Senate Budget and Fiscal Review—Nancy Skinner, Chair

SUBCOMMITTEE NO. 3 Agenda

Senator Susan Talamantes Eggman, Ph.D., Chair
Senator Melissa Melendez
Senator Richard Pan, M.D.

Tuesday, February 8, 2022
1:30 p.m.
State Capitol - Room 2040

Consultant: Renita Polk

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PUBLIC COMMENT

Public Testimony Toll Free Number: 877-226-8163

Access Code: 7622462

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4180 CALIFORNIA COMMISSION ON AGING (CCOA)

Issue 1: CCOA Overview

The mission of the California Commission on Aging is to serve as the principal advocacy body for older Californians. The Commission advises the Governor, Legislature, and state and local agencies, and participates in the consideration of legislation and regulations made by state and federal entities relating to programs and services that affect older adults.

California Commission on Aging
Expenditures by Fund Source
* Dollars in thousands

Grand Total By Fund	Fiscal Year	
	2021-22	**(Proposed Budget) 2022-23**
General Fund	$52	$52
California Seniors Special Fund	$61	$61
Federal Funds	$523	$833
Total All Funds	$636	$946

Governor's Proposal. The Governor's Budget requests two permanent positions and an increase in federal fund authority of $309,000 in 2022-23 and $297,000 ongoing to support the Commission in fulfilling statutory obligations and increased workload associated with Master Plan for Aging implementation.

Background. Established in the Older Californians Act, the Commission is comprised of 25 appointees representing the state's racial, ethnic, and geographic diversity. Members of the Commission are consumers and providers of aging services, as well as researchers and academics from the field of aging. Commissioners are volunteers who serve up to two three-year terms, appointed by the Governor, the Speaker of the Assembly, and the Senate Rules Committee. The Commission is staffed by three full-time staff: one Executive Director (ED), one Associate Governmental Program Analyst (AGPA), and one Staff Services Analyst (SSA). These staff also provide administrative support to the Triple-A Council of California (TACC), a 33-member body of local volunteers that meets four times per year in Sacramento.

To ensure the Commission was fully represented and to provide guidance and analytic support in recommendations development and now implementation, the ED and AGPA have dedicated a sizable portion of work time to MPA-focused work since December 2019. The Commission participates in multiple MPA-related stakeholder advisory groups, e.g., Disability and Aging Community Living, Aging and Disability Resource Connection, Equity in Aging, and MPA Research Partnership. Participation in stakeholder meetings and supporting Commission MPA priorities require focused staff work centering on research, policy analysis, position papers, forums,

public hearings, and outreach and education.

The Commission requests an AGPA who will be responsible for developing and executing a comprehensive communications strategy. The second requested AGPA will serve as an MPA Liaison and will be responsible for identifying emerging issues related to the MPA and tracking MPA implementation. The position will conduct research and prepare policy memos, policy briefs, reports, online content, presentations, and other materials for specific policy and program areas in alignment with Commission priorities.

Staff Comment and Recommendation. Hold open.

Questions. The Subcommittee has requested CCOA respond to the following:

1. Please provide an overview of the proposed 2022-23 CCOA budget and describe the funding augmentations included in the Governor's budget.

2. Describe the work that the Commission has done in the past year to help implement the MPA.

4170 CALIFORNIA DEPARTMENT OF AGING (CDA)

Issue 2: CDA Overview

The CDA administers community-based programs that serve older adults, adults with disabilities, family caregivers, and residents in long-term care facilities throughout the state. As the federally designated State Unit on Aging, the department administers federal Older Americans Act (OAA) programs and the Health Insurance Counseling and Advocacy Program (HICAP). CDA also administers two Medi-Cal programs; it contracts directly with agencies that operate the Multipurpose Senior Services Program (MSSP) and provides oversight for the MSSP waiver and certifies Community-Based Adult Services (CBAS) centers for participation in Medi-Cal. CDA administers most of these programs through contracts with the state's 33 local Area Agencies on Aging (AAA). At the local level, AAAs contract for and coordinate this array of community-based services to older adults, adults with disabilities, family caregivers, and residents of long-term care facilities.

California Department of Aging
Expenditures by Fund Source
* Dollars in thousands

Grand Total By Fund	Fiscal Year	
	2021-22	(Proposed Budget) 2022-23
General Fund	$103,991	$134,630
State HICAP Fund	$4,600	$4,566
Federal Funds	$310,364	$171,480
Special Deposit Fund	$2,218	$1,218
Reimbursements	$15,191	$15,549
Department of Public Health Licensing and Certification Program Fund	$400	$400
Skilled Nursing Facility Quality and Accountability Fund	$1,900	$1,900
Home & Community-Based Services American Rescue Plan Fund	$365,000	--
Total All Funds	$803,664	$329,743

Governor's Proposals. The Governor's Budget includes the following budget change proposals related to the CDA:

- Administrative Workload. The Governor's Budget requests $536,000 General Fund in 2022-23 and $512,000 General Fund in 2023-24 and ongoing to support four permanent positions to address increased administrative workload related to the recent growth of the department and the ongoing implementation of the Master Plan for Aging.

