

# AGENDA

## ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

WEDNESDAY, MARCH 23, 2022

1:30 P.M. – STATE CAPITOL, ROOM 444

*We encourage the public to provide written testimony before the hearing. Please send your written testimony to: [BudgetSub1@asm.ca.gov](mailto:BudgetSub1@asm.ca.gov). Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted. All are encouraged to watch the hearing from its live stream on the Assembly's website at: <https://assembly.ca.gov/todaysevents>.*

*The Capitol will be open for attendance of this hearing. Any member of the public attending a hearing in the Capitol is strongly encouraged to wear a mask at all times while in the building.*

*A moderated telephone line will be available to assist with public participation. After all witnesses on all panels and issues have concluded, and after the conclusion of member questions, the public may provide public comment by calling the following toll-free number:  
**1-877-692-8957 / Access Code: 131 54 44.***

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## LIST OF PANELISTS IN ORDER OF PRESENTATION

All panelists are asked to please be succinct and brief in their presentations (3-5 minutes is suggested, with five minutes as a firm maximum) in order to facilitate the flow of the hearing. Thank you.

### 4170 CALIFORNIA DEPARTMENT OF AGING

### 4180 CALIFORNIA COMMISSION ON AGING

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#### ISSUE 1: OVERSIGHT OVER IMPLEMENTATION OF THE MASTER PLAN FOR AGING AND RELATED KEY INVESTMENTS IN RECENT BUDGETS, WITH RELATED GOVERNOR'S PROPOSALS

1. Susan DeMarois, Director, California Department of Aging
2. Mark Beckley, Chief Deputy Director, California Department of Aging
3. Karol Swartzlander, Executive Director, California Commission on Aging
4. Alek Klimek, Staff Finance Budget Analyst, Department of Finance
5. Jaleel Baker, Finance Budget Analyst, Department of Finance
6. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
7. L. Michael Costa, Executive Director, California Association of Area Agencies on Aging
8. Becky Duffey, Executive Director, California Association for Adult Day Services

### 5180 DEPARTMENT OF SOCIAL SERVICES

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#### ISSUE 2: GOVERNOR'S BUDGET PROPOSALS AND OVERSIGHT FOR ISSUES IN THE IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM

1. Kim Johnson, Director, California Department of Social Services
2. Leora Filosena, Adult Programs Division Deputy Director, California Department of Social Services
3. Aanam Khan, Staff Finance Budget Analyst, Department of Finance
4. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
5. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California
6. Tiffany Whiten, Senior Government Relations Advocate, California State Council of Service Employees International Union (SEIU)
7. Beverly Yu, State Government Affairs Director, United Domestic Workers (UDW)/ American Federation of State, County and Municipal Employees (AFSCME) Local 3930
8. Elizabeth Zirker, Managing Attorney, Healthcare/Home & Community-Based Services Practice Group, Disability Rights California

**ISSUE 3: GOVERNOR'S BUDGET PROPOSALS AND OVERSIGHT FOR ISSUES IN THE SOCIAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) AND ADULT PROTECTIVE SERVICES (APS) PROGRAMS**

1. Claire Ramsey, Chief Deputy Director, California Department of Social Services
2. Kim Rutledge, Adult Protective Services Program Liaison, California Department of Social Services
3. Aanam Khan, Staff Finance Budget Analyst, Department of Finance
4. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
5. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California
6. Michael Herald, Director of Policy Advocacy, Western Center on Law and Poverty

Public Comment will be taken after the completion of all panels and any discussion from the Members of the Subcommittee.

## ITEMS TO BE HEARD

**4170 CALIFORNIA DEPARTMENT OF AGING**

**4180 CALIFORNIA COMMISSION ON AGING**

**ISSUE 1: OVERSIGHT OVER IMPLEMENTATION OF THE MASTER PLAN FOR AGING AND RELATED KEY INVESTMENTS IN RECENT BUDGETS, WITH RELATED GOVERNOR'S PROPOSALS**

**PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER**

Panelists have been asked to specifically answer the questions below as listed for each individual panelist in their five-minute maximum presentation to the Subcommittee.

**1. Susan DeMarois, Director, California Department of Aging (CDA)**

**2. Mark Beckley, Chief Deputy Director, California Department of Aging**

- Please provide an overview of the proposed 2022-23 CDA budget and briefly describe the significant funding augmentations included in the Governor's budget.
- What are the key goals and priorities of the Master Plan for Aging (MPA) for the 2022-23 Budget and why?
- Please outline the role of the State Public Conservator Liaison and explain how this role will ensure consistency and equity among all Public Guardian-Conservator-Administrator (PGCA) offices statewide. How will outcomes of this work be measured (e.g. what metrics will be used) and how will this information be made available to the Legislature and the public?
- Please present on the implementation of the major investments made in recent budgets, noting any issues of which the Legislature should be aware, including continuing unmet need in any of these areas. The Subcommittee asks that the following programs be covered in the presentation: Senior Nutrition investment and what we know about the remaining senior meal gap in California, Aging and Disability Resource Centers, Multipurpose Senior Services Program, Technology Access, and the Office of the Long-Term Care Representative.
- What is the role of CDA in facilitating the greater integration of social and healthcare services to benefit older Californians? Specifically, how does CDA work with DSS to assure that policies and procedures for DSS Adults programs, including In-Home Supportive Services, Social Security Income/State Supplementary Payment (SSI/SSP), and Adult Protective Services (APS) align with the MPA?

**3. Karol Swartzlander, Executive Director, California Commission on Aging (CCOA)**

- Please provide an overview of the proposed 2022-23 budget for the CCOA and describe what activities the funding sought in the Budget Change Proposal (BCP) will support.

- What specific activities will the Commission carry out in relation to the implementation of the Master Plan for Aging? Please provide specific examples, timeliness, and expected outcomes.

**4. Alek Klimek, Staff Finance Budget Analyst, Department of Finance**

**5. Jaleel Baker, Finance Budget Analyst, Department of Finance**

- Please provide any additional information on the items discussed under this Issue.

**6. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst's Office**

- Please provide any additional information on the items discussed under this Issue.

**7. L. Michael Costa, Executive Director, California Association of Area Agencies on Aging**

- What does the unmet nutritional need look like across the state coming out of the pandemic, and how can the state help address hurdles and meet the need?
- What factors are important in establishing a continuum of social and healthcare services that allow older Californians to remain independent and live at home and in their communities for as long as possible?
- What roles do the Areas Agencies on Aging and their non-profit partners play in facilitating this integration of services?

**8. Becky Duffey, Executive Director, California Association for Adult Day Services**

- What are the main challenges to keeping an effective workforce for aging services in place?
- As we move from pandemic to endemic, what challenges do centers face?
- What do centers need to keep participants safe?

**BACKGROUND**

The California Department of Aging (CDA) administers community-based programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state. As the federally designated State Unit on Aging, the department administers federal Older Americans Act (OAA) programs and the Health Insurance Counseling and Advocacy Program (HICAP). CDA also administers two Medi-Cal programs; it contracts directly with agencies that operate the Multipurpose Senior Services Program (MSSP) and provides oversight for the MSSP waiver and certifies Community-Based Adult Services (CBAS) centers for participation in Medi-Cal. CDA administers most of these programs through contracts with the state's 33 local Area Agencies on Aging (AAA). At the local level, AAAs contract for and coordinate this array of community-based services to older adults, adults with disabilities, family caregivers, and residents of long-term care facilities.

