



May 16, 2026

To: The Honorable Caroline Menjivar
Chair, Senate Budget Subcommittee No. 3

Honorable Members
Senate Budget Subcommittee No. 3

The Honorable Dr. Corey A. Jackson
Chair, Assembly Budget Subcommittee No. 2

Honorable Members
Assembly Budget Subcommittee No. 2

From: Carlos Marquez III, Executive Director, CWDA

RE: ADULT SERVICES MAY REVISION PROPOSALS

The County Welfare Directors Association (CWDA) respectfully urges the Legislature to reject the proposed permanent \$70 million reduction to the Adult Protective Services (APS) program in Fiscal Year (FY) 2026-27 and ongoing, as proposed in the May Revision. CWDA also reiterates its opposition to the In-Home Supportive Services (IHSS) program hours cost shift and other reductions proposed in the FY 2026-27 Governor's Budget. Maintaining funding for these programs is essential to ensure older adults and people with disabilities at risk of abuse and neglect remain safe, and that IHSS recipients continue to have reliable access to in-home care that prevents far costlier institutional care, both of which are critical components of California's long-term services and supports system.

Adult Protective Services (APS) Issues

APS currently serves individuals over 60 and dependent adults ages 18-59 who are victims of abuse, neglect, and exploitation. Law enforcement, doctors, other mandated reporters and the community rely on APS services to protect older and dependent adults from further abuse. APS is an effective program that responded to 309,354 reports of abuse statewide in FY 2024-25 alone. The older adult population in California is rapidly growing. By 2030, one in five Californians will be 65 or older. According to California's Master Plan for Aging (MPA), one of the greatest threats to full community inclusion and engagement for all ages is elder abuse. Reductions and eliminations to APS funding would undermine an essential piece of the MPA and the state's commitment to older adults.

The May Revision proposes a \$70 million General Fund reduction to eliminate the APS Expansion enacted through AB 135 (Statutes of 2021) in FY 2026-27 and ongoing. This proposal will wind back progress in advancing elder justice and undermines efforts to advance California's Master Plan for Aging. This proposed disinvestment threatens to unravel critical safety net services that keep older adult victims of abuse, neglect, and financial exploitation safely

housed, often serving as the last stop preventing homelessness, institutionalization in nursing homes, hospitalization and death.

APS Expansion. Approved in the 2021 Budget Act and co-sponsored by CWDA and Justice in Aging, funding for the APS expansion expanded eligibility to adults between the ages of 60-64 and allowed for longer-term case management for adults with more complex needs. Since the implementation of the APS expansion, APS clients aged 60-64 have increased from about 920 cases per month to an average of about 1,900 cases per month in FY 2024-25. The expansion also allows counties to enhance multidisciplinary teams by incorporating housing partners and provides essential capacity to address the increasing number of individuals that come to APS attention. Eliminating this expansion would significantly weaken APS programs at a time when demand for services continues to rise.

Notably, the existing \$70 million provided to counties for the APS expansion is already insufficient to meet local demand given historical structural underfunding of APS. Eliminating the \$70 million would further undermine counties' ability to protect and support vulnerable older adults.

APS Cut Also Undermines Home Safe and Guarantees Significant Increase in Older Adult Homelessness. The proposed elimination of the APS expansion comes at a moment when California is facing a rapidly deepening crisis among older adults experiencing homelessness. Older adults are the fastest-growing segment of the unhoused population in California, with the number of adults age 65 and older accessing homelessness services increasing by 166 percent between 2017 and 2022¹. With California's older adult population is continuing to grow, this trend is expected to accelerate. The APS Program is a gateway to the Home Safe Program, a proven housing and homelessness assistance and prevention program administered by county APS agencies. Older adults experiencing homelessness face heightened vulnerability to abuse, neglect, and financial exploitation, often compounded by chronic health conditions, cognitive decline, and social isolation. APS plays a critical role in identifying and responding to these risks. This proposal will reduce access to complex care case management by APS staff and potentially impact their access to the Home Safe Program due to reduced staffing in the APS program.

