



# IHSS Coalition

## QUALITY CARE BEGINS AT HOME

March 20, 2015

The Honorable Holly Mitchell  
Chair, Senate Budget Subcommittee #3  
State Capitol  
Sacramento, CA 95814

**RE: IHSS Budget: 7% Across-the-Board Cut & Share of Cost Buy-out**

Dear Senator Mitchell;

The In-Home Supportive Services (IHSS) Coalition has two budget priorities: (1) we urge the legislature to repeal the 7% across-the-board cut to IHSS hours, and (2) we request that you restore the Share-of-Cost Buy-out. 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 have 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The settlement agreement and related implementing legislation repealed those reductions and established an 8% across-the-board cut that took effect on July 1, 2013.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.

### **IHSS Share-of-Cost Buy-out**

Assembly Bill 2779 (Chapter 329, Statutes of 1998), allowed the California Department of Social Services (CDSS) to buy down IHSS Personal Care Services Program (PCSP) recipients' share of cost (SOC) from the higher Medi-Cal SOC level to the lower IHSS level. The Medi-Cal SOC is determined by taking the countable income of the Medi-Cal family unit and subtracting a maintenance allowance of \$600 (medically needy). The IHSS SOC is determined by taking the countable income of the individual recipient, and subtracting the Supplemental Security Income/State Supplementary Payment (SSI/SSP) payment standard. Senate Bill 68 (Chapter 78, Statutes of 2005) extended the SOC buyout to include IHSS Independence Plus Waiver (IPW) program participants. Based on the three months of actual data (July 2009 through September 2009), there was an average of 8,176 SOC recipients per month with an average monthly buyout of \$355.

Because of a change made in the bad budget year of 2009-2010, there are people on IHSS who pay a share of cost which brings their income down to \$600 a month, much less than the already-inadequate SSI level. The \$600 level is the Medically Needy

standard, which should itself be increased. Prior to the change, the state "bought out" the difference between the SSI and MN levels for these IHSS consumers.

Living on \$600 is impossible, and it is a real barrier to people being able to stay at home or to leave nursing homes. This means that for some people, the state is paying \$75,000 + dollars on a nursing home rather than paying the share of cost buyout and the cost of IHSS for the same person to live at home.

This particular policy is one of the egregious examples of California's non-compliance with the Olmstead decision.

The IHSS Coalition respectfully asks the legislature to restore the IHSS Share-of-Cost Buy-out.

### **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 and restore the Share of Cost Buy-out.

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 and restore the Share-of-Cost Buy-out.

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)  
Congress of California Seniors (CCS)  
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  
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