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

Grand Total By Fund	Fiscal Year	
	2021-22	(Proposed Budget) 2022-23
General Fund	\$103,991	\$67,935
State HICAP Fund	\$4,600	\$2,509
Federal Funds	\$310,364	\$171,138
Special Deposit Fund	\$2,218	\$1,216
Reimbursements	\$15,191	\$13,039
Department of Public Health Licensing and Certification Program Fund	\$400	\$400
Skilled Nursing Facility Quality and Accountability Fund	\$1,900	\$1,900
Home & Community-Based Services American Rescue Plan Fund	\$365,000	--
<b>Total All Funds</b>	<b>\$803,664</b>	<b>\$258,137</b>

**Governor's Proposals for CDA.** The Governor's Budget includes the following budget change proposals related to the CDA:

- **Administrative Workload.** The Governor's Budget requests \$536,000 General Fund in 2022-23 and \$512,000 General Fund in 2023-24 and ongoing to support four permanent positions to address increased administrative workload related to the recent growth of the department and the ongoing implementation of the Master Plan for Aging.
- **Position Authority Adjustment.** The Governor's Budget requests position authority for eight permanent positions that previously have been established temporary help positions. CDA has identified existing, ongoing funding for these positions and requests position authority only.
- **Master Plan for Aging.** The Governor's Budget requests \$2 million General Fund in 2022-23 and \$1.9 million General Fund ongoing to support twelve permanent positions to continue implementation of the Master Plan for Aging specific to three areas: data, policy, and equity; communications; and to establish a State Public Conservator Liaison within the department.

**Federal Funding.** During the past two years, the department has received significant federal funding to respond to COVID-19. The table on the next page depicts the total funding received and the funding deadline. The majority of this federal funding (\$131 million) went to the Home Delivered Meals Program.

	Total Funding	End Date
Families First Coronavirus Response Act	\$25.1 million	September 2022
Coronavirus Aid, Relief, and Economic Security (CARES) Act	\$86.5 million	September 2022
Consolidated Appropriations Act	\$17.9 million	September 2022
American Rescue Plan Act (ARPA)	\$146.1 million	September 2024
Vaccines	\$6.8 million	September 2022
Total	\$282.4 million	

**Master Plan for Aging and Workload Impact.** In June 2019, Governor Newsom issued an executive order calling for the creation of a Master Plan for Aging (MPA). In January 2021, the California Health and Human Services Agency (CalHHS) published the Master Plan for Aging (MPA) to serve as a comprehensive framework that will help to prepare the state for significant demographic changes in the years ahead, including the growth of the 60-and-over population to 10.8 million people by 2030.

The CDA has taken a lead role in developing the MPA. It is driven by five goals (below) and over one hundred initiatives. More information is available at: <https://mpa.aging.ca.gov/>.

- Goal One: Housing for All Ages and Stages.
- Goal Two: Health Reimagined.
- Goal Three: Inclusion and Equity, not Isolation.
- Goal Four: Caregiving that Works.
- Goal Five: Affording Aging.

The 2021 Budget Act included 53 new permanent positions to implement the MPA and other efforts aligned with the MPA's goals including Aging & Disability Resource Centers, Long-Term Care Patient Representatives, Health Insurance Counseling and Advocacy Program, and Community-Based Adult Services. Furthermore, the Department was provided with additional limited-term funding through the Home and Community-Based Services (HCBS) Spending Plan (\$365 million) and American Rescue Plan Act (ARPA) COVID relief funding.

The 53 permanent positions provided in the 2021 Budget Act represent a 42 percent increase in authorized staffing levels for the department and will significantly drive workload for CDA's Human Resources and Business management operations. The department requests twelve new positions in the 2022-23 Governor's Budget for continued implementation of the Master Plan for Aging. Staffing resources associated with the HCBS Spending Plan and ARPA COVID Relief funding will further increase administrative workload over the next several years.

CDA is responsible for the coordination and implementation of the MPA. Last year, CDA requested MPA Phase I resources that included core leadership, analytical, and support

resources for the MPA in the areas of MPA leadership, policy, legal, informational technology (IT), and administrative support. The twelve requested implementation positions are part of Phase II to support the leadership and coordination of CDA in implementing the MPA. This request builds upon last year's budget by providing additional support in data and research leadership and capacity, equity and tribal engagement, communications to connect aging and disability services, and establishing a State Public Conservator Liaison within CDA.

**Conservatorships.** Under California law, a judge can appoint a conservator to manage the financial affairs and/or daily life of another person whom the Court has been determined is unable to provide for his or her personal needs and/or manage his or her financial resources. A person under conservatorship is a "conservatee."

Each of California's 58 counties has an Office of the Public Guardian-Conservator-Administrator (PGCA). CDA proposes to establish a position at CDA to act as a liaison with local PGCA offices relating to probate conservatorships for older adults, including those with dementia. Probate conservatorships are the most common type of conservatorship in California. There are a large and growing number of older adults and in particular older adults with dementia currently served by or receiving services from PGCA offices. According to the department, the requested position will help CDA establish a strong relationship with local PGCA offices and support an effective, equitable, and coordinated Public Conservator program for older adults statewide.

Note that this proposal does not cover other county PGCA functions, including the Lanterman-Petris-Short Act Conservatorships, which involve medical and behavioral health issues, and guardianships for minors. Both of these areas are outside of CDA's purview and expertise.

#### CALIFORNIA COMMISSION ON AGING

The mission of the California Commission on Aging (CCOA) is to serve as the principal advocacy body for older Californians. The Commission advises the Governor, Legislature, and state and local agencies, and participates in the consideration of legislation and regulations made by state and federal entities relating to programs and services that affect older adults.

#### California Commission on Aging Expenditures by Fund Source \* Dollars in thousands

Grand Total By Fund	Fiscal Year	
	2021-22	(Proposed Budget) 2022-23
General Fund	\$52	\$52
California Seniors Special Fund	\$61	\$61
Federal Funds	\$523	\$833
<b>Total All Funds</b>	<b>\$636</b>	<b>\$946</b>



**Governor's Proposal.** The Governor's Budget requests two permanent positions and an increase in federal fund authority of \$309,000 in 2022-23 and \$297,000 ongoing to support the Commission in fulfilling statutory obligations and increased workload associated with Master Plan for Aging implementation.

**Background.** Established in the Older Californians Act, the Commission is comprised of 25 appointees representing the state's racial, ethnic, and geographic diversity. Members of the Commission are consumers and providers of aging services, as well as researchers and academics from the field of aging. Commissioners are volunteers who serve up to two three-year terms, appointed by the Governor, the Speaker of the Assembly, and the Senate Rules Committee. The Commission is staffed by three full-time staff: one Executive Director (ED), one Associate Governmental Program Analyst (AGPA), and one Staff Services Analyst (SSA). These staff also provide administrative support to the Triple-A Council of California (TACC), a 33-member body of local volunteers that meets four times per year in Sacramento.