The APS expansion has also been instrumental in allowing counties to directly serve clients aged 60 to 65 who are experiencing homelessness and come to the attention of APS due to abuse, neglect, or exploitation through the Home Safe Program. By lowering the eligibility threshold from age 65 to 60, the expansion enables earlier intervention, often preventing further deterioration and prolonged homelessness. It also allows APS to engage individuals who may be newly homeless and at high risk but not yet connected to other systems of care. Adults aged 60 to 64, many of whom are already experiencing homelessness or are at imminent risk, would lose access to APS support entirely. Counties could also lose critical tools to coordinate housing interventions through multidisciplinary teams, reducing their ability to connect vulnerable individuals to stable housing and supportive services.

APS Reduction Will Lead to Social Worker Layoffs. One of the purposes of the APS expansion was to help counties

¹ [CCoA Housing Policy Brief Final](#)

keep pace with rapidly increasing caseloads. Reduction of this funding would result in the immediate elimination of social work staff who provide critical resources to keep older and dependent adults safe in their communities. The additional funding provided under AB 135 has enabled county APS programs to hire and retain critical staff and provide more intensive, longer-term interventions. Eliminating this funding will force counties to scale back staffing – resulting in layoffs and increased caseloads for remaining workers. This, in turn, will limit the ability to conduct thorough investigations and curtail longer-term case management. Without adequate staffing, APS agencies will be forced into a more reactive model, responding only to the most urgent crises rather than preventing harm and stabilizing individuals before situations escalate. Reducing APS staffing and capacity would significantly weaken the State’s ability to protect some of its most vulnerable residents. Without sufficient staffing, even existing statutory requirements become increasingly difficult for counties to meet. Maintaining the APS expansion is critical not only to preserving services, but to maintaining a workforce to meet the growing demand for protection, intervention, and support. As an example of the magnitude of impact the Administration’s proposed APS expansion reversion poses to county budgets, this cut alone puts at risk 40% of Los Angeles County’s APS budget.

We note that the Administration has indicated that trailer bill language (TBL) will accompany this proposal. As of the time of writing, that TBL has not been published. We will follow up with any additional comments or concerns once the TBL is published, if necessary.

CWDA Request: Reject the Reversal of the APS Expansion as proposed in the May Revision.

In-Home Supportive Services (IHSS) Issues

Continued Opposition to IHSS Cost Shift Proposal in Governor’s January Budget. CWDA shares in the Legislature’s and multi-sector stakeholder strong opposition to the Governor’s proposal to eliminate the state’s share of cost associated with growth in IHSS hours—a \$233.6 million General Fund reduction beginning in FY 2027-28, growing to \$805 million in FY 2029-30. We continue to urge the Administration to more closely examine the root causes of increased costs and the assessment tools counties use to evaluate IHSS needs before advancing a proposal based on the assumption that counties are incorrectly or inconsistently assessing service hours. We reiterate that counties follow state-established assessment protocols and are committed to ensuring accurate, consistent, and person-centered evaluations that reflect the actual needs of IHSS recipients.

The Department of Health Care Services’ (DHCS) [response](#) to the federal Center for Medicare & Medicaid Services (CMS) decision to defer over \$1 billion in funding for IHSS reiterates the argument that the growth in IHSS hours is driven by need and not inaccuracy. And both the [Legislative Analyst’s Office \(LAO\)](#) and DHCS affirmed that IHSS costs-drivers are primarily due to growth in the IHSS caseload and increases in the statewide average cost per hour. Assessed hours only accounted for 10 percent of cost-growth , according to the [LAO analysis](#). DHCS confirms that the growth in IHSS costs “... is the direct and foreseeable result of expanding eligibility, increasing hourly reimbursement rates, increasing utilization consistent with demographic change, and substituting home-based care for institutional placement...” Importantly, this demonstrates that the proposed cost shift is misaligned with the primary drivers of expenditure increases and therefore fails to meaningfully address the issue it seeks to solve.

Shifting these costs to counties would create significant fiscal pressure at the local level, forcing difficult trade-offs, while risking the health and safety of IHSS recipients by constraining access to essential services that allow older adults and people with disabilities to remain safely in their homes. At its core, this proposal does not improve assessment accuracy; rather, it shifts risk in a way that could destabilize a critical component of California's long-term services and supports system.

