



CWDA

March 27, 2009

To: Honorable Jerry Hill, Chair
Assembly Budget Subcommittee No. 1

Honorable Members
Assembly Budget Subcommittee No. 1

From: Frank J. Mecca, Executive Director

**RE: In-Home Supportive Services Administration - OPPOSE Cut
and SUPPORT Workload Relief**

The County Welfare Directors Association of California (CWDA) is opposed to the Administration's proposed continuation of the five percent cut to county program administration in the In-Home Supportive Services (IHSS) program. These cuts will undermine service quality and could potentially place aged, blind and disabled persons at greater risk of placement into an institutional care setting. We request language to suspend compliance monitoring for annual reassessments and require the Department of Social Services (CDSS) work with the counties to implement workload reduction and to develop an appropriate workload methodology for the proposed provider enrollment form.

Chronic under-funding of county operations plagues the IHSS program.

IHSS program administration was seriously under-funded prior to this cut. The additional cut of five percent (\$15 million total funds, \$5.3 million General Funds) makes an untenable situation even worse.

The traditional budgeting yardstick assumed that county workers needed only 11.58 hours per client per year to provide a number of services to administer the program, such as enrolling recipients into the program, conducting individualized in-home assessments, coordinating with other service providers for care, enrolling providers and processing provider timesheets. This budgeting yardstick was totally inadequate when it was established in 1993 and has remained relatively unchanged since then.

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However, the state does not even budget enough to meet the yardstick. First, counties have not received any funding to cover increases in the cost of administering the IHSS program for the past seven years. This failure to fund actual county costs to administer the program will result in under-funding of IHSS by over \$72.3 million in fed/state dollars (\$30.1 million GF) annually since 2000-01, and reduces the funding level of service hours to just 8.46 hours per client per year.

Another factor in this shortfall to fund the budget yardstick is the five percent cut to IHSS administration in fiscal year 2008-09, a cut which is proposed to continue into 2009-10. This five percent cut effectively reduces the value of the budget yardstick to just 7.93 hours per client per year. Thus, the Administration's budget for IHSS funds only 68 percent of the budget methodology – less than two-thirds of the already unrealistic budgeting yardstick.

This chronic under-funding in IHSS program administration jeopardizes client safety and seriously erodes services to IHSS consumers. IHSS workers are forced to rush through their recipient assessments, increasing the likelihood of errors. To the extent that clients receive inadequate hours for authorized services, recipients will not receive the appropriate amount of care they need to remain safely in their own homes. Coordinating care with other care providers, a service that benefits our clients, goes by the wayside as workers are re-directed to other critical and mandatory functions such as payroll processing, intakes and reassessments.

Given the significant underfunding of the program even when the base cuts is restored, CWDA also requests the following workload relief proposals:

- **Rescind state compliance monitoring for timely reassessments.**
Despite the significant under-funding in the IHSS program, the Administration continues to perform compliance monitoring of counties for reassessments. Spending significant amounts of state and county resources on compliance monitoring, given that we know the program is not funded to meet mandates, is an inefficient use of scarce resources that should instead be available for direct services to consumers. The Administration's proposals will not fill this funding gap and will make it even more difficult to meet program mandates such as timely intakes, or frequent requests from the Administration to conduct welfare checks of IHSS recipients during state-declared times of emergency. ***We therefore request trailer bill language to suspend compliance monitoring until the funding problem in IHSS can be addressed.***
- **Amend statute to allow for 18-month reassessments at county option.**
We also request an opportunity to work with you and the Department of Social Services (CDSS) to discuss alternatives that will yield workload reduction. This includes an absolute change to 18-month reassessments without exceptions. Current statute and regulations allow for a 6-month extension of the 12 month reassessment, contingent upon meeting several criteria. Unfortunately, few counties have been able to take advantage of this option due to the number of criteria that must be met. Note that because other workload relief proposals will in no circumstance mitigate the funding deficiency in IHSS program administration, the trailer bill language remains necessary.

Finally, CWDA recommends that the State adequately budget for the new provider enrollment form requirements. The Administration budget would implement a provider enrollment form as required under SB 1104 (Statutes of 2004). However, we believe the proposal under-estimates the work required by county programs to comply with the new requirements, and thus seriously under-budgets for this new workload. For example, the proposed budget assumes that only 15 minutes are needed to mail forms to providers, schedule appointments, review for completeness, verify and photo-copy all required documentation (i.e. social security card and drivers license), sign the form, mail the completed form to the client and maintain the form on file locally. We believe additional time will be needed, including time to follow-up with providers not completing forms timely (and thus delaying services to clients) and checking and referring providers to the Medi-Cal "Suspended and Ineligible" list. We believe that this new workload will require a *minimum* of 30 minutes to complete. ***We therefore request language requiring CDSS to work with the counties to develop an appropriate workload methodology and to track actual cost of implementation, and to update the budgeting methodology based on actual workload.***

IHSS enables consumers to remain safely in their home and in the community, thus preventing placement into an institutional setting such as nursing homes, which comes at a much higher cost to the state. Thus, adequate support to administer this program is critical in serving these vulnerable clients.

Thank you for your consideration of these concerns.

cc: Nicole Vazquez, Consultant, Assembly Budget Committee
Gail Gronert, Office of The Honorable Karen Bass
Julie Souliere, Consultant, Assembly Republican Fiscal Office
Jennifer Kent, Office of Governor Arnold Schwarzenegger
Leslie McGorman, Health and Human Services Agency
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