To ensure the Commission was fully represented and to provide guidance and analytic support in recommendations development and now implementation, the ED and AGPA have dedicated a sizable portion of work time to MPA-focused work since December 2019. The Commission participates in multiple MPA-related stakeholder advisory groups, e.g., Disability and Aging Community Living, Aging and Disability Resource Connection, Equity in Aging, and MPA Research Partnership. Participation in stakeholder meetings and supporting Commission MPA priorities require focused staff work centering on research, policy analysis, position papers, forums, public hearings, and outreach and education.

The Commission requests an AGPA who will be responsible for developing and executing a comprehensive communications strategy. The second requested AGPA will serve as an MPA Liaison and will be responsible for identifying emerging issues related to the MPA and tracking MPA implementation. The position will conduct research and prepare policy memos, policy briefs, reports, online content, presentations, and other materials for specific policy and program areas in alignment with Commission priorities.

#### OVERSIGHT OVER IMPLEMENTATION OF RECENT INVESTMENTS

**Budget Issue.** The 2021 Budget Act made several significant investments in programs administered by CDA. Those investments included:

- **Older Adults Recovery and Resilience Initiative (ARPA).** \$106 million General Fund available over three years, to strengthen older adults' recovery and resilience from isolation and health impacts caused by the COVID-19 pandemic. Note that this funding was included as part of the state's Health and Community-Based Services (HCBS) spending plan.

The HCBS spending plan details how the state will spend additional federal funding provided via the ARPA of 2021. ARPA dictates that this pot of funding must be spent in support of home and community-based services and not supplant existing state funds.

- **Senior Nutrition.** \$14.3 million General Fund in 2021-22 and \$35 million General Fund ongoing for additional funding for increased meals and \$40 million General Fund, one-time, in 2021-22 for capacity building and infrastructure needs for these programs. Note that the \$40 million for infrastructure funding was included as part of the state's HCBS spending plan.
- **Aging and Disability Resource Centers (ADRCs).** \$2 million General Fund ongoing for state operations resources to support and expand ADRCs for a statewide "No Wrong Door" system.
- **Multipurpose Senior Services Program (MSSP).** \$6.3 million General Fund in 2021-22 and \$11.7 million General Fund ongoing to make the temporary MSSP rate increase permanent and to increase MSSP slots by 2,497.
- **Technology Access.** \$50 million General Fund one-time for the Technology Access for Older Adults and Adults with Disabilities pilot program. The program will provide grants to counties to assist older adults and adults with disabilities in accessing technology. Note that this funding was included as part of the state's HCBS spending plan.
- **Office of the Long-Term Care Patient Representative.** \$2.5 million General Fund in 2021-22 and \$4 million ongoing to provide public patient representatives to nursing facility residents who cannot make their own health care decisions and to establish the Office of the Long-Term Care Patient Representative program.

The table below provides the funding breakdown by program, as included in the 2021 Budget.

Proposed Program Funding (Millions of Dollars, Onetime over Three Years)	
Program	Funding
Senior Nutrition	\$20.7
Senior Legal Services	\$20
Fall Prevention and Home Modification	\$10
Digital Connections	\$17
Senior Employment Opportunities	\$17
Aging and Disability Resource Connections	\$9.4
Behavioral Health Friendship Line	\$2.1
Family Caregiving Support	\$2.8
Elder Abuse Prevention Council	\$1.0
State Operations	\$6.0
<b>TOTAL</b>	<b>\$106</b>

More information about the implementation of these investments is included below.

**Senior Nutrition.** The Senior Nutrition program consists of the Congregate Nutrition Program and the Home Delivered Meal Program. The Congregate Nutrition program targets individuals age 60 or older with the greatest economic or social need. In 2019-20, an average of 36,458 meals a day were served through this program. The Home Delivered Meal Program serves older adults who are not able to attend congregate programs. In addition, programs may provide nutrition education counseling. In 2019-20, approximately 53,734 meals were delivered each day.

Under the CARES Act, states were allowed additional program flexibility for nutrition programs. States were allowed to transfer up to 100 percent of funding from congregate to home-delivered meals programs without prior federal approval to provide home-delivered meals to individuals homebound for social distancing purposes, and temporarily waive certain dietary guidelines for meals. Congregate meal programs were transformed to serve older adults through meal pick-up and home delivery. Based on preliminary data, AAAs were able to provide approximately 9.5 million additional meals in 2020-21 compared to the previous fiscal year.

The department is still in the process of consulting with stakeholders to create guidelines for the \$40 million set aside for infrastructure. However, the department has indicated that the funds will go to AAAs who, in turn, will allocate the funding to local programs with Meals on Wheels programs receiving priority.

**ADRCs.** Many communities currently have multiple agencies administering long-term services and supports (LTSS) and have complex, fragmented, and often duplicative intake, assessment, and eligibility functions. ADRCs are intended to act as a single coordinated system of information and access for persons seeking LTSS. The “No Wrong Door” system aims to lower the barriers that older Californians, people with disabilities, caregivers, and families face accessing the information and assistance needed to age well. ADRCs are created by forming partnerships between AAAs and Independent Living Centers (ILCs). The establishment of a statewide ADRC program was a key recommendation from the MPA stakeholder committee.

The current ADRC network covers about fifty percent of the state. The additional funding provided in the 2021 Budget Act, as well as the 2019 and 2020 Budget Acts, has provided for the establishment of nine established ADRCs and a few emerging ADRCs. These new ADRCs cover twenty-two new counties and serve roughly two million additional older adults.

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

**Access to Technology Pilot Program.** The 2021 Budget Act authorized the Access to Technology pilot program to connect older adults and adults with disabilities to technology to help reduce isolation, increase connections, and enhance self-confidence. The funding would be provided through grants to counties. Allowable uses of the funding include, but are not limited to: (1) providing technology to older adults and adults with disabilities; (2) arranging for reliable internet access to older adults and adults with disabilities; (3) developing or arranging for education and training on the use of technology; and, (4) administration of the program, including data collection and reporting.

The department is currently working with the County Welfare Directors Association (CWDA) to develop guidelines for counties in implementing the program. As this funding was included as part of the state's HCBS spending plan the department had to wait for federal approval before moving forward with the program.

**Office of the Long-Term Care Patient Representative.** This office was established via the 2021 Budget Act to provide public patient representatives for residents of skilled nursing or intermediate care facilities to participate in interdisciplinary teams if a family member, friend, or other person authorized by state or federal law cannot be located, or is otherwise unavailable, unwilling, or unable to participate as a patient representative. The department is not required to begin providing public patient representatives until July 1, 2022, or the date that the Director of the department certifies and provides public notice that the Long-Term Care Patient Representative Program is operational, whichever is earlier. The department has recently hired an Office Director, is in the process of vetting organizations to provide long-term care patient representatives and is developing a project plan, engaging with stakeholders and the California Department of Public Health. CDA has indicated that it is on track to meet the July 1 statutory deadline.

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**Staff Recommendation:** Hold open all CDA budget issues, pending action at the May Revision hearings.

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**5180 DEPARTMENT OF SOCIAL SERVICES****ISSUE 2: GOVERNOR'S BUDGET PROPOSALS AND OVERSIGHT FOR ISSUES IN THE IN-HOME SUPPORTIVE SERVICES (IHSS) PROGRAM****PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER**

Panelists have been asked to specifically answer the questions below as listed for each individual panelist in their five-minute maximum presentation to the Subcommittee.