CWDA Request: CWDA urges the Legislature reject this proposal and that it request the California Department of Social Services (CDSS) to conduct further analysis of its assessment tools and the infrastructure in place (staff training, Quality Assurance, etc.) to support accurate assessments, and provide further information to the Legislature by January 1, 2027 to determine if any changes are needed in the tool or infrastructure. We request that this analysis include a breakdown of increased authorized hours over time that fall outside of and are not accounted for in existing tools and assessments (Functional Index (FI) ranking and Hours Task Guidelines) like those associated with Protective Supervision, or for consumers who may be physically independent but require services due to cognitive limitations or other safety risks.

Continued Opposition to Auto-Termination of IHSS Recipients in the Governor's January Budget. CWDA continues to oppose the Governor's proposal to automatically terminate IHSS when Medi-Cal eligibility is discontinued, resulting in a \$56.2 million General Fund reduction beginning in FY 2026-27. This change would cause immediate service interruptions and payment lapses for providers, destabilizing care for vulnerable recipients. Current practice allows individuals to continue receiving services temporarily in the IHSS-Residual program while recipients work with county staff to restore their Medi-Cal coverage, prioritizing continuity of care. Automatic termination would eliminate this safeguard, increasing the risk of unmet needs and providers working without pay.

Should the Legislature adopt, modify, or reject this proposal, CWDA recommends providing counties with permanent, ongoing funding of \$9.8 million General Fund beginning in FY 2026-27 to provide targeted safeguards to prevent the loss of federally reimbursed IHSS services due to administrative barriers in Medi-Cal redeterminations. See Attachment 1 for proposed budget bill language. The funds would support direct assistance for Medi-Cal redeterminations to be used by either county IHSS or Medi-Cal eligibility staff to proactively ensure Medi-Cal recipients remain continuously enrolled in Medi-Cal and do not lose IHSS. We also ask the Administration to make updates to the IHSS case management system to automatically reinstate IHSS providers when a recipient's Medi-Cal eligibility is reinstated following a discontinuance, with the recipient's approval. Lastly, we request that the CDSS develop a report identifying IHSS recipients who have been sent a Medi-Cal redetermination packet and/or verification request and the due date so that county staff can check-in with those recipients. These changes would allow for intervention before recipients lose their Medi-Cal eligibility. Early intervention helps maintain coverage, avoid disruptions, and ensure continued access to essential care. Rather than implementing policies that destabilize care, the state should invest in solutions that protect access to care.

CWDA Request: Oppose the Auto-Termination of IHSS Recipients in the Governor's January Budget. Additionally, provide counties with permanent, ongoing funding of \$9.8 million General Fund beginning in FY 2026-27 to provide targeted safeguards to prevent the loss of IHSS services due to administrative barriers in Medi-Cal redeterminations.

Continued Opposition to the Elimination of the IHSS Backup Provider System (BUPS) in the Governor's January Budget. In alignment with the Legislature, CWDA opposes the proposal to eliminate BUPS, a \$3.5 million General Fund reduction beginning in FY 2026-27. BUPS is a critical safeguard that ensures continuity of care by connecting recipients to backup providers when regular caregivers are unavailable. Eliminating BUPS would create gaps in care, particularly for individuals with complex needs who rely on uninterrupted services to remain safely at home. Even short disruptions can lead to serious health consequences or institutionalization. CWDA welcomes additional discussion with the California Association of Public Authorities (CAPA) and stakeholders to address legislative concerns related to administrative costs for this program. Discussions should be informed by utilization and county claiming data, which the Administration has yet to release despite our repeated requests since January.

CWDA Request: Opposition to the Elimination of the BUPS in the Governor's January Budget.

Collective Bargaining Trailer Bill Language (TBL). CWDA notes that the Administration proposes TBL clarifying counties have 90 days to reach agreements with employee organizations after the release of recommended settlement terms by a factfinding panel. The language appears to address a gap in existing law intended to support collective bargaining. CWDA is reviewing the language and will follow-up with Legislative staff if concerns arise.

Conclusion. CWDA respectfully urges the Legislature to carefully consider the combined impacts of the proposed reductions and policy changes on the state's most vulnerable residents and the systems designed to support them. Sustained investment in core safety-net programs like APS and IHSS is essential to maintaining stability, preventing harm, and ensuring that older adults and people with disabilities can remain safe in their homes and communities.