- Position Authority Adjustment. The Governor's Budget requests position authority for eight permanent positions that previously have been established temporary help positions. CDA has identified existing, ongoing funding for these positions and requests position authority only.

- Master Plan for Aging. The Governor's Budget requests $2 million General Fund in 2022-23 and $1.9 million General Fund ongoing to support twelve permanent positions to continue implementation of the Master Plan for Aging specific to three areas: data, policy, and equity; communications; and to establish a State Public Conservator Liaison within the department.

Federal Funding. During the past two years, the department has received significant federal funding to respond to COVID-19. The table below depicts the total funding received and the funding deadline. The majority of this federal funding ($131 million) went to the Home Delivered Meals Program.

	Total Funding	End Date
Families First Coronavirus Response Act	$25.1 million	September 2022
Coronavirus Aid, Relief, and Economic Security (CARES) Act	$86.5 million	September 2022
Consolidated Appropriations Act	$17.9 million	September 2022
American Rescue Plan Act (ARPA)	$146.1 million	September 2024
Vaccines	$6.8 million	September 2022
Total	$282.4 million	

Master Plan for Aging and Workload Impact. In January 2021, the California Health and Human Services Agency (CalHHSA) published the Master Plan for Aging (MPA) to serve as a comprehensive framework that will prepare the state for significant demographic changes in the years ahead, including the growth of the 60-and-over population to 10.8 million people by 2030.

The 2021 Budget Act included 53 new permanent positions to implement the MPA and other efforts aligned with the MPA's goals including Aging & Disability Resource Centers, Long-Term Care Patient Representatives, Health Insurance Counseling and Advocacy Program, and Community-Based Adult Services. Furthermore, the Department was provided with additional limited-term funding through the Home and Community-Based Services (HCBS) Spending Plan ($365 million) and American Rescue Plan Act (ARPA) COVID relief funding.

The 53 permanent positions provided in the 2021 Budget Act represent a 42 percent increase in authorized staffing levels for the department and will significantly drive workload for CDA's Human

Resources and Business management operations. The department requests twelve new positions in the 2022-23 Governor's Budget for continued implementation of the Master Plan for Aging. Staffing resources associated with the HCBS Spending Plan and ARPA COVID Relief funding will further increase administrative workload over the next several years.

CDA is responsible for the coordination and implementation of the MPA. Last year, CDA requested MPA Phase I resources that included core leadership, analytical, and support resources for the MPA in the areas of MPA leadership, policy, legal, IT, and administrative support. The twelve requested implementation positions are part of Phase II to support the leadership and coordination of CDA in implementing the MPA. This request builds upon last year's budget by providing additional support in data and research leadership and capacity, equity and tribal engagement, communications to connect aging and disability services, and establishing a State Public Conservator Liaison within CDA.

Conservatorships. Under California law, a judge can appoint a conservator to manage the financial affairs and/or daily life of another person whom the Court has been determined is unable to provide for his or her personal needs and/or manage his or her financial resources. A person under conservatorship is a "conservatee."

Each of California's 58 counties has an Office of the Public Guardian-Conservator-Administrator (PGCA). CDA proposes to establish a position at CDA to act as a liaison with local PGCA offices relating to probate conservatorships for older adults, including those with dementia. Probate conservatorships are the most common type of conservatorship in California. There are a large and growing number of older adults and in particular older adults with dementia currently served by or receiving services from PGCA offices. According to the department, the requested position will help CDA establish a strong relationship with local PGCA offices and support an effective, equitable, and coordinated Public Conservator program for older adults statewide.

Note that this proposal does not cover other county PGCA functions, including the Lanterman-Petris-Short Act Conservatorships, which involve medical and behavioral health issues, and guardianships for minors. Both of these areas are outside of CDA's purview and expertise.

Staff Comment and Recommendation. Hold open.

Questions. The Subcommittee has requested CDA respond to the following:

1. Please provide an overview of the proposed 2022-23 CDA budget and briefly describe the significant funding augmentations included in the Governor's budget.

2. How would the requested Public Conservator Liaison role ensure consistency and equity among all PGCA offices statewide?

