001</b>	<b>Department of Social Services</b>		
	<b>Supplemental Security Income/State Supplemental Payment (SSI/SSP) Cost-of-Living Adjustment.</b>	Senate \$0 GF	
	<b>Governor</b> had no proposal. The statutory SSI/SSP COLA was discontinued as part of the 2009 Budget.	Assembly \$32,832 GF TBL	
	<b>Senate</b> made no proposal.		
	<b>Assembly</b> approved a SSP COLA starting January 1, 2016 with \$33 million General Fund (\$65.7 million full-year cost) with placeholder trailer bill language to effectuate the change. The estimated CNI is 2.54 percent in 2016.	Difference \$32,832 GF TBL	

**5180****Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
<b>5180-101-0001; 5180-111-0001</b>	<b>Department of Social Services</b>		
	<b>State Emergency Food Assistance Program (SEFAP)</b>	Senate \$2,500 GF	
	<b>Governor</b> had no proposal. The SEFAP provides emergency food and funding to food banks, as well as receives contributions from state or federal governments for the purchase, storage, and transportation of food grown or produced in California.	Assembly \$3,000 GF	
	<b>Senate</b> approved \$2.5 million General Fund to the SEFAP.	Difference \$500 GF	
	<b>Assembly</b> approved \$3 million General Fund to the SEFAP.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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**5180-101-0001; 5180-111-0001 Department of Social Services**

**Federal Immigration Reform – Caseload Impact**

Senate  
\$34,447 GF

**Governor** proposed \$34.4 million General Fund to reflect benefit and administration cost increases related to possible increased uptake of programs (CalFresh, IHSS, CalWORKs, and Cash Assistance Program for Immigrants) by individuals seeking citizenship under the President’s executive orders on immigration.

Assembly  
\$17,719 GF

Difference  
\$16,728 GF

**Senate** adopted the Governor’s May Revision proposal.

**Assembly** amended the Governor’s proposal to adopt lower caseload projects for CalWORKs, CalWORKs, administration, IHSS, and CAPI benefits.



Issue	Description	Difference (dollars in thousands)	Conference Action
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**5180-101-0001 Department of Social Services**

**May Revision Local Assistance Estimates**

Senate  
\$84,391 GF

**Governor** proposed \$84.4 General Fund for caseload adjustments for several programs including CalWORKs, Supplemental Security Income/State Supplementary Payment, IHSS, foster care, adoption assistance, refugee cash assistance, California Food Assistance Program, county administration, and automation programs.

Assembly  
\$51,119 GF

Difference  
\$33,272 GF

**Senate** adopted the Governor’s May Revision caseload adjustments.

**Assembly** amended the Governor’s proposal to adopt lower caseload projections for CalWORKs employment services and child care programs.

Issue	Description	Difference (dollars in thousands)	Conference Action
5180-101-0001	Department of Social Services		
	Temporary Assistance to Needy Families (TANF) Transfer to Student Aid Commission (CSAC)	Senate -\$188,739 GF	
	Governor proposed \$533,646,000 in the department's federal funds to reflect an increase in the amount of TANF block grant funds available to offset General Fund costs in the Cal Grant program administered by the California Student Aid Commission (CSAC)	Assembly -\$252,022 GF  Difference -\$63,283 GF	
	Senate amended the Governor's May Revise to reflect legislative actions and adopted a total of \$344,907 million for the TANF transfer to CSAC.		
	Assembly amended the Governor's May Revise to reflect legislative actions and adopted a total of \$281,624 million for the TANF transfer to CSAC.		

**5180 Department of Social Services**

Issue	Description	Difference (dollars in thousands)	Conference Action
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**5180 Department of Social Services**

**CalFresh Certification Period – Intent Language**

Senate  
\$0

Governor had no proposal.

Assembly  
\$0

Senate had no proposal.

Intent TBL

Assembly adopted legislative intent language that specifies that all CalFresh households must be assigned certification periods that are the maximum number of months allowable under federal law.

Difference  
Intent TBL