



CWDA
Advancing Human Services
for the Welfare of All Californians



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February 12, 2024

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

Honorable Members
Senate Budget Subcommittee No. 3

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

Honorable Members
Assembly Budget Subcommittee No. 2

From: Eileen Cubanski, Interim Executive Director, CWDA
Justin Garrett, Senior Legislative Advocate, CSAC

**RE: IN HOME SUPPORTIVE SERVICES: COUNTY
ADMINISTRATIVE “BRIDGE” FUNDING AND
LANGUAGE**

The County Welfare Directors Association of California (CWDA) and the California Association of Counties (CSAC) respectfully request \$51 million General Fund (GF) on a one-time basis to county human services agencies for administration of the IHSS Program and trailer bill language requiring the California Department of Social Services (CDSS) to work with CWDA, county human services agencies, and county worker representatives during the 2024-25 fiscal year to update the existing IHSS administration state budget methodology to take effect in the 2025-26 fiscal year.

IHSS is Essential to Meet the Needs of an Aging Population: IHSS is a key strategy in helping older Californians access home-based care to live safely in their homes and communities, avoiding costly institutionalization. As of November 2023, over 746,000 older adults and persons with disabilities were authorized to receive in-home care from 597,720 trusted IHSS caregivers. Enabling qualified IHSS recipients to remain in their own homes and receive care reduces hospitalization, nursing home care, and premature death.

The demand for IHSS services continues to grow as adults ages 65 and older are projected to reach 25 percent of the state’s population by 2030. Moreover, the eligible population for the IHSS program has also expanded with the recent full-scope Medi-Cal expansion to

undocumented adults over age 19, as well as the Medi-Cal asset test elimination, effective January 1, 2024. Counties are committed and stand ready to serve the needs of this population, but sufficient administrative funding is needed for county agencies to retain and build a workforce to process new applications and reassessments in an accurate, consistent, and timely manner, and be responsive to clients' needs.

County IHSS Administration State Budgeting Methodology Underfunds Workload: In 2017-18, CDSS, in consultation with county human services agencies and CWDA, updated the budget methodology to fund county administrative activities associated with the IHSS Program. However, that methodology has shortcomings that we would like to see addressed:

- **IHSS worker costs are underfunded.** The updated methodology never fully funded actual IHSS worker costs from the beginning, due to decisions to exclude some costs. The resulting funding shortfall has grown ever since because there are no cost adjustments provided.
- **Not all IHSS administrative workload is counted.** Administrative funding is not provided if an application does not lead to someone receiving services, even if the individual is assessed and approved for services but unable to find a provider. For example, December 2023 CMIPS data show that 12 percent of "authorized" cases (those completing the application process) did not receive services. Counties receive no administrative funding despite county workload occurring for those cases.

Higher Per-Worker Caseloads, Which Will Continue to Grow Without More Funding for Additional Staff, Are Likely to Impede Access to IHSS: Administrative underfunding is contributing to higher worker caseloads in many counties, which in turn contributes to counties' inability to recruit and retain staff and meet the needs of an increasing elderly and vulnerable population. Caseloads of 300 and 400 consumers per social worker are not uncommon in some counties. This hampers counties' ability to timely and accurately administer the program and respond to the needs of recipients and providers.

Proposed Solution – Provide Bridge Funding for IHSS Administration and Require Updating the Budget Methodology: CWDA and CSAC request a total of \$51 million GF on a one-time basis to county human services agencies for IHSS Administration the 2024-25 fiscal year, and trailer bill language requiring CDSS to work with CWDA, county human services agencies, and county worker representatives during the 2024-25 fiscal year to update the existing IHSS administration budget methodology to take effect in the 2025-26 fiscal year. The \$51 million GF will "bridge" the time between now and when the state budget methodology can be updated and is the amount that counties overspent their statutorily required share of cost in the 2022-23 fiscal year to keep up with mandated administrative requirements. Providing bridge funding while counties and the Administration work to update the budget methodology aligns with the recent approach used to update county administrative funding for CalFresh and CalWORKS.

We urge your support for this request.

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 Schmitt, Senate Budget and Fiscal Review Subcommittee No. 3
Nicole Vazquez, Assembly Committee on Budget Subcommittee No. 2
Kirk Feely, Senate Republican Fiscal Office
Joe Shinstock, Assembly Republican Fiscal Office
Jessica Bartholow, Office of Senator Skinner
Kimberly Fuentes, Office of Senator Menjivar
Dubrea Sanders, Office of Assembly Member Jackson
Ginni Bella Navarre, Legislative Analyst's Office
Richard Figueroa, Office of the Governor
Angela Pontes, Office of the Governor
Marko Mijic, California Health and Human Services Agency
Kim Johnson, California Department of Social Services
Kris Cook, Human Services, California Department of Finance
County Caucus