- 1. Kim Johnson, Director, California Department of Social Services**
- 2. Leora Filosen, Adult Programs Division Deputy Director, California Department of Social Services**
  - Please provide an overview of the proposed 2022-23 budget for the IHSS program and briefly describe the significant funding augmentations included in the Governor's budget.
  - What are the risks of Medi-Cal redeterminations ensuing (expected to occur July 1, 2022) for IHSS recipients and how can the state attempt to avoid a potential loss of services for IHSS recipients?
  - What issues are being raised regarding the permanent provider backup system and what is the Administration's response? What is the status of stakeholder discussions and when will a new version of the trailer bill be released?
  - Please describe the impetus and need for the IHSS Employer Definition trailer bill proposal.
  - Please provide an update on the implementation of the IHSS Career Pathways Program and share any issues or challenges of which the Legislature should be aware.
  - How does DSS assure that policies and procedures for IHSS align with the MPA?
- 3. Aanam Khan, Staff Finance Budget Analyst, Department of Finance**
  - Please provide any additional information on the items discussed under this Issue.
- 4. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst's Office**
  - Please review the comments and questions from your analysis on the IHSS program.
  - What are specific options for the state to avoid loss of IHSS services due to a potentially inappropriate break from Medi-Cal that may occur when redeterminations restart?
  - Please provide any additional information on the items discussed under this Issue.
- 5. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California (CWDA)**
  - What can CWDA tell us about what counties are seeing on the ground with respect to IHSS caseload and the counties' ability to respond to the programmatic demand?

- Are there programmatic flexibilities put in place during the pandemic that would be good to continue? Are there other administrative changes that would improve program access, retention, and services?

**6. Tiffany Whiten, Senior Government Relations Advocate, California State Council of Service Employees International Union (SEIU)**

- How can the Legislature and the Administration ensure the IHSS Career Pathways Program is successful for existing and future IHSS providers?
- What changes would further support IHSS providers?

**7. Beverly Yu, State Government Affairs Director, United Domestic Workers (UDW)/ American Federation of State, County and Municipal Employees (AFSCME) Local 3930**

- What are some parameters the state should consider in the development of the IHSS/Waiver Personal Care Services (WPCS) permanent backup system?
- How can the state strengthen natural disaster preparedness and response to assist IHSS/WPCS providers and recipients?

**8. Elizabeth Zirker, Managing Attorney, Healthcare/Home & Community-Based Services Practice Group, Disability Rights California (DRC)**

- What are DRC's comments on the back-up provider and career pathways proposals?
- What does DRC consider the biggest issues impacting access to IHSS services for consumers and applicants?

**BACKGROUND ON IHSS**

The 2022-23 IHSS budget includes \$16.9 billion (\$4.9 billion General Fund) in 2021-22 and \$18.5 billion (\$6.5 billion General Fund) in 2022-23. The 2021-22 budget reflects a decrease of \$308.4 million (and a decrease of \$671.4 million General Fund). This reflects a lower caseload than what was reflected in the previous estimate, slightly offset by an increase in the cost per hour and hours per case. The 2022-23 IHSS budget reflects an increase of \$1.3 billion (\$947.7 million General Fund) from the 2021 Budget Act, due to continued caseload growth, cost per hour, and hours per case.

The program provides personal care services to qualified low-income individuals who are blind, over 65, or who have disabilities. Services include feeding, bathing, bowel and bladder care, meal preparation and clean-up, laundry, and paramedical care. These services help program recipients avoid or delay more expensive and less desirable institutional care settings.

The projected cost per hour is \$17.91 in 2021-22 and increases to \$18.39 in 2022-23. The caseload for this program continues to increase. The updated caseload is projected to be 583,083 in 2021-22 and 598,835 in 2022-23.

As of December 2021, 14.9 percent of IHSS consumers are 85 years of age or older, 40.4 percent are aged 65-84, 36.3 percent are aged 18-64, and 8.4 percent are 17 years of age or younger. There are approximately 559,058 IHSS providers. 55 percent of providers live with

their clients and 80 percent of providers work for only one recipient. 74 percent of providers are relatives of the recipient.

#### GOVERNOR'S PROPOSALS FOR IHSS

The budget also contains the following investments for the IHSS program:

**Permanent Backup Provider System, with Trailer Bill Language.** The Governor's Budget includes \$24.8 million (\$11.2 million General Fund) ongoing for the permanent backup provider system, to commence on July 1, 2022. This system creates a permanent solution that allows counties to help IHSS recipients receive services from a secondary provider when the primary provider is unavailable, which will aid in avoiding the need for emergency services and/or out-of-home placement if backup supportive services are not provided. The Administration has released trailer bill language that is part of this proposal.

DSS has been providing funding to the counties during the COVID- 19 pandemic for administrative support (\$1.9 million General Fund for 2021-22) for the back-up provider system which enables counties to find back-up providers to provide services to IHSS recipients whose providers are unavailable due to COVID-19. This funding also provides back-up providers a wage differential of \$2 (\$1.3 million General Fund for 2021-22) when they step in to provide these services. These activities were set to expire December 31, 2021. DSS extended these flexibilities until June 30, 2022. This eliminates a gap with the aforementioned Permanent Back-Up Provider System, which is intended to be in place July 1, 2022.

**Continuous Coverage.** The Governor's budget reflects \$90.1 million in General Fund savings, captured by pausing Medi-Cal redeterminations in response to the COVID-19 pandemic. This prevented cases from shifting to the non-federally funded IHSS Residual program in some counties, which is a practice that permits IHSS recipients to retain services. The delay of Medi-Cal redetermination was previously set to expire on December 31, 2021, but is now assumed to be extended through June 30, 2022. The Administration is not proposing any effort to avoid inappropriate terminations from IHSS due to an adverse Medi-Cal redetermination that results in the loss of Med-Cal coverage for this population. Redeterminations typically review changes in income or asset circumstances, though the process can be cumbersome.

**Definition of IHSS Employer Trailer Bill Language.** The Governor's Budget proposes the adoption of statutory changes defining employment of IHSS providers. The Administration states that although existing law establishes an IHSS recipient may hire, train and fire an IHSS provider at their own discretion, liability questions have been raised as the IHSS Program contracts with non-profit consortiums and public authorities to act as employer in an administrative capacity. In addition, legislation is often introduced that inadvertently or intentionally may result in the State and/or County being identified as the employer of IHSS providers. The intent of existing law is to establish a framework in which IHSS recipients have the means to hire qualified IHSS providers while also providing collective bargaining and benefits to those IHSS providers who are a part of the registry.

The Administration further states that existing law never intended to require the state and counties to assume legal liability for actions of IHSS recipients who act as employers in their own homes. If found to be IHSS providers' employers, the state and county will be subject to various state and federal employment law and regulations, resulting in significant costs, as well as untold potential state liability for other types of claims against employers. Any litigation against the state arising from liability for wage claims that the recipients is responsible can be avoided with this clarifying language. The Administration asserts that it is essential that DSS clarify for purposes of all the provisions of state law that govern employment that an IHSS recipient is deemed the employer of an IHSS provider, and the state and county are not the employer or joint-employer of any IHSS provider, except as explicitly set forth in the Welfare and Institutions Code. This proposed language does not change existing definitions for an IHSS employer.