Issue 3: 2021 Budget Investments

Budget Issue. The 2021 Budget Act made several significant investments in programs administered by CDA. Those investments included:

- Older Adults Recovery and Resilience Initiative. $106 million General Fund available over three years, to strengthen older adults' recovery and resilience from isolation and health impacts caused by the COVID-19 pandemic. Note that this funding was included as part of the state's Health and Community-Based Services (HCBS) spending plan.

  The HCBS spending plan details how the state will spend additional federal funding provided via the ARPA of 2021. ARPA dictates that this pot of funding must be spent in support of home and community-based services and not supplant existing state funds.

- Senior Nutrition. $14.3 million General Fund in 2021-22 and $35 million General Fund ongoing for additional funding for increased meals and $40 million General Fund, one-time, in 2021-22 for capacity building and infrastructure needs for these programs. Note that the $40 million for infrastructure funding was included as part of the state's HCBS spending plan.

- Aging and Disability Resource Centers (ADRCs). $2 million General Fund ongoing for state operations resources to support and expand ADRCs for a statewide "No Wrong Door" system.

- Multipurpose Senior Services Program (MSSP). $6.3 million General Fund in 2021-22 and $11.7 million General Fund ongoing to make the temporary MSSP rate increase permanent and to increase MSSP slots by 2,497.

- Technology Access. $50 million General Fund one-time for the Technology Access for Older Adults and Adults with Disabilities pilot program. The program will provide grants to counties to assist older adults and adults with disabilities in accessing technology. Note that this funding was included as part of the state's HCBS spending plan.

- Office of the Long-Term Care Patient Representative. $2.5 million General Fund in 2021-22 and $4 million ongoing to provide public patient representatives to nursing facility residents who cannot make their own health care decisions and to establish the Office of the Long-Term Care Patient Representative program.

Master Plan on Aging. In June 2019, Governor Newsom issued an executive order calling for the creation of a Master Plan for Aging (MPA). This plan was spurred, in part, by the projected growth of California's over-65 population to 8.6 million by 2030. The CDA has taken a lead role in developing the MPA. The MPA was released in January 2021. It is driven by five goals and over one hundred initiatives. Each of the 2021 investments described above helps to meet one of those five goals.

Goal One: Housing for All Ages and Stages.

Goal Two: Health Reimagined.

Goal Three: Inclusion and Equity, not Isolation.

Goal Four: Caregiving that Works.

Goal Five: Affording Aging.

Older Adults Recovery and Resilience Initiative. The 2021 Budget Act funded the Older Adults Recovery and Resilience Initiative. This investment will increase the service levels of existing programs based on local needs. The table below provides the funding breakdown by program.

Proposed Program Funding
(Millions of Dollars, Onetime over Three Years)

Program	Funding
Senior Nutrition	$20.7
Senior Legal Services	$20
Fall Prevention and Home Modification	$10
Digital Connections	$17
Senior Employment Opportunities	$17
Aging and Disability Resource Connections	$9.4
Behavioral Health Friendship Line	$2.1
Family Caregiving Support	$2.8
Elder Abuse Prevention Council	$1.0
State Operations	$6.0
TOTAL	**$106**

Senior Nutrition. The Senior Nutrition program consists of the Congregate Nutrition Program and the Home Delivered Meal Program. The Congregate Nutrition program targets individuals age 60 or older with the greatest economic or social need. In 2019-20, an average of 36,458 meals a day were served through this program. The Home Delivered Meal Program serves older adults who are not able to attend congregate programs. In addition, programs may provide nutrition education counseling. In 2019-20, approximately 53,734 meals were delivered each day.

Under the CARES Act, states were allowed additional program flexibility for nutrition programs. States were allowed to transfer up to 100 percent of funding from congregate to home-delivered meals programs without prior federal approval to provide home-delivered meals to individuals homebound for social distancing purposes, and temporarily waive certain dietary guidelines for meals. Congregate meal programs were transformed to serve older adults through meal pick-up and home delivery. Based on preliminary data, AAAs were able to provide approximately 9.5 million additional meals in 2020-21 compared to the previous fiscal year.

The department is still in the process of consulting with stakeholders to create guidelines for the $40 million set aside for infrastructure. However, the department has indicated that the funds will go to

AAAs who, in turn, will allocate the funding to local programs with Meals on Wheels programs receiving priority.

ADRCs. Many communities currently have multiple agencies administering long-term services and supports (LTSS) and have complex, fragmented, and often duplicative intake, assessment, and eligibility functions. ADRCs are intended to act as a single coordinated system of information and access for persons seeking LTSS. The "No Wrong Door" system aims to lower the barriers that older Californians, people with disabilities, caregivers, and families face accessing the information and assistance needed to age well. ADRCs are created by forming partnerships between AAAs and Independent Living Centers (ILCs). The establishment of a statewide ADRC program was a key recommendation from the MPA stakeholder committee.

