

## **CAPA Legislative Update June 22, 2009**

It isn't over yet, but the 2009-2010 State Budget-making process, now seven months old, threatens to reduce or eliminate services for many IHSS consumers, as the program faces cuts in caseload, cuts in provider wages, and cuts in program administration. These cuts may not end up as deep as has been proposed. At their worst, the Governor's proposed cuts have included elimination of 90 percent of consumers from the program, plus limitations on State's share of provider wages to the minimum wage.

But even with the more modest cuts advanced by the Legislature's Budget Conference Committee – including a 20 percent cut in the Public Authority Administrative Rate – would result in almost 40,000 aged, blind, or disabled Californians losing services entirely. Only in context with the Governor's apocalyptic proposal, could one say IHSS may get “spared.”

CAPA testified against the Governor's proposals at the Conference Committee's lone hearing on Budget that allowed public comment. CAPA sent all committee members four letters at various points in the proceeding, in which we:

- Opposed the full array of the Governor's IHSS cuts
- Objected to the use of the Functional Index Score as a means for determining eligibility, and also calling attention to the unique issues around paramedical services
- Opposed the elimination of the MSSP program
- Opposed the elimination of the Linkages program

The Conference Committee has now recommended the following cuts:

- Elimination of Domestic and Related Services to consumers with a Functional Index Score below 4, with exemptions for those who receive at least 120 hours per month or paramedical services.
- Eliminate all services for consumers with a FIS below 2, with exemptions for those who receive at least 120 hours per month or paramedical services.
- Cut the State share-of-cost buyout by half.
- Reduce the PA Administrative Rate by 20 percent.
- Enact various anti-fraud measures, including mandatory DOJ checks for non-family providers

The cuts, which would take effect Oct. 1, would result in \$117.8 million in General Fund savings for the remainder of the Budget year, with full-year General Fund savings of estimated at \$152 million after the enhanced FMAP under the federal stimulus package expires.

The Budget process has offered up some strange theater, including Senate policy committee hearings aimed at generating recommendations on how programs and departments could be reconfigured or streamlined. CAPA Executive Director Trula LaCalle testified on a panel that included union and consumer representatives, when

Senate Human Services Committee took a look at IHSS. Dr. LaCalle spoke to the possible value of awarding blocks of service hours (rather than task-specific services), to consumers, and joined other stakeholders in urging a more integrated approach to providing government services to aging and disabled. However, it was clear during the hearing that any re-engineering of IHSS, or the Department of Social Services, or any of the other programs and departments under the committee's purview, would take longer than a single afternoon. But whether the hearing marked the start of a restructuring process, or a part of any real process, remains unknown.

While the Budget process enters endgame, CAPA continues to engage on other IHSS bills that are moving through the legislative process. CAPA has removed its opposition to two of them:

- AB 1532 (Lieu), to require that all enhanced FMAP funding for IHSS be used to supplement (not supplant) program funding above 2007-2008 levels. AB 1532 is set to be heard June 30 in the Assembly Human Services Committee.
- SB 142 (Maldonado) – CAPA has dropped its opposition to this bill, which would require providers and consumers to co-sign timesheets under threat of civil action. CAPA has met with the author and his staff twice on the bill, similar provisions to which are likely to be among the anti-fraud provisions in the Budget package.

One other IHSS bill, AB 378 (Cook), would require that each Public Authority work with their county Advisory Committee to develop provider training standards and core training topics. CAPA opposes this UDW-sponsored bill, on grounds that it duplicates CAPA's list of core training topics, and the fact the PAs already offer training specific to their own resources and local needs.