Counties remain committed to their partnerships with the Legislature and the state and to administering these programs effectively and responsibly. CWDA looks forward to continuing to work with the Legislature on solutions that promote program integrity, fiscal sustainability, and, most importantly, the health and safety of Californians who rely on these critical services.

Sincerely,

Carlos Marquez III, Executive Director | CWDA

Cc: Chris Woods, Office of the Senate President Pro Tempore
Mareva Brown, Office of the Senate President Pro Tempore
Jason Sisney, Office of the Speaker of the Assembly
Kelsy Castillo, Office of the Speaker of the Assembly
Elizabeth Freeman, Senate Budget and Fiscal Review Subcommittee No. 3
Nicole Vazquez, Assembly Committee on Budget Subcommittee No. 2
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Jennifer Troia, California Department of Social Services
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Attachment 1 - Alternative to Maintain IHSS Eligibility During Medi-Cal Redeterminations

CWDA proposes additional funding and budget bill language to strengthen the Legislature's response to the Governor's plan to align In-Home Supportive Services (IHSS) eligibility with Medi-Cal (MC), and address the root cause, by providing targeted safeguards to prevent unnecessary loss of IHSS services for eligible Californians due to administrative barriers in Medi-Cal redeterminations. Otherwise, eligible beneficiaries will be discontinued from Medi-Cal because of incomplete paperwork, missed notices, or administrative limitations—resulting in automatic termination of IHSS services.

We understand that other stakeholder proposals to supplement the Governor's approach are under consideration. CWDA respectfully requests to be included in discussions regarding those proposals, as they will have direct implications for counties. We believe that the proposal outlined below would remain necessary and complementary, alongside other efforts, to ensure continuity of services for eligible individuals.

To mitigate these preventable service disruptions, CWDA proposes the following:

1. Provide Additional Funding to Counties for Redetermination Assistance

The proposal would appropriate \$9.8 million in dedicated, ongoing funding to counties to support direct assistance for Medi-Cal redeterminations for IHSS recipients. Funds shall be used by either county IHSS offices or County Medi-Cal eligibility offices to proactively ensure Medi-Cal recipients remain continuously enrolled in Medi-Cal and do not lose IHSS services.

L.A. County would receive funding equivalent to 2 FTEs, large counties would receive funding equivalent to 1 FTE, and remaining counties would receive 0.5 FTE. The \$9.8 million funding estimate is based on fully loaded worker costs based on annual claims and would adjust annually.

2. Require the Following Systems and Notification Updates

- Modify CMIPS to automatically reinstate IHSS providers when a recipient's Medi-Cal eligibility is reinstated following a discontinuance (with the recipient's approval) and
- Require CDSS to work with counties to develop and provide county IHSS staff with a report identifying IHSS recipients who have been sent a MC redetermination packet and/or verification request and the due date.

Proposed Budget Bill Language:

Item 5180-111-0001

- (a) (1) Of the funds appropriated in this item, \$9,843,071 shall be available beginning July 1, 2026, on an ongoing basis to provide support to counties for the purpose of supporting continuous eligibility to the Medi-Cal and In-Home Supportive Services (IHSS) programs for IHSS recipients. The funding, which shall be annually adjusted based on actual caseworker costs, shall be used by counties to support timely completion of Medi-Cal eligibility redeterminations. Counties shall use the funding to support county IHSS or Medi-Cal eligibility operations in whatever manner that supports timely completion of Medi-Cal eligibility redeterminations and expeditious reinstatement of Medi-Cal for temporary discontinuances for IHSS recipients, including targeted outreach to IHSS recipients to help complete paperwork before deadlines or focusing certain eligibility workers on Medi-Cal renewals for IHSS recipients.
- (2) The Department of Social Services and/or the Department of Health Care Services shall do all of the following:
- a. Modify CMIPS to automatically reinstate IHSS providers when a recipient's Medi Cal eligibility is reinstated following a discontinuance, with the recipient's approval.
 - b. Work with counties and the County Welfare Directors Association to develop and provide county IHSS staff with a report identifying IHSS recipients who have been sent a Medi-Cal redetermination packet and/or verification request and the due date.