The current ADRC network covers about fifty percent of the state. The additional funding provided in the 2021 Budget Act, as well as the 2019 and 2020 Budget Acts, has provided for the establishment of nine established ADRCs and a few emerging ADRCs. These new ADRCs cover twenty-two new counties and serve roughly two million additional older adults.

MSSP. MSSP provides social and health case management services for frail, elderly clients who wish to remain in their own homes and communities. Clients must be aged 65 or older, eligible for Medi-Cal, and certified (or certifiable) as eligible to enter into a nursing home. Teams of health and social service professionals assess each client to determine needed services and work with the clients, their physicians, families, and others to develop an individualized care plan. CDA implements MSSP under the supervision of the Department of Health Care Services (DHCS) through an interagency agreement.

Access to Technology Pilot Program. The 2021 Budget Act authorized the Access to Technology pilot program to connect older adults and adults with disabilities to technology to help reduce isolation, increase connections, and enhance self-confidence. The funding would be provided through grants to counties. Allowable uses of the funding include, but are not limited to: (1) providing technology to older adults and adults with disabilities; (2) arranging for reliable internet access to older adults and adults with disabilities; (3) developing or arranging for education and training on the use of technology; (4) and administration of the program, including data collection and reporting.

The department is currently working with the County Welfare Directors Association (CWDA) to develop guidelines for counties in implementing the program. As this funding was included as part of the state's HCBS spending plan the department had to wait for federal approval before moving forward with the program.

Office of the Long-Term Care Patient Representative. This office was established via the 2021 Budget Act to provide public patient representatives for residents of skilled nursing or intermediate care facilities to participate in interdisciplinary teams if a family member, friend, or other person authorized by state or federal law cannot be located, or is otherwise unavailable, unwilling, or unable to participate as a patient representative. The department is not required to begin providing public patient representatives until July 1, 2022, or the date that the Director of the department certifies and provides public notice that the Long-Term Care Patient Representative Program is operational, whichever is earlier. The department has recently hired an Office Director, is in the process of

vetting organizations to provide long-term care patient representatives and is developing a project plan, engaging with stakeholders and the California Department of Public Health. CDA has indicated that it is on track to meet the July 1 statutory deadline.

Staff Comment and Recommendation. This is an informational item and no action is needed.

Questions. The Subcommittee has requested CDA respond to the following:

1. Please describe the growth in MSSP and how this growth will impact isolation and well-being among seniors.

2. The 2021 Budget Act provided additional funding to provide more meals and to support infrastructure and capacity for the Senior Nutrition program. How has the state made progress in addressing hunger among older adults? How are the infrastructure and capacity funds being used? What challenges have these programs faced due to the pandemic and how will the state overcome them?

3. What additional work needs to be done to build out a statewide ADRC system?

5180 DEPARTMENT OF SOCIAL SERVICES – ADULT PROGRAMS

Issue 4: In-Home Supportive Services (IHSS) Overview

Governor's Proposal. The 2022-23 IHSS budget includes $16.9 billion ($4.9 billion General Fund) in 2021-22 and $18.5 billion ($6.5 billion General Fund) in 2022-23. The 2021-22 budget reflects a decrease of $308.4 million (and a decrease of $671.4 million General Fund). This reflects a lower caseload than what was reflected in the previous estimate, slightly offset by an increase in the cost per hour and hours per case. The 2022-23 IHSS budget reflects an increase of $1.3 billion ($947.7 million General Fund) from the 2021 Budget Act, due to continued caseload growth, cost per hour, and hours per case.

The projected cost per hour is $17.91 in 2021-22 and increases to $18.39 in 2022-23. The caseload for this program continues to increase. The updated caseload is projected to be 583,083 in 2021-22 and 598,835 in 2022-23.

Other IHSS Budget Highlights. The budget also contains the following IHSS investments:

- Permanent Backup Provider System. The Governor's Budget includes $24.8 million ($11.2 million General Fund) ongoing for the permanent backup provider system. This system creates a permanent solution that allows counties to help IHSS recipients receive services from a secondary provider when the primary provider is unavailable, such that it will result in the need for emergency services and/or out-of-home placement if backup supportive services are not provided. The department has indicated that trailer bill language will accompany this proposal, but the language was not available at the time of writing.

- Continuous Coverage. The Governor's budget reflects $90.1 million in General Fund savings, captured by pausing Medi-Cal redeterminations in response to the COVID-19 pandemic. This prevents cases from shifting to the non-federally funded IHSS Residual program. The delay of Medi-Cal redetermination was previously set to expire on December 31, 2021, but is now assumed to be extended through June 30, 2022.

