

SB 891: In-Home Supportive Services

Senator Carol Liu, 21st SD

As amended, March 25, 2010

Summary

This bill would require the Department of Social Services and the Department of Health Care Services to jointly convene a stakeholder review process to obtain information and comments regarding:

- The imposition of a tax on payments received by In-Home Support Services (IHSS) providers and the potential for increased federal financial participation as a result of these tax revenues, and
- Alternatives to the state's methodology for deriving a functional index score for IHSS consumers.

Stakeholders would include statewide organizations representing the interests of consumers, family members, service providers, and statewide advocacy organizations, as well as legislative staff.

Background

The IHSS program provides in-home care to persons who cannot safely remain in their homes without assistance. Under the program, about 376,000 in-home care workers provide services, ranging from bathing to meal preparation, to more than 430,000 low-income elderly and disabled persons. The program is credited with allowing many individuals to remain in their own homes rather than being placed in more costly nursing home care.

While California has successfully operated its IHSS program for several decades, and despite generous amounts of combined federal and county funding for the program, recent changes to the program driven by the state's budget deficit make it necessary for the state and the IHSS stakeholders to examine the long-term financial viability of the program and who it serves. The future of the IHSS program will be integral to any efforts to establish a more integrated long-term care continuum for people with disabilities and an aging population, as well

as meaningfully comply with the federal Olmstead decision, which affirms the rights of people with disabilities to live in their communities.

History

The provision related to exploring a provider-based fee or tax comes from a recommendation of the recent report, *Home and Community-Based Long-Term Care: Recommendations to Improve Access for Californians*, by Robert Mollica and Leslie Hendrickson, National Academy for State Health Policy (November, 2009), which recommends that California increase the use of provider fees for home and community based services to obtain more federal matching funds, as allowed by federal law. Last year, the State of Missouri enacted a tax on certain providers, including in-home care providers, contingent on federal approval.

The *2009–10 Budget Act* eliminates domestic and related services for IHSS recipients with functional index (FI) rankings of less than 4 for domestic and related tasks, and eliminates all IHSS services for recipients with FI scores (the average of all of the individual FI ranks) of less than 2. While these service eliminations have been enjoined by the courts, the Legislative Analyst recommended that the Legislature might create a better measure of impairment for IHSS recipients than the current system. Court briefs have noted that the current composite FI index score is particularly unsuited to determining specific client's needs for particular IHSS services, and does not adequately take into account mental impairment. The weighted average method for determining relative number of hours for various tasks has not been updated for more than 20 years.

For more information, please contact:

Lark Park,

Senate Human Services Committee
916-651-1524

lark.park@sen.ca.gov