

**AGENDA**  
**ASSEMBLY BUDGET SUBCOMMITTEE NO. 1**  
**ON HEALTH AND HUMAN SERVICES**

**Assemblymember Hector De La Torre, Chair**  
**THURSDAY, MAY 11, 2006, 2:00PM**  
**HARLEN ADAMS THEATRE, CALIFORNIA STATE UNIVERSITY, CHICO**

**ITEM 5180 DEPARTMENT OF SOCIAL SERVICES**

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1. Introduction  
Assemblymember Hector De La Torre
  
2. Comments from California United Healthcare Workers  
Tyrone Freeman  
President, California United Healthcare Workers
  
3. Overview of the IHSS Quality Assurance Program  
Eva Lopez  
Department of Social Services
  
4. Comments from Butte County Representatives  
Paul McIntosh  
Chief Administrative Officer, Butte County
  
- Hon. Jan Dolan  
Supervisor, Butte County
  
5. Testimony from IHSS Consumers  
Frank Smith  
Robert Sharp  
Louis Perry  
Sarah Bates  
Dan Grover
  
6. Testimony from IHSS Providers  
Gail Ennis  
Rose Marie Landry  
Golden Sizemore  
Gary Sherbert  
Nancy Sherbert  
Marilyn Friedman
  
7. Testimony from disability rights advocates  
Evan LeVang  
Brandi Zellers  
Scott Douglas
  
8. Public Comment

**IHSS IN BUTTE COUNTY**

In FY 04-05, over 3,000 individuals in Butte County receive homecare, less than one percent of the State's caseload of 348,783 cases. Since 2000, the total caseload in Butte has grown by 32 percent, slightly less than the State's overall growth of 40 percent during that same time period.

According to the Department of Social Services, Butte County's IHSS program cost approximately \$2.7 million in FY 04-05.

<b>EXPENDITURES</b>	FY 02-03	FY 03-04	FY 04-05
<b>Wages and benefits</b>	\$2,280,964	\$2,386,993	\$2,468,359
<b>Administration</b>	\$175,383	\$215,345	\$227,481

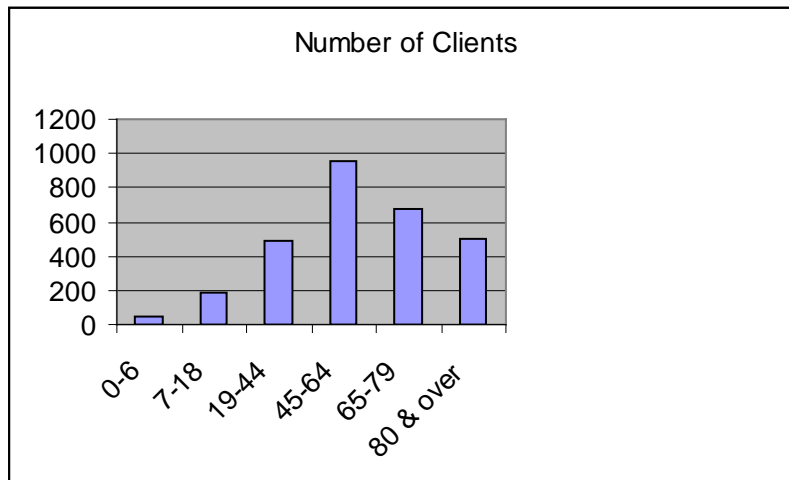
The chart below illustrates Butte's IHSS caseload by the components of the IHSS program:

<b>Butte County IHSS Data FY 2000/01 - 2004/05</b>					
<b>AVERAGE</b>	<b>2000/01</b>	<b>2001/02</b>	<b>2002/03</b>	<b>2003/04</b>	<b>2004/05</b>
<b>Total Cases</b>	2,331	2,477	2,638	2,738	3,083
<b>IHSS Plus Waiver</b>	N/A	N/A	N/A	N/A	401
<b>PCSP-MediCal</b>	2,334	2,487	2,653	2,755	2,621
<b>Residual</b>	61	45	42	32	61
<b>NSI</b>	1,525	1,623	1,739	1,828	2,157
<b>SI</b>	806	853	899	910	926
<b>Monthly Paid Hours</b>	246,382	271,014	296,617	307,293	317,531

Due to the IHSS Plus Waiver, Butte County's share of cost is 17.5 percent of the total cost for almost the entire caseload. The county has a 35 percent share of cost for the 61 cases in the residual caseload, which is not eligible for federal participation.

**AGE DISTRIBUTION:**

The chart below illustrates the ages of Butte's IHSS consumers:



This age distribution suggests that Butte has both non-senior disabled and elderly in the program. This is consistent with the statewide program.