- Electronic Visit Verification (EVV) Penalty Reduction. The Governor's budget includes $27.5 million General Fund to cover the first six months of penalties in 2022-23 due to delayed EVV implementation.

- EVV Implementation Resources. The Governor's budget includes $1.5 million General Fund for seven permanent positions to administer the EVV and IHSS social worker training. The department was previously granted limited-term funding for EVV implementation, which will expire on June 30, 2022.

- COVID-19 Temporary 6.2 Percent FMAP Increase. The federal government has provided and continues to provide a temporary 6.2 percent increase in the FMAP reimbursement rate for federally eligible Title XIX service expenditures. The enhanced FMAP rate was previously set to expire on December 31, 2021; however, it is now assumed it will be

extended through June 30, 2022. As a result of this extension, the projected General Fund savings in 2021-22 have increased from $463.5 million to $940.1 million.

Background. The IHSS program provides personal care services to approximately 658,258 qualified low-income individuals who are blind, over 65, or who have disabilities. Services include feeding, bathing, bowel and bladder care, meal preparation and clean-up, laundry, and paramedical care. These services help program recipients avoid or delay more expensive and less desirable institutional care settings.

As of December 2021, 14.9 percent of IHSS consumers are 85 years of age or older, 40.4 percent are aged 65-84, 36.3 percent are aged 18-64, and 8.4 percent are 17 years of age or younger. There are approximately 559,058 IHSS providers. 55 percent of providers live with their clients and 80 percent of providers work for only one recipient.74 percent of providers are relatives of the recipient.

EVV. In 2016, the Federal Government passed the 21st Century Cures Act to require EVV for Personal Care Providers and Home Health Care Providers. Part of the EVV requirement is that States will capture the provider's location when the service is provided. If the State fails to comply with the EVV requirement, the 21st Century Cures Act includes penalties in the form of reduction of the federal matching assistance percentage (FMAP). The reduction in FMAP is 0.5 percent for 2021, 0.75 percent for 2022, and 1.0 percent for 2023. The state will face federal penalties continuing into 2022-23 until CDSS has a fully implemented EVV system that meets Centers for Medicare and Medicaid Services (CMS) approval. CDSS plans to be in full compliance with CMS requirements by December 2022.

EVV was fully implemented for IHSS as of December 2020 however, CDSS received additional direction from CMS requiring electronic capture of the provider's location at the start and end of each workday. To fully comply with the CMS direction that CDSS electronically capture the location at the start time and end time of each service day for all non-live-in providers, the current system is being modified to electronically capture the provider's location when they log in and check in or check out. Implementation of the location capture feature and the release of an IHSS location services application for electronic devices is scheduled for July 2022.

IHSS COVID-19 Response. In response to the pandemic, CDSS has provided over 2.5 million masks to providers and recipients and continues to provide protective gear and personal protective equipment for providers and recipients. CDSS also implemented an emergency backup provider system. Note that funding for the emergency backup provider system ended on December 31, 2021, but the proposed 2022-23 budget includes funding for a permanent backup system. Additionally, emergency paid sick leave was provided for IHSS providers and the medical accompaniment service was expanded to include accompanying recipients to their vaccination appointments.

Staff Comment and Recommendation. Hold open.

Questions. The Subcommittee has requested CDSS respond to the following:

1. Please provide an overview of the proposed 2022-23 budget for the IHSS program and briefly describe the significant funding augmentations included in the Governor's budget.

2. The budget reflects slower paid caseload growth when compared to pre-COVID-19 growth rates. However, the number of new IHSS applications and denials is relatively the same as pre-COVID-19. What does the department attribute this decline in caseload growth to?

3. The 2021 Budget Act required the department, in consultation with stakeholders, to create, and provide to the Legislature, the framework for a permanent provider backup system. What is the status of those stakeholder conversations?

Issue 5: IHSS Career Pathways Program

Budget Issue. The 2021 Budget Act included $200 million General Fund one-time to incentivize, support, and fund career pathways for IHSS providers, allowing these workers to build on their experience to obtain a higher-level job in the home care and/or health care industry. The budget also included trailer bill language detailing specifics of the program, including requirements that provider participation is voluntary, at no cost to providers, and that providers be compensated for each hour of training.