**Electronic Visit Verification (EVV) Implementation.** In 2016, the Federal Government passed the 21st Century Cures Act to require EVV for Personal Care Providers and Home Health Care Providers. Part of the EVV requirement is that States will capture the provider's location when the service is provided. If the State fails to comply with the EVV requirement, the 21st Century Cures Act includes penalties in the form of reduction of the federal matching assistance percentage (FMAP). The reduction in FMAP is 0.5 percent for 2021, 0.75 percent for 2022, and 1.0 percent for 2023. The state will face federal penalties continuing into 2022-23 until CDSS has a fully implemented EVV system that meets Centers for Medicare and Medicaid Services (CMS) approval. CDSS plans to be in full compliance with CMS requirements by December 2022.

EVV was fully implemented for IHSS as of December 2020; however, CDSS received additional direction from CMS requiring electronic capture of the provider's location at the start and end of each workday. To fully comply with the CMS direction that CDSS electronically capture the location at the start time and end time of each service day for all non-live-in providers, the current system is being modified to electronically capture the provider's location when they log in and check in or check out. Implementation of the location capture feature and the release of an IHSS location services application for electronic devices is scheduled for July 2022.

**EVV Penalty Reduction.** The Governor's budget includes \$27.5 million General Fund to cover the first six months of penalties in 2022-23 due to delayed EVV implementation.

**EVV Implementation Resources.** The Governor's budget includes \$1.5 million General Fund for seven permanent positions to administer the EVV and IHSS social worker training. The department was previously granted limited-term funding for EVV implementation, which will expire on June 30, 2022.

**Proposed Full-Scope Medi-Cal Expansion to Remaining Undocumented Adults.** Historically, income-eligible undocumented immigrants only qualified for "restricted-scope" Medi-Cal coverage, which covers their emergency- and pregnancy-related service costs. In general, beneficiaries of restricted scope Medi-Cal are not eligible for IHSS. The state has expanded comprehensive, or "full-scope," Medi-Cal coverage, including IHSS eligibility, to



income-eligible undocumented children (effective May 2016), adults aged 19 through 25 (effective January 1, 2020), and older adults aged 50 and over (effective no sooner than May 2022). The Governor's budget proposes to further extend full-scope Medi-Cal coverage and IHSS eligibility to income-eligible undocumented immigrants aged 26 to 49 no sooner than January 2024. As a result of this proposal, all undocumented immigrants, regardless of age, will be eligible for full-scope Medi-Cal and IHSS. While no funding is provided within the budget window (2021-22 and 2022-23) due to the proposed schedule of implementation, the Administration estimates that this policy change will increase IHSS costs over time, reaching ongoing costs of roughly \$400 million General Fund in 2026-27.

**Implementation of Phasing in the Medi-Cal Asset Limit Repeal.** Currently, seniors and persons with disabilities must have assets at or below \$2,000 (or \$3,000 for couples) to be eligible for Medi-Cal. The 2021-22 budget included legislation to raise the Medi-Cal asset limit from \$2,000 to \$130,000 for individuals and from \$3,000 to \$195,000 for couples no sooner than July 2022. Moreover, the asset limit would be eliminated altogether no sooner than January 2024 if the necessary federal approvals are obtained. The Governor's budget assumes that the asset limit will be raised on July 1, 2022, resulting in more seniors and persons with disabilities becoming eligible for Medi-Cal services, including IHSS. The Administration estimates that about 6,000 seniors and persons with disabilities will become eligible for IHSS as a result of this policy change, increasing General Fund costs by \$67 million in 2022-23.

**COVID-19 Temporary 6.2 Percent FMAP Increase.** The federal government has provided and continues to provide a temporary 6.2 percent increase in the FMAP reimbursement rate for federally eligible Title XIX service expenditures. The enhanced FMAP rate was previously set to expire on December 31, 2021; however, it is now assumed it will be extended through June 30, 2022. As a result of this extension, the projected General Fund savings in 2021-22 have increased from \$463.5 million to \$940.1 million.

#### OVERSIGHT ISSUES

**IHSS Career Pathways Program.** The 2021 Budget Act included \$200 million General Fund one-time to incentivize, support, and fund career pathways for IHSS providers, allowing these workers to build on their experience to obtain a higher-level job in the home care and/or health care industry. The budget also included trailer bill language detailing specifics of the program, including requirements that provider participation is voluntary, at no cost to providers, and that providers be compensated for each hour of training.

The Career Pathways program aims to increase the quality of care and retention of providers for recipients and incentivize, support, and fund career pathways for providers. This will allow workers to build their experience to obtain a higher level job in the home care and/or health industry. CDSS with stakeholders identified five career pathways: (1) general health and safety; (2) adult education topics; (3) cognitive impairments and behavioral health; (4) complex physical care needs; and, (5) transitioning from homelessness. The pathways are split into two categories: General Pathways and Specialized Skill Pathways. Providers who have completed provider enrollment and are eligible to work for a recipient, including registry and

emergency backup providers, may participate in the Career Pathways Program. Providers will receive payment for attending training and those who complete coursework in a selected career pathway and meet certain criteria will be eligible to receive incentive payments. The criteria for receiving incentive payments include:

- Completing 15 hours of training in a particular pathway.
- Completing 15 hours of training in a Specialized Skills Pathway and subsequently going to work for a new recipient that needs that specialized type of care, and providing 40 authorized hours of care in the first month.
- Completing 15 hours of training in a Specialized Skills Pathway and subsequently going to work for a new recipient that needs that specialized type of care, and providing 40 authorized hours of care per month for at last 6 months.

Local counties and/or IHSS public authorities and nonprofit consortiums will inform providers of the availability of the training and assist interested providers in registering for the training. State staff will document the completion of learning pathways and issue the incentive payments as well as any other administrative activities related to the training. It is expected that provider training will begin in September 2022.

CDSS held listening sessions with the stakeholder community on December 15, 2021, and January 26, 2022. More than 300 providers, recipients, and advocates attended those sessions. The department also conducted meetings and surveys with county IHSS and Public Authority staff to gauge interest in being training providers. During the listening sessions, recipients, providers, and others expressed some concerns. Recipients worried that providers will leave the IHSS program for other professions once they obtain the training and that incentive payments would encourage providers to take on more clients, putting them at risk for violations. There was also concern about language access and whether the training would be available in multiple languages. The department issued a Request for Proposal (RFP) on March 11, 2022, with final proposals due in mid-April. The department is also planning automation activities so that providers can be paid for the training and receive incentive payments. Additional stakeholder meetings will be scheduled to discuss the amount of the incentive payments.

**IHSS COVID-19 Response.** In response to the pandemic, DSS has provided over 2.5 million masks to providers and recipients and continues to provide protective gear and personal protective equipment for providers and recipients. DSS also implemented an emergency backup provider system. Note that funding for the emergency backup provider system ended on December 31, 2021, but the proposed 2022-23 budget includes funding for a permanent backup system. Additionally, emergency paid sick leave was provided for IHSS providers and the medical accompaniment service was expanded to include accompanying recipients to their vaccination appointments. The state implemented numerous IHSS program flexibilities and enhancements to mitigate health and safety risks associated with COVID-19. As shown in the figure from the Legislative Analyst's Office (LAO) on the next page, many of these program flexibilities and enhancements have expired. The LAO notes that given that Omicron has become the prevailing COVID-19 variant in California since the development of the Governor's budget, the Legislature may want to consider whether any IHSS program flexibilities or temporary supports warrant an extension.

