



California Association of Public Authorities  
for In-Home Supportive Services  
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March 17, 2010

The Honorable Mark Leno, Chair  
Senate Budget Subcommittee #3  
State Capitol, Room 4061  
Sacramento, CA 95814

**RE: Governor's Proposal to Eliminate IHSS  
OPPOSE**

Dear Senator Leno,

The California Association of Public Authorities for IHSS (CAPA) is strongly opposed to the Governor's budget proposal to eliminate the In-Home Supportive Services (IHSS) program if California fails to receive a total of \$6.9 billion in additional funds from the federal government. The Legislative Analyst's Office has warned that the likelihood of Washington agreeing to all of the Governor's requests is "**almost non-existent.**" This is, without any doubt, the most draconian IHSS budget proposal that had been put forward by any Governor since the inception of the program under the administration of Governor Reagan in 1973.

The IHSS program provides personal care and domestic services to approximately 450,000 aged, blind or disabled individuals who are unable to remain safely in their own homes without such assistance. The elimination of personal care and domestic services would create a humanitarian crisis that the State has cannot afford to address nor, we trust, the indifference to endure.

The IHSS program **saves** the state money by avoiding more costly institutional care. As the LAO notes, program elimination "*would likely lead to offsetting costs that more than outweigh the savings from its elimination. Given the magnitude of this proposed reduction, we find that it would likely result in costs in developmental services and skilled nursing facilities that would more than offset the savings in IHSS.*" There are other pressures that would be would created by the elimination of IHSS, including: the increased use of emergency rooms, increased dependence on adult protective services and other health and social services, greater homelessness, greater incidence of depression and social isolation, poorer health, and earlier death.

The impacts extend far beyond the suffering of the consumers who rely on the IHSS program. An average IHSS provider makes \$10.00 an hour and \$875 a month. Many IHSS providers live in poverty and are eligible for food stamps; few have access now to health insurance. According to the LAO, about 60 percent of affected IHSS workers

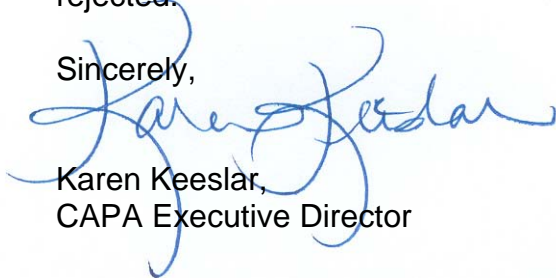
have no other employment and would have had a sufficient history of earnings to qualify for Unemployment Insurance (UI) benefits. This would further stress the state's already insolvent UI fund. In the aggregate, this slashing of the workforce would boost the state's unemployment rate above 13.2 percent, while more than \$2.4 billion in federal funds would disappear from paychecks and circulation in the local economy.

The Governor's IHSS budget proposal is in direct conflict with the 1999 United States Supreme Court *Olmstead* decision, which affirmed that unnecessary institutionalization is illegal. The IHSS program is, by the state's admission, the foundation of California's *Olmstead* efforts. Thus, any erosion of the IHSS program is an erosion of California's legal obligations to comply with *Olmstead*.

CAPA represents 52 Public Authorities and Non-Profit Consortia operating in 55 counties, each of which serves as the local employer of record, maintains the provider registry, refers available providers to IHSS consumers, conducts background checks on prospective providers and offers training on IHSS services. Since last fall the Public Authorities have had to do much more with much less due to the Governor's slashing of Public Authority funding by 57 percent. Our top budget priority is to defeat the Governor's proposal to eliminate the IHSS program. After the conclusion of the March 18<sup>th</sup> hearing, we would like to talk to you and your staff to share information about the impact of the reduction to Public Authority funding and explore all available options to mitigate the damage that have resulted from that cut.

We appreciate the challenge you face to devise a budget that closes a multi-billion dollar gap and we recognize the difficulty ahead as the legislature and Administration work to forge a compromise approach. However, we do not believe that the health and welfare of seniors and people with disabilities, as well as the providers who provide essential home care services, should be compromised in order to balance the budget. California, we believe, is obliged for social, ethical, legal, and financial reasons to preserve the IHSS program. This proposal to eliminate the IHSS program MUST be rejected.

Sincerely,



Karen Keeslar,  
CAPA Executive Director

cc: Members, Senate Budget Subcommittee #3  
Jennifer Troia, Senate Budget Consultant  
Chantele Denny, Senate Minority Fiscal Consultant