

March 6, 2015

The Honorable Tony Thurmond Chair, Assembly Budget Subcommittee #1 State Capitol Sacramento, CA 95814

RE: IHSS Budget: 7% Across-the-Board Cut

Dear Assembly Member Thurmond;

The In-Home Supportive Services (IHSS) Coalition has one budget priority: (1) we urge the legislature to repeal the 7% across-the-board cut to IHSS hours. The IHSS Coalition is composed of forty-nine organizations representing IHSS consumers, providers and advocates. Our goals are (1) to ensure sufficient funding for In-Home Supportive Services and its interrelated aspects (2) to develop potential improvements for the program, (3) to disseminate information on homecare issues through public events and our website, and (4) to preserve and enhance consumer-directed services.

IHSS keeps Californians with disabilities, including seniors, in their own homes and saves taxpayers hundreds of millions of dollars in doing so. The IHSS program provides personal care and domestic services to approximately 460,000 individuals who are aged, blind or have disabilities, which allow these individuals to live safely at home rather than in unnecessary, not desired and more costly out-of home placement facilities. IHSS is a critical component of long-term care services in California.

By definition, IHSS consumers are very poor; the vast majority has monthly incomes less than \$1,000 and \$2,000 in personal assets. According to the California Department of Social Services (CDSS), approximately 85% of all IHSS consumers receive SSI/SSP. The current maximum monthly SSI/SSP grant for elderly and disabled individuals is \$889 per month and the maximum grant for couples is \$1,496. The average IHSS consumer receives 89.5 hours of service a month.

7% Across-The-Board Cut

In 2013 the legislature adopted the provisions of a settlement agreement to resolve two class-action lawsuits related to IHSS cuts that were previously enacted: *Oster v. Lightbourne* and *Dominguez v. Schwarzenegger*. The cuts that were subject to these lawsuits were enacted when the state was dealing with significant budget deficits and, if implemented, the reductions would have been devastating to IHSS consumers and providers.

The settlement agreement and related implementing legislation repealed those reductions and established an 8% across-the-board cut that took effect on July 1, 2013. Under current law, the 8% cut was replaced with a 7% across-the-board cut on July 1, 2014. The settlement agreement also included a provision to "trigger off" the ongoing 7% reduction—in whole or in part—if the state receives enhanced federal funding pursuant to an "assessment" (likely a fee or tax) on home care services, including IHSS.

The 7% across-the-board cut hurts IHSS consumers and providers. A consumer assessed as needing the average number of monthly hours lost 6 of those hours – time which was needed for laundry or bathing or grocery shopping. A consumer who is assessed as needing the maximum number of hours – 283 – lost 20 hours of help per month – more than two days of personal care or domestic services. The need didn't go away – but the help did.

Consumers have suffered disproportionately in recent years, with the IHSS hours cut compounded by cuts to SSI and Medi-Cal services, which are not proposed for restoration in the proposed budget.

Given the vastly improved fiscal situation, the legislature should restore the hours which consumers need to remain safely in their homes.

Closing Comments:

After many years of budget deficits, California is experiencing higher revenues than projected in the 2013-14 budget, with an additional \$6.3 billion in unanticipated revenue from 2012-2013 budget through 2014-2015 budget. State revenues are coming in higher than these projections, so it's likely that the surplus will be greater than seven billion dollars. This sizable surplus provides the legislature with the resources to repeal the 7% cut.

This year, we need all of you to do what you know is right – and what you've done before: Stand up for the California consumers of IHSS, their families and the workers who provide their much-needed care. We call on you to repeal the 7% across-the-board cuts.

Sincerely,

AARP-California

Access to Independence

ACLU of Southern California

Alzheimer's Association, California Council

California Alliance for Retired Americans (CARA)

California Association of Public Authorities (CAPA)

California Church IMPACT

California Council of Churches

California Council of the Alzheimer's Association

California Council of the Blind

California Disability Community Action network (CDCAN)

California Foundation for Independent Living (CFILC)

California IHSS Consumer Alliance (CICA)

California Senior Legislature

California State Council on Developmental Disabilities

California United Homecare Workers (CUHW)

Californians for Disability Rights, Inc. (CDR)

Communities Actively Living Independent & Free (CALIF)

Dayle McIntosh Center for the Disabled

Disability Rights California (DRC)

East Bay Community Law Center

FREED Center for Independent Living

Friends Committee on Legislation

Gray Panthers

IN SPIRIT

Independent Living Resource Center Inc.

Independent Living Services of Northern California (ILSNC)

Justice in Aging (formerly the National Senior Citizens Law Center)

Marin IHSS Public Authority

Nevada-Sierra-Plumas Public Authority

Northern California ADAPT

Older Women's League

Personal Assistance Services Council of Los Angeles

Resources for Independent Living

San Francisco IHSS Task Force

San Francisco Public Authority

SEIU Local 521

SEIU United Healthcare Workers West

SEIU United Long Term Care Workers

Senior & Disability Action (SDA)

Service Employees International Union – State Council

Silicon Valley Independent Living Center (SVILC)

Southeast Asia Resource Action Center | California Office

The Arc and United Cerebral Palsy in California The San Diego IHSS Coalition Tri-County Independent Living Center, Inc. UDW /AFSCME Local 3930 Westside Center For Independent Living (WCIL)

cc: Members, Senate Budget Subcommittee #3
Jackie Wong, Office of the Senate President Pro Temp
Samantha Lui, Consultant, Senate Budget Committee
Chantelle Denny, Senate Republican Fiscal Office
Matt Paulin, Program Budget Manager, HHS, Department of Finance
Will Lightbourne, Director, California Department of Social Services
Michael Wilkening, Health and Human Services Agency
Rashi Kesarwani, Legislative Analyst's Office