**FUNCTIONALITY DISTRIBUTION:**

Social workers also assess the functional level of a recipient using the Functional Index. This index represents an average of various components of functionality of each recipient's assessment. These components are ranked on a scale of 1-5. A ranking of "1" means that an individual can perform the particular function totally independently and a ranking of "5" means that the individual cannot function at all without assistance. The Functionality Index distribution for the Butte IHSS program is as follows:

<b>Butte Function Index Data:</b>		
<b>Functional Index</b>	<b>Actual</b>	<b>Average</b>
1 – 1.99	195	7%
2 – 2.99	1,069	37%
3 – 3.99	1,355	46%
4 – 4.99	297	10%
5	8	< 1%
<b>Total Cases = 2,924</b>		

Although the Functional Index gives a general sense of functionality of a recipient, a higher ranking does not always coincide with a greater degree of disability.

When compared to statewide data, Butte County's population appears to have less functionality than the State as whole:

<b>Statewide Functional Index Data</b>			
<b>Functional Index</b>	<b>Actual</b>	<b>Average Per County</b>	<b>Average</b>
1 – 1.99	34,048	587	10%
2 – 2.99	167,717	2,892	47%
3 – 3.99	130,413	2,248	36%
4 – 4.99	24,947	430	7%
5	776	13	< 1%
Total Cases = 357,901			

### **IHSS QUALITY ASSURANCE:**

SB 1104, the FY 04-05 Human Services Trailer Bill contained provisions to enact an In Home Supportive Services Quality Assurance Initiative (IHSS QA). The IHSS QA initiative responded to data that illustrated a variance in the assessed hours for IHSS by county. This variance suggested that counties were assessing and applying different standards for the IHSS programs.

SB 1104 also contained the provisions to enact the IHSS Plus Waiver. This waiver transitioned almost of the state-only IHSS Residual caseload into a new program that received federal participation, resulting in significant General Fund Savings. However, the federal government requires that the State have one uniform assessment for the IHSS program. The IHSS QA initiative ensures that the IHSS program meets this federal requirement.

IHSS QA will use a uniform assessment and time for task guidelines to standardize the program statewide. Per SB 1104, DSS has hosted a series of stakeholder meetings to develop statewide standards and implications of the IHSS QA initiative. The Stakeholders groups have met since 2004.

According to DSS, final regulations will be issued to implement the QA provisions some time after mid-July 2006. The Department comments that the public comment on the regulations is open until May 17<sup>th</sup>. Final regulations cannot be adopted until the administration has responded to all public comment.

### **IHSS WAGES:**

Butte County currently pays \$7.11 per hour for In Home Supportive Services for wages and does not provide benefits. Currently the State participates in IHSS wages up to \$10.50 per hour, plus \$.60 per hour for benefits. If May Revision revenues grow by

more than 5 percent for the budget year, a statutory trigger will be pulled to increase this rate to \$11.50 per hour plus \$.60 for benefits in the budget year.

The attachment displays the wage and benefit rates for IHSS in California.

#### **IMPACT OF WAGE ON IHSS PROGRAM:**

In 1996, the State embarked upon a policy to increase IHSS wages because the minimum wage was not sufficient to guarantee quality continuous care to IHSS clients.

Like other healthcare occupations, employers have a hard time finding workers to provide IHSS services. A 1997-1999 survey by the Employment Development Department found that more than 60 percent of IHSS employers were having difficulty finding workers.

In Home Supportive Services clients have difficulty maintaining the consistency of care due to the high turnover rates of IHSS workers. EDD data from 1995-2001 shows that three years after starting a homecare position, less than half of all IHSS providers still provide homecare and only about one third remain with their initial employer.

Wage rates play a significant role in the difficulty IHSS clients have in attracting and retaining workers. A UCLA study found that all caregiver occupations, including homecare, fared worse than competing occupations in wages, benefits and opportunities for advancement.

Studies have shown that increasing the wages and benefits results in increased stability of IHSS placements. A 2002 Berkeley's Labor Institute study of the City and County of San Francisco's wage increases found that increases to IHSS wages resulted in a: 1) 54 percent increase in the number of IHSS providers; 2) 20 percent decline in the turnover experience by clients; and 3) 30 percent reduction in overall turnover in IHSS.

Analysis conducted by the California Center for Long-Term Care Integration suggests that IHSS and other home and community-based services may have helped reduce nursing home utilization in California. Since the 1990s, the number of Medi-Cal eligibles over age 65 has increased almost 25%, yet the average nursing home utilization has decreased from almost 44 days per Medi-Cal eligible aged 65+ in 1991 to just over 36 days per eligible in 2001.