**Status of COVID-19 IHSS Program Responses and Flexibilities**

<b>Program Activity</b>	<b>Description of Flexibility</b>	<b>End Date</b>
<b>Active</b>		
Initial IHSS Assessment	Counties may use video-conferencing for initial assessment only if an applicant or someone in the applicant's household has been infected with COVID-19, has symptoms of COVID-19, or has been exposed to COVID-19 in the previous two weeks. In situations where there is less risk of COVID-19 infection, counties should conduct initial assessment via an in-person home visit. Counties may collect as much information as possible regarding the applicant over the phone before the home visit to reduce the amount of time spent in the applicant's home.	End of the state of emergency in California
Annual IHSS Reassessment	While counties are expected to begin to transition back to in-person reassessments whenever possible, they may continue to use telephone and video-conferencing to conduct annual reassessments as needed. Additionally, before conducting an in-person reassessment, counties may collect as much information as possible regarding the applicant over the phone to reduce the amount of time spent in the applicant's home.	End of the state of emergency in California
Submission of IHSS Program Forms	When assessments and reassessments are conducted via telephone or video-conference, county staff may accept self-attestations from applicants and recipients and/or their authorized representatives in lieu of original signatures on most required forms normally signed during assessments and reassessments.	End of the state of emergency in California
Submission of IHSS Provider Identification Documents	Temporarily waive requirement for IHSS providers to go to IHSS county or public authority office to present and photocopy original identification documents if office is closed. As an alternative, counties may accept mailed-in or faxed photocopies of the original identification documentation.	End of the state of emergency in California
Quality Assurance and Program Integrity	Counties may perform home visits for purposes of quality assurance and program integrity remotely using telehealth, including video-conferencing and telephone. Specifically, counties should continue to use video-conferencing in situations where the applicant or someone in their household has been infected with COVID-19, has symptoms of COVID-19, or has been exposed to COVID-19 in the two weeks prior to the home visit. In situations where there is no danger of COVID-19 infection, the county can conduct an in-person home visit.	End of the state of emergency in California
<b>Expired</b>		
Implement Adverse Actions Related to IHSS Reassessments	Postpone the implementation of adverse actions, such as reduction of IHSS hours and termination from IHSS program, resulting from the IHSS redetermination.	June 30, 2020
Social Worker Outreach	IHSS and APS social workers perform out-bound calls and/or visits to elderly recipients to ensure at-risk recipients are receiving services they need and are safe in their homes.	June 30, 2020
IHSS Provider Criminal Background Check	Temporarily suspend requirement for IHSS provider to complete fingerprint-based criminal background check. As an alternative, counties may conduct name-based criminal background checks.	July 31, 2020
IHSS Paid Parent Provider Eligibility	Allow IHSS parent provider in two-parent household to continue to be an eligible IHSS provider even if the second parent becomes a suitable care provider because the parent is not working or attending school or vocational program.	August 3, 2020
In-Person Provider Orientation	Temporarily suspend requirement for IHSS providers to complete in-person provider orientation.	August 31, 2020
IHSS Provider Overtime Violations	Temporarily remove violations if IHSS provider worked above the allowable overtime limit.	August 31, 2020
Federal COVID-19 Paid Sick Leave	Provide additional hours of paid sick leave for IHSS providers if they are unable to work due to COVID-19.	March 31, 2021
Back-Up Provider System	Create a statewide emergency back-up provider system with \$2 per hour wage differential.	December 31, 2021
COVID-19 Vaccination Assistance	Pay IHSS provider to accompany IHSS recipient to their COVID-19 vaccination appointment.	December 31, 2021
Note: There is no set end date for the state of emergency in California. IHSS = In-Home Supportive Services and APS = Adult Protective Services.		

**IHSS-Related Home and Community-Based Services (HCBS) Spending Plan Items.** The American Rescue Plan (ARP) Act temporarily increases the federal Medicaid match for HCBS services, including IHSS. The state expects to receive, in total, \$3 billion in additional federal Medicaid funds (including the estimated \$1 billion in additional federal Medicaid funds for the IHSS program). As a condition of receiving these funds, the state is required to spend an equal amount of funding on new HCBS enhancements and expansions. The federal government conditionally approved the various HCBS enhancements and expansions included in the state's HCBS spending plan. The state's HCBS spending plan includes two IHSS-related enhancements: (1) provide a one-time \$500 incentive payment to IHSS providers who worked at least two months between March 2020 and March 2021 and (2) create specialized training opportunities for IHSS providers. The one-time \$500 payments to IHSS providers occurred in early 2022 and DSS reports that a total of 574,730 checks have been issued, with no major issues in implementation. Additionally, DSS is currently seeking stakeholder input on the structure of the IHSS provider training opportunities, which is set to start no later than September 1, 2022 (and remain operative until March 1, 2024).

#### STAFF COMMENTS AND QUESTIONS

The Subcommittee may want to ask additional questions about the following topics covered under this Issue:

- 1. Continuous Coverage.** As mentioned previously, the delay of Medi-Cal redetermination was previously set to expire on December 31, 2021, but is now assumed to be extended through June 30, 2022. The Administration is not proposing any effort to avoid inappropriate terminations from IHSS due to an adverse Medi-Cal redetermination that results in the loss of Med-Cal coverage for this population. Redeterminations typically review changes in income or asset circumstances, though the process can be extremely cumbersome due to the technical nature of the paperwork requirements. The Subcommittee may wish to ask about a cross-department discussion with DSS and the Department of Health Care Services (DHCS) about options for simplifying redeterminations to assure that recipients do not lose coverage to critical long-term care and home and community-based services once redeterminations resume. Negative consequences would run afoul of the MPA goals and impact an already-compromised caseload of seniors and people with disabilities.
- 2. Issues with Permanent Emergency Provider Backup System Trailer Bill Language.** A series of issues were raised with the trailer bill language last year, which were not resolved, resulting in the postponement of action on language. The new iteration of trailer bill for this proposal appears to address some of the issues, but not all, and counties and stakeholders are sharing their sets of concerns, questions, and issues with the Administration. The Subcommittee may wish to ask for a listing of issues being raised and the Administration's responses to those, in the vein of working to reach consensus as soon as possible and in time for language to be adopted as part of the 2022 Budget. This listing and active conversation could be requested by the end of April, to allow time for landing prior to or shortly after the May Revision release.

- 3. Issues with Definition of IHSS Employer Trailer Bill Language.** A conversation with stakeholders, counties and legislative staff, convened by the Administration, would assist in understanding if this language is needed and if a consensus can be reached on its content. Due to the fact that it is largely definitional and legalistic, the policy route may be preferable for vetting this language if agreement cannot be reached timely.

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**Staff Recommendation:** The Subcommittee may wish to request: (1) a conversation across DSS and DHCS, with California Health and Human Services Agency included, on the risks and potential simplifications of Medi-Cal redeterminations to assist in the continuation of coverage for IHSS recipients and other similarly compromised populations; (2) a listing of stakeholder issues being raised regarding the IHSS Permanent Emergency Provider Backup System trailer bill and the Administration's responses to each, with any new version of the language released, all by April 29, 2022, at the latest; and, (3) a conversation, convened by the Administration, with stakeholders, counties, and legislative staff, on the rationale for the Definition of IHSS Employer trailer bill proposal, answer questions, and hear feedback.

Hold open all other budget issues, pending action at the May Revision hearings.

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**ISSUE 3: GOVERNOR’S BUDGET PROPOSALS AND OVERSIGHT FOR ISSUES IN THE SOCIAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP) AND ADULT PROTECTIVE SERVICES (APS) PROGRAMS**

**PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER**

**1. Claire Ramsey, Chief Deputy Director, California Department of Social Services**

- Please provide an overview of the proposed 2022-23 budget for the SSI/SSP program.
- What is the state doing to ensure that all those who could benefit from the program are being enrolled? Is support provided for those individuals who may not be familiar with using technology to apply for the program?
- Does the Administration track the purchasing power of the SSI/SSP grants? What approximate level would the grants be at for individuals and couples if state cost of living adjustments (COLAs) had been provided every year where a federal COLA was provided? Can we track this moving forward to increase transparency around the impacts of not providing a state COLA?
- How does the Administration engage with SSI/SSP recipients and their advocates? What are the recipients’ stories telling us about the needs of this population?
- How does DSS assure that policies and procedures for SSI/SSP align with the MPA?

**2. Kim Rutledge, Adult Protective Services Program Liaison, California Department of Social Services**

- Please provide an overview of the budget for the APS program, including federal COVID-19 relief funding and how the COVID funding was used.
- How are the changes authorized in the 2021 Budget, including the reduction of the age to 60 from 65, being implemented and are any issues or challenges coming to light?
- What are the department and/or local agencies doing to ensure that adults who may be victims of abuse or neglect are protected?
- The federal government requires California to submit an operational plan for its APS programs by January 31, 2022. Please provide an overview of this plan and describe how it will ensure consistency of services across counties.
- What is the status, stakeholder consultation, and time frame associated with the development of a statewide automated APS case management system?
- How does DSS assure that policies and procedures for APS align with the MPA?

**3. Aanam Khan, Staff Finance Budget Analyst, Department of Finance**

- Please provide any additional information on the items discussed under this Issue.

**4. Jackie Barocio, Principal Fiscal and Policy Analyst, Legislative Analyst’s Office**

- Please review the comments and questions from your analysis on the SSI/SSP program.
- Please provide any additional information on the items discussed under this Issue.

**5. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California**

- The Governor's budget proposes to let the funding for APS training expire. What have been the benefits of the APS training program? What would be the impacts of not continuing the program?
- What can counties share about how AB 135 implementation is going and any challenges that are being seen?
- Older adults and adults with disabilities are two populations particularly vulnerable to natural disasters. How can county human services agencies be better prepared to help these and all residents in times of disaster?

**6. Michael Herald, Director of Policy Advocacy, Western Center on Law and Poverty**

- How did the decade long grant reduction to SSI/SSP impact the purchasing power of the grant?
- Is the current grant level adequate to afford the cost of housing in California and other basic necessities?
- Recipients frequently say that they do not benefit from grant increases because it often goes for rent increases and reduces their CalFresh. Is there another option for raising the living standards of SSI/SSP recipients?

<b>SOCIAL SECURITY INCOME/STATE SUPPLEMENTARY PAYMENT (SSI/SSP)</b>
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**Governor's Proposal.** The Governor's budget includes \$9.9 billion (\$2.9 billion General Fund) in 2021-22 and \$10.3 billion (\$3.1 billion General Fund) in 2022-23. As compared to the 2021 enacted budget, funding for the SSI/SSP program increased by \$371.9 million (\$162.8 million General Fund) in 2022-23, due to the full-year impact of the 23.95 percent SSP payment increase, partially offset by a projected lower caseload.

Under the 2021 Budget Act, an additional SSP payment increase is planned for January 1, 2024, and if enacted, would restore SSP monthly payments for both individuals and couples to pre-Great Recession levels.

**Background.** The SSI/SSP programs provide cash assistance to around 1.1 million Californians, who are aged 65 or older, are blind, or have disabilities, and in each case meet the federal income and resource limits. A qualified SSI recipient is automatically qualified for SSP. SSI grants are 100 percent federally funded. The state pays SSP, which augments the federal benefit.

**Grant Levels.** The federal government generally applies a Cost of Living Adjustment (COLA) to SSI grant levels annually. A federal COLA of 5.9 percent took effect on January 1, 2022, increasing the maximum monthly SSI grant by \$47 for individuals and \$70 for couples. For 2022, the maximum combined SSI/SSP grant level is \$1,040.21 for individuals and \$1,765.64 for couples. The Governor's budget estimates maximum combined SSI/SSP grant levels will be \$1,059.21 for individuals and \$1,794.64 for couples in 2023.



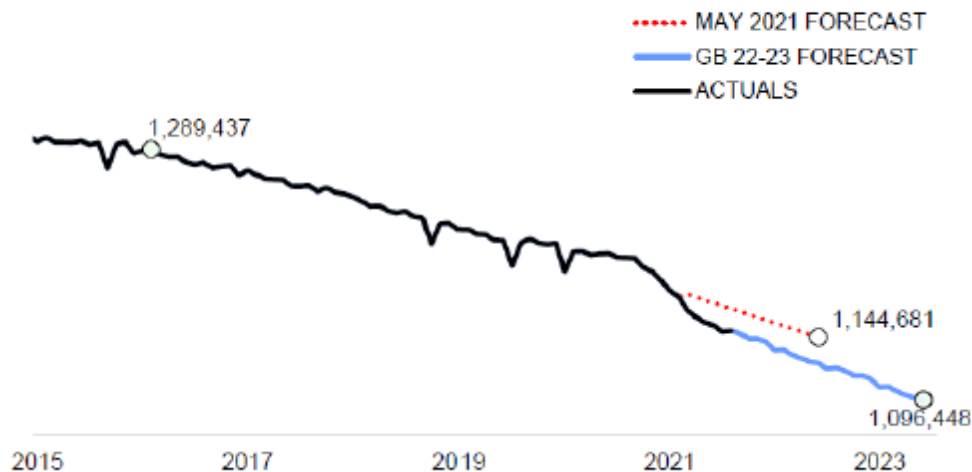
The FPL is a measure of income issued by the federal government each year to determine eligibility for programs and benefits. The January 2022 Federal Poverty Level (FPL) for individuals is \$1,132.50 per month and \$1,525.83 per month for couples. The current maximum SSI/SSP grant level for individuals remains below the 2022 FPL (91.9 percent of the FPL), while the grant level for couples remains just above the 2022 FPL (115.72 percent of the FPL). A 23.95 percent SSP increase took effect on January 1, 2022. An additional increase is planned for January 1, 2024. Despite these grant increases grant levels for individuals in 2022 are below the FPL and it is projected that grant levels for individuals will be below the FPL in 2023-24 as well. The table below, provided by the Legislative Analyst's Office, shows SSI/SSP grant levels in 2021-22, 2022-23, and 2023-24.

<b>SSI/SSP Monthly Maximum Grant Levels<sup>a</sup> Governor's Proposal</b>			
	<b>2021-22 (Actual)</b>	<b>2022-23<sup>b</sup> (Projected)</b>	<b>2023-24<sup>b</sup> (Projected)</b>
<b>Maximum Grant—Individuals</b>			
SSI	\$841.00	\$860.00	\$876.00
SSP	199.21	199.21	246.92
<b>Totals</b>	<b>\$1,040.21</b>	<b>\$1,059.21</b>	<b>\$1,122.92</b>
Percent of Federal Poverty Level <sup>c</sup>	92%	89%	92%
<b>Maximum Grant—Couples</b>			
SSI	\$1,261.00	\$1,290.00	\$1,314.00
SSP	504.64	504.64	625.51
<b>Totals</b>	<b>\$1,765.64</b>	<b>\$1,794.64</b>	<b>\$1,939.51</b>
Percent of Federal Poverty Level <sup>c</sup>	116%	112%	118%
<sup>a</sup> The maximum monthly grants displayed refer to those for aged and disabled individuals and couples living in their own households in January of fiscal year.			
<sup>b</sup> Reflects administration's estimate of the January 2023 and January 2024 federal cost-of-living adjustment for the SSI portion of the grant. Also reflects intended SSP grant increase in January 2024.			
<sup>c</sup> Compares grant level to federal poverty guidelines from the U.S. Department of Health and Human Services up to 2021-22. Estimates of federal poverty guidelines for 2022-23 and 2023-24 are based on Consumer Price Index for All Urban Consumers projections. The 2022-23 and 2023-24 federal poverty guidelines will not be finalized until fall 2022 and fall 2023, respectively.			

**Caseload.** The caseload in the program has declined steadily since 2014-15 due to overall program attrition from the disabled population and slower caseload growth resulting from fewer income-eligible individuals (see image below). The further decline starting in 2020-21 is due to COVID-19 when county offices closed forcing people to utilize technology to access these services. Recent months of actual data indicate the caseload is decreasing at a faster rate compared to prior projections. According to the department, this recent decrease is the result of a greater reliance on technology for SSI applications during the shelter-in-place (with applicants who are less familiar with this process) combined with a growing trend of applicants whose income exceeds eligibility thresholds that have not grown with inflation.



## CASELOAD TREND ANALYSIS



**2021 Budget Act Investments.** The 2021 Budget Act included several investments for the SSI/SSP programs including a 23.95 percent SSP (and Cash Assistance Program for Immigrants) increase, trailer bill language allowing for an additional increase beginning January 1, 2024, and authorization for SSP recipients to receive one-time \$600 payments as part of the Golden State Grant program.

#### ADULT PROTECTIVE SERVICES (APS)

**Governor's Proposal.** The budget requests position authority for five permanent positions to assist with the program expansion authorized in the 2021 Budget Act. No funding is associated with this request.

**Background.** The Adult Protective Services (APS) program provides services without regard to income to persons who are victims of abuse, neglect, or exploitation and are 60 or older or dependent adults who are 18-59 years old who are functionally impaired and unable to meet their own needs. In 2020-21, the APS program received 198,070 reports; 122,158 new cases were opened; 145,110 cases were resolved.

COVID-19 has had an impact on the APS caseload. Historically, there is an increase in reports received and cases opened from one year to the next. However, due to the pandemic, APS saw a 7.1 percent decrease in the number of reports received and an 8.6 percent decrease in the number of cases opened between March 2020 and December 2020.

**Federal Relief.** In the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 California APS received \$9.5 million to supplement services in response to the pandemic. This funding allocation was based on each county's percentage of the total average APS monthly elderly (aged 60 and above) caseload. The allocation was adjusted to ensure each county receives a minimum of \$1,000. Funds are available to counties for use

from April 1, 2021, until September 30, 2022. From the funds, \$254,974 was earmarked for an evaluation study to highlight strategies the counties employed and their effectiveness in responding to the unique demands brought on by COVID-19. The federal relief funding has been used for a variety of purposes, including:

- Emergency shelter
- Technology for staff (laptops, tablets, phones, etc.)
- Extended case management
- Financial abuse public awareness and education campaign
- Hiring additional staff
- Conducting nursing follow up with clients after case closure

California also received \$8.6 million as part of the American Rescue Plan Act (ARPA). These funds were distributed to counties in August 2021 and must be used within 24 months. Roughly \$4 million of the funding went to county activities, while the remaining funds went to activities including a public awareness campaign and operational plan assistance. Additional ARPA funds will be distributed to APS programs in the spring of 2022.

As a requirement of ARPA, the federal Administration for Community Living requires states to create a five-year operational plan for APS programs. The plan must incorporate current and future rounds of funding. California's plan was due January 31, 2022. The department held listening sessions in the fall of 2021 to gather ideas to include in the plan.

**2021 Budget Act Changes.** The 2021 Budget Act included trailer bill language that made several changes to the APS program. As of January 1, 2022, the elderly eligibility age decreased from 65 to 60. Consequently, the age for dependent adults eligible for APS services changes to 18-59. The bill also included an increased emphasis on housing for the elderly and required the development of a stakeholder workgroup to explore the feasibility of a statewide automated APS case management system, with a report due to the Legislature in November 2022.

**Data Collection.** In 2018, the state received a federal grant to improve the state's APS data collection system. The department used the grant to overhaul its primary APS data collection that counties use to electronically submit their monthly statistics. The updated tool was implemented for county use in January 2019. The updated tool captures more comprehensive data that more closely reflects data collected in the federal National Abuse Maltreatment Reporting System database. The updated data collection system will also provide a better understanding of efforts in California to address elder and dependent adult abuse.

**APS Training.** The 2019 Budget Act allocated \$11.5 million for a three-year training effort. With that funding, three APS regional training academies contracted with the state to increase their delivery of core classes for APS social workers and advanced and specialized courses for managers and supervisors. However, these training funds expire at the end of the current 2021-22 fiscal year. After June 30, 2022, funding for training will decrease to \$176,000 General Fund.

**STAFF COMMENTS AND QUESTIONS**

The 2021 Budget Act made a significant investment in the SSP program, providing an almost twenty-four percent increase in SSP payments in 2022-23, with another increase planned in 2023-24. While this increase will bring SSP grants to the levels they were at before the recession in 2009 when the state made cuts to many safety net programs, it would not provide a COLA for SSP payments. Not only were grant levels reduced during the Great Recession, but the annual SSP COLA was suspended. While the 2021 Budget Act raised levels to what they would have been before those reductions, the COLA for SSP has not been reinstated. Note that the 2018 Budget Act included trailer bill language codifying COLA adjustments to SSP grants beginning in 2022-23. The Legislature may request that the Department of Finance provide information about what it would cost the state to reinstate the SSP COLA.

The 2021 Budget Act made many changes to the APS program, all of which will likely increase the APS caseload. Additionally, APS social workers will likely need to be trained on some of these changes. As the funding for APS training will expire at the end of the current fiscal year, the Legislature may want to consider providing additional funding for training.

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**Staff Recommendation:** The Subcommittee may wish to ask staff to work with LAO and DSS in reviewing the costs and language that would be needed to reinstitute a state COLA for SSI/SSP grants. The Subcommittee may also consider directing staff to work with LAO and DSS to draft trailer bill language to require a purchasing power display showing the trends in SSI/SSP grant amounts against inflation, which will also aid in understanding the changes in budget documents in January and May annually.

Hold open all other budget issues, pending action at the May Revision hearings.

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**PUBLIC COMMENT**  
**(PUBLIC COMMENT WILL BE TAKEN ON ALL ITEMS)**

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