



## FACT SHEET - AB 1801 (Yamada) IHSS Quality Assurance

### SUMMARY

This legislation requires the California Department of Social Services (CDSS) to provide annual reports to the legislature on the implementation of quality assurance and fraud detection and prevention activities for the In-Home Supportive Services (IHSS) program.

In addition, the measure requires CDSS to identify stable ongoing funding sources that would be dedicated to IHSS to meet the projected caseload associated with the growing population of seniors and people with disabilities in California. CDSS would be required to solicit recommendations for improving the delivery of long-term care services in a manner which reduces the overall costs for long-term care and avoids placements in expensive and inappropriate institutions and the role IHSS would have in accomplishing these improvements. The department shall report the findings and recommendations of these efforts to the Legislature by May 1, 2011.

### BACKGROUND

The core goal of the IHSS program, which was signed into law by Governor Ronald Reagan in 1973, is to provide care to elderly, blind and disabled Californians, to avoid premature institutionalization and allow consumers to live independently in the community at a lower cost than institutional care. It is the largest publicly funded non-medical personal assistance service in the nation to help persons of all ages, with limited resources, stay at home. More than 450,000 aged, blind and disabled individuals who are very frail and extremely poor currently receive IHSS. The people who use IHSS services have been determined by county social workers to need these personal care services to avoid the risk of injury or other harm.

On June 22, 1999, the United States Supreme Court issued a decision in the case of *Olmstead v L.C.*, finding that the unjustified institutional isolation of people with disabilities is a violation of the Americans with Disabilities Act (ADA). The *Olmstead* decision established the constitutional responsibility of states' to ensure that people with disabilities, including seniors and children, receive care in the most integrated setting. There is ample evidence that the IHSS program is the cornerstone of California's efforts to comply with the *Olmstead* decision by keeping people out of more costly and less desirable out-of-home placement in nursing homes or other institutions.

California faces challenges to meet the needs of seniors and persons with disabilities to live independently in the setting of their choice that is responsive to their gender, age, cultural and ethnic heritage. The challenges facing IHSS are best viewed in the context

of California's changing demographics. Currently, the State has 4.0 million people over the age of 65 - the largest older adult population in the nation. This figure is projected to increase by 172% over the next 40 years, with most of the growth occurring in the next 20 years. As the population ages and individuals become less able to care for themselves, there will be an increasing demand for personal assistance services.

Against California's demographic backdrop are the multiple challenges tied to the implementation of the IHSS Quality Assurance Initiative and Anti-Fraud Initiative:

- The Quality Assurance Initiative was enacted in SB 1104 (Chapter 229, Statutes of 2004) which outlined a number of enhanced activities to be performed by the California Department of Social Services (CDSS), the California Department of Health Care Services (DHCS), and the counties to improve the quality of IHSS need assessments, enhance program integrity, and detect and prevent program fraud and abuse.
- The Anti-Fraud Initiative was enacted in ABX4 4 (Chapter 4, Statutes of 2009) and ABX4 19 (Chapter 17, Statutes of 2009) to strengthen efforts to detect, prevent and reduce fraud in the IHSS program.

### **NEED FOR THIS LEGISLATION**

The IHSS Quality Assurance Initiative and Anti-Fraud Initiative have created significant changes to the IHSS program that are often complex to implement and administer. The legislature invested over \$150 million between FY 04-05 and FY 09-10 in state and county Quality Assurance activities. The Governor has proposed spending another \$31.8 million for Quality Assurance activities in FY 10-11. In addition, expenditures for the Anti-Fraud Initiative are estimated at \$97 million over the current and upcoming fiscal year. Program savings associated with Anti-Fraud activities are estimated to be approximately \$535 million over this same time period. Given the substantial amount of money that is being invested in Quality Assurance and Anti-Fraud activities, the State should be required to report to the legislature on the operational and fiscal impact to determine if these measures have improved the IHSS program.

- This measure requires CDSS to provide this report to the legislature on an annual basis.

California is facing unprecedented growth in the aging population, yet we continue to struggle with critical budget crises that threaten the core of services essential to keeping people with disabilities in their homes and communities. Slashing funds for IHSS is not the answer to solve the state's fiscal problems. The Legislative Analyst's Office issued a report on January 29, 2010, that stated "the complete elimination of IHSS (or the dramatic reduction in eligibility proposed in the Governor's budget plan) would likely lead to offsetting costs that more than outweigh the savings from its elimination." It is essential for policymakers to be provided with new options to finance the projected caseload associated with the growing population of seniors and people with disabilities.

- This legislation moves California in the right direction by requiring CDSS to convene a stakeholder process that would identify stable ongoing funding sources that would be dedicated to the IHSS program.

## **SUPPORT**

### **FOR MORE INFORMATION**

Jovan Agee, Legislative & Political Director  
UDW – The Homecare Workers Union  
1121 L Street Suite 508  
Sacramento, CA 95814  
Phone: (916) 554-0913  
Email: [jagee@udwa.org](mailto:jagee@udwa.org)