Background. The Career Pathways program aims to increase the quality of care and retention of providers for recipients and incentivize, support, and fund career pathways for providers. This will allow workers to build their experience to obtain a higher level job in the home care and/or health industry. CDSS with stakeholders identified five career pathways: (1) general health and safety, (2) adult education topics, (3) cognitive impairments and behavioral health, (4) complex physical care needs, and (5) transitioning from homelessness. The pathways are split into two categories: General Pathways and Specialized Skill Pathways. Providers who have completed provider enrollment and are eligible to work for a recipient, including registry and emergency backup providers, may participate in the Career Pathways Program. Providers will receive payment for attending training and those who complete coursework in a selected career pathway and meet certain criteria will be eligible to receive incentive payments. The criteria for receiving incentive payments include:

- Completing 15 hours of training in a particular pathway.
- Completing 15 hours of training in a Specialized Skills Pathway and subsequently going to work for a new recipient that needs that specialized type of care, and providing 40 authorized hours of care in the first month.
- Completing 15 hours of training in a Specialized Skills Pathway and subsequently going to work for a new recipient that needs that specialized type of care, and providing 40 authorized hours of care per month for at last 6 months.

Local counties and/or IHSS public authorities and nonprofit consortiums will inform providers of the availability of the training and assist interested providers in registering for the training. State staff will document the completion of learning pathways and issue the incentive payments as well as any other administrative activities related to the training. It is expected that provider training will begin in September 2022.

Stakeholder Outreach. CDSS held listening sessions with the stakeholder community on December 15, 2021, and January 26, 2022. More than 300 providers, recipients, and advocates attended those sessions. The department also conducted meetings and surveys with county IHSS and Public Authority staff to gauge interest in being training providers. During the listening sessions, recipients, providers, and others expressed some concerns. Recipients worried that providers will leave the IHSS program for other professions once they obtain the training and that incentive payments would encourage providers to take on more clients, putting them at risk for violations. There was also concern about language access and whether the training would be available in multiple languages.

Next Steps. The department is planning to issue a Request for Proposal (RFP) at the beginning of March, with final proposals due in mid-April. The department is also planning automation activities so that providers can be paid for the training and receive incentive payments. Additional stakeholder meetings will be scheduled to discuss the amount of the incentive payments.

Staff Comment and Recommendation. This is an informational item. No action is needed.

Questions. The Subcommittee has requested CDSS respond to the following:

1. Please provide an update on the rollout of the IHSS Career Pathways Program.

2. Why were the pathway topic areas chosen and what outcomes are anticipated for the clients whose providers have had this training? Has the department identified a contractor to develop the curriculum?

3. How does the state plan to retain providers and recruit new providers to avoid a loss of providers to other professions once they complete the training?

4. Is the department planning to make the training available in multiple languages? Will the training be conducted both in-person and online?

Issue 6: Supplemental Security Income/State Supplemental Payment (SSI/SSP) Overview

Governor's Proposal. The Governor's budget includes $9.9 billion ($2.9 billion General Fund) in 2021-22 and $10.3 billion ($3.1 billion General Fund) in 2022-23. As compared to the 2021 enacted budget, funding for the SSI/SSP program increased by $371.9 million ($162.8 million General Fund) in 2022-23, due to the full-year impact of the 23.95 percent SSP payment increase, partially offset by a projected lower caseload.

Under the 2021 Budget Act, an additional SSP payment increase is planned for January 1, 2024, and if enacted, would restore SSP monthly payments for both individuals and couples to pre-Great Recession levels.

Background. The SSI/SSP programs provide cash assistance to around 1.1 million Californians, who are aged 65 or older, are blind, or have disabilities, and in each case meet the federal income and resource limits. A qualified SSI recipient is automatically qualified for SSP. SSI grants are 100 percent federally funded. The state pays SSP, which augments the federal benefit.

Grant Levels. The federal government generally applies a Cost of Living Adjustment (COLA) to SSI grant levels annually. A federal COLA of 5.9 percent took effect on January 1, 2022, increasing the maximum monthly SSI grant by $47 for individuals and $70 for couples. For 2022, the maximum combined SSI/SSP grant level is $1,040.21 for individuals and $1,765.64 for couples. The Governor's budget estimates maximum combined SSI/SSP grant levels will be $1,059.21 for individuals and $1,794.64 for couples in 2023.

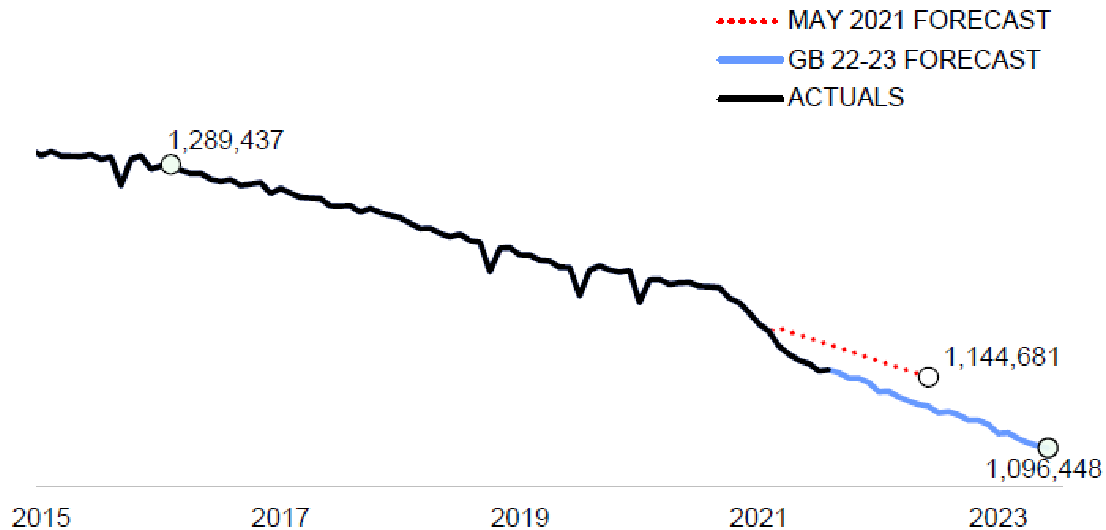
The FPL is a measure of income issued by the federal government each year to determine eligibility for programs and benefits. The January 2022 Federal Poverty Level (FPL) for individuals is $1,132.50 per month and $1,525.83 per month for couples. The current maximum SSI/SSP grant level for individuals remains below the 2022 FPL (91.9 percent of the FPL), while the grant level for couples remains just above the 2022 FPL (115.72 percent of the FPL). A 23.95 percent SSP increase took effect on January 1, 2022. An additional increase is planned for January 1, 2024. Despite these grant increases grant levels for individuals in 2022 are below the FPL and it is projected that grant levels for individuals will be below the FPL in 2023-24 as well. The table below, provided by the Legislative Analyst's Office, shows SSI/SSP grant levels in 2021-22, 2022-23, and 2023-24.

SSI/SSP Monthly Maximum Grant Levels[a]
Governor's Proposal

	2021-22 (Actual)	2022-23[b] (Projected)	2023-24[b] (Projected)
Maximum Grant—Individuals			
SSI	$841.00	$860.00	$876.00
SSP	199.21	199.21	246.92
Totals	**$1,040.21**	**$1,059.21**	**$1,122.92**
Percent of Federal Poverty Level[c]	92%	89%	92%
Maximum Grant—Couples			
SSI	$1,261.00	$1,290.00	$1,314.00
SSP	504.64	504.64	625.51
Totals	**$1,765.64**	**$1,794.64**	**$1,939.51**
Percent of Federal Poverty Level[c]	116%	112%	118%

[a] The maximum monthly grants displayed refer to those for aged and disabled individuals and couples living in their own households in January of fiscal year.
[b] Reflects administration's estimate of the January 2023 and January 2024 federal cost-of-living adjustment for the SSI portion of the grant. Also reflects intended SSP grant increase in January 2024.
[c] Compares grant level to federal poverty guidelines from the U.S. Department of Health and Human Services up to 2021-22. Estimates of federal poverty guidelines for 2022-23 and 2023-24 are based on Consumer Price Index for All Urban Consumers projections. The 2022-23 and 2023-24 federal poverty guidelines will not be finalized until fall 2022 and fall 2023, respectively.

Caseload. The caseload in the program has declined steadily since 2014-15 due to overall program attrition from the disabled population and slower caseload growth resulting from fewer income-eligible individuals (see image below). The further decline starting in 2020-21 is due to COVID-19 when county offices closed forcing people to utilize technology to access these services. Recent months of actual data indicate the caseload is decreasing at a faster rate compared to prior projections. According to the department, this recent decrease is the result of a greater reliance on technology for SSI applications during the shelter-in-place (with applicants who are less familiar with this process) combined with a growing trend of applicants whose income exceeds eligibility thresholds that have not grown with inflation.



2021 Budget Act Investments. The 2021 Budget Act included several investments for the SSI/SSP programs including a 23.95 percent SSP (and Cash Assistance Program for Immigrants) increase, trailer bill language allowing for an additional increase beginning January 1, 2024, and authorization for SSP recipients to receive one-time $600 payments as part of the Golden State Grant program.

Staff Comment and Recommendation. Hold open.

The 2021 Budget Act made a significant investment in the SSP program, providing an almost twenty-four percent increase in SSP payments in 2022-23, with another increase planned in 2023-24. While this increase will bring SSP grants to the levels they were at before the recession in 2009 when the state made cuts to many safety net programs, it would not provide a COLA for SSP payments. Not only were grant levels reduced during the recession, but the annual SSP COLA was suspended. While the 2021 Budget Act raised levels to what they would have been before those reductions, the COLA for SSP has not been reinstated. Note that the 2018 Budget Act included trailer bill language codifying COLA adjustments to SSP grants beginning in 2022-23. The Legislature may request that the Department of Finance provide information about what it would cost the state to reinstate the SSP COLA.

Questions. The Subcommittee has requested CDSS respond to the following:

1. Please provide an overview of the proposed 2022-23 budget for the SSI/SSP programs.

2. The department has indicated that the faster than projected decline in enrollment is due to a greater reliance on technology for applications and applicants who are less familiar with the process, as well as the closure of county offices due to COVID-19. What is the state doing to ensure that all those who could benefit from the program are being enrolled? Is support provided for those individuals who may not be familiar with using technology to apply for the program?

Issue 7: Adult Protective Services (APS) Overview

Governor's Proposal. The budget requests position authority for five permanent positions to assist with the program expansion authorized in the 2021 Budget Act. No funding is associated with this request.

Background. The Adult Protective Services (APS) program provides services without regard to income to persons who are victims of abuse, neglect, or exploitation and are 60 or older or dependent adults who are 18-59 years old who are functionally impaired and unable to meet their own needs. In 2020-21, the APS program received 198,070 reports; 122,158 new cases were opened; 145,110 cases were resolved.

COVID-19 has had an impact on the APS caseload. Historically, there is an increase in reports received and cases opened from one year to the next. However, due to the pandemic, APS saw a 7.1 percent decrease in the number of reports received and an 8.6 percent decrease in the number of cases opened between March 2020 and December 2020.

Federal Relief. In the federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 California APS received $9.5 million to supplement services in response to the pandemic. This funding allocation was based on each county's percentage of the total average APS monthly elderly (aged 60 and above) caseload. The allocation was adjusted to ensure each county receives a minimum of $1,000. Funds are available to counties for use from April 1, 2021, until September 30, 2022. From the funds, $254,974 was earmarked for an evaluation study to highlight strategies the counties employed and their effectiveness in responding to the unique demands brought on by COVID-19. The federal relief funding has been used for a variety of purposes, including:

- Emergency shelter
- Technology for staff (laptops, tablets, phones, etc.)
- Extended case management
- Financial abuse public awareness and education campaign
- Hiring additional staff
- Conducting nursing follow up with clients after case closure

California also received $8.6 million as part of the American Rescue Plan Act (ARPA). These funds were distributed to counties in August 2021 and must be used within 24 months. Roughly $4 million of the funding went to county activities, while the remaining funds went to activities including a public awareness campaign and operational plan assistance. Additional ARPA funds will be distributed to APS programs in the spring of 2022.

As a requirement of ARPA, the federal Administration for Community Living requires states to create a five-year operational plan for APS programs. The plan must incorporate current and future

rounds of funding. California's plan was due January 31, 2022. The department held listening sessions in the fall of 2021 to gather ideas to include in the plan.

2021 Budget Act Changes. The 2021 Budget Act included trailer bill language that made several changes to the APS program. As of January 1, 2022, the elderly eligibility age decreased from 65 to 60. Consequently, the age for dependent adults eligible for APS services changes to 18-59. The bill also included an increased emphasis on housing for the elderly and required the development of a stakeholder workgroup to explore the feasibility of a statewide automated APS case management system, with a report due to the Legislature in November 2022.

Data Collection. In 2018, the state received a federal grant to improve the state's APS data collection system. The department used the grant to overhaul its primary APS data collection that counties use to electronically submit their monthly statistics. The updated tool was implemented for county use in January 2019. The updated tool captures more comprehensive data that more closely reflects data collected in the federal National Abuse Maltreatment Reporting System database. The updated data collection system will also provide a better understanding of efforts in California to address elder and dependent adult abuse.

APS Training. The 2019 Budget Act allocated $11.5 million for a three-year training effort. With that funding three APS regional training academies contracted with the state to increase their delivery of core classes for APS social workers and advanced and specialized courses for managers and supervisors. However, these training funds expire at the end of the current 2021-22 fiscal year. After June 30, 2022, funding for training will decrease to $176,000 General Fund.

Staff Comment and Recommendation. Hold open.

As mentioned above, the 2021 Budget Act made many changes to the APS program, all of which will likely increase the APS caseload. Additionally, APS social workers will likely need to be trained on some of these changes. As the funding for APS training will expire at the end of the current fiscