



IHSS Coalition

QUALITY CARE BEGINS AT HOME

February 5, 2010

The Honorable Jerry Hill
Chair, Assembly Budget Subcommittee #1
State Capitol, Rm. 6026
Sacramento, CA 95814

RE: Governor's Proposed Special Session Cuts to IHSS

Dear Assembly Member Hill,

The IHSS Coalition, a group of 32 organizations representing IHSS consumers, providers and advocates, urges you and your colleagues to reject the deep, debilitating cuts the Governor has proposed for IHSS services, provider wages, and program administration.

The cuts would essentially dismantle IHSS – a cost-effective program which allows 460,000 low-income Californians who are seniors or people with disabilities to live safely in their homes and avoid expensive, unwanted and unnecessary institutionalization. The cuts would drive up California's unemployment rate, as 385,000 providers lose their jobs and struggle to seek new work in a down economy.

But most alarming, the cuts would consign roughly 400,000 IHSS consumers to alternatives that range from the undesirable to the unconscionable: greater need for institutional care, greater reliance on other costly health and human services including emergency rooms, greater sickness and emotional suffering, and for some, early death.

The Governor proposes three specific cuts: to services, to wages and to county administration.

1. Elimination of services for all consumers with a composite Functional Index (FI) Score below 4.0, starting June 1, 2010. The Administration claims that 400,665 consumers currently have composite FI scores of 3.99 or below – or about 87 percent of the expected 460,041 consumers in the program as of June 1.

A similar proposal, passed in the 2009/10 budget, was stopped by a U.S. District Court order stating that if the cuts went forward, “people could lose something irreplaceable –

the ability to remain safely in their homes.” Substantial harm, damage, and injury would result, causing “human suffering.”

The judge ruled that plaintiffs were likely to show at trial that the cuts to IHSS services violate federal law, including the Americans with Disabilities Act and the Medicaid Act.¹

The order said that the state’s Functional Index rankings and the composite FI Scores were not designed to, and do not, measure individual need or eligibility. Rather, “the purpose of the ranks was to help social workers determine with uniformity the number of hours of a particular service elderly and disabled individuals needed.” And the composite FI Scores were to be used for aggregate comparison of FI Scores and authorized hours on a county- or state-wide, not individual, basis. Neither had ever been used to measure individual eligibility. Thus, using the Functional Index rankings to determine eligibility would result in the arbitrary withdrawal of services.

Governor Schwarzenegger’s basis for proposing massive cuts is the state’s budget crisis. However, the court’s order took the budget crisis into account, stating that “[a]lthough the State counters that its budget crisis requires such cuts, and the Court weighs this in the balance, the increase in more expensive hospitalization and institutionalization of needy disabled and elderly people will likely outweigh the short-term savings.”

2) Reduction in State participation in provider wages, starting June 1, 2010. As in his 2009-2010 Budget proposal, the Governor has proposed reducing State participation in provider wages to the minimum wage (currently \$8 per hour) plus \$.60 per hour in health benefits. Current law requires the state to pay a share of up to \$11.50 per hour in wages (plus \$.60 per hour in benefits).

Increased wages in IHSS contribute to more lasting consumer-provider pairings, a more stable workforce, and greater availability of preferred providers for consumers. By contrast, a reduction in wages will disrupt many successful consumer-provider pairings, as many providers would be forced to seek other work.

Last February, the legislature approved and the Governor enacted a reduction in State participation to \$9.50 per (plus \$.60 in benefits). On June 26th, the U.S. District Court stopped that cut, concluding that

Plaintiffs have established a strong likelihood of success on their claim that the State Defendants have violated the procedural requirements of the Medicaid Act. The Court also concludes that Plaintiffs will suffer an irreparable injury if the IHSS cuts are implemented and, furthermore, the cuts are reasonably likely to cost the State more money in the long run as individuals currently receiving in-home health services are required to turn to institutionalized care due to the difficulty of

¹ The State of California has appealed this decision in the 9th Circuit Court of Appeal.

finding IHSS providers willing to work for the reduced wages. Accordingly, the Court grants the preliminary injunction.²

Reduction in County Administration

The Administration proposes to cut 86 percent of IHSS County Administration funding for 2010-2011. In addition, it proposes the continuation of a five percent cut in social worker funding approved for 2009-2010. However, per the County Welfare Directors Association (CWDA), the five-percent reduction for the Budget Year is computed from the Current Year allocation – that is, on the total before the 86-percent reduction. In effect, the Governor is asking to reduce social worker funding by 91 percent.

The legislature must consider the true context in which this proposal is made – the proposed gutting of IHSS, CalWORKs, Adult Day Health Care, Prop. 63 mental health services, another reduction in SSI/SSP, and the whole array of proposed cutbacks in health and human services. Essentially, the Administration is offering to replace a budget crisis with a humanitarian crisis, to be compounded by the loss of the very people – social workers - who would be useful in responding to it.

Again, we urge Committee members to reject the IHSS cuts in the Administration's Budget proposal. Although none of us in the Coalition believes we should have to defend again (and again) a program that deserves to be celebrated, we appreciate being given the opportunity to do so.

Thank you for your consideration,

AARP-California

ACLU of Southern California

American Federation of State, County and Municipal Employees (AFSCME)

California Alliance for Retired Americans (CARA)

California Association of Public Authorities for IHSS (CAPA)

Californians for Disability Rights, Inc. (CDR)

California Disability Community Action Network (CDCAN)

California Foundation for Independent Living Centers (CFILC)

California In-Home Supportive Services Consumer Alliance (CICA)

California Senior Legislature

California United Homecare Workers (CUHW)

Congress of California Seniors

Disability Rights California

Gray Panthers California

IHSS Public Authority of Marin County

Independent Living Services of Northern California

Independent Living Resource Center Inc.

Marin Center for Independent Living

National Senior Citizens Law Center

Nevada Sierra Regional IHSS Public Authority

² This decision is also currently on appeal to the 9th Circuit Court of Appeals.

Northern California ADAPT
Older Women's League California (OWL)
Personal Assistance Services Council of Los Angeles County
Quality Homecare Coalition
Resources for Independent Living
San Francisco IHSS Public Authority
Service Employees International Union – State Council
SEIU United Long Term Care Workers
SEIU United Healthcare Workers West
SEIU Local 521
Silicon Valley Independent Living Center (SVILC)
UDW Homecare Providers Union/AFSCME

cc: Members, Assembly Budget Subcommittee #1
Gail Gronert, Office of the Assembly Speaker
Nicole Vasquez, Consultant, Assembly Budget Committee
Julie Souliere, Assembly Republican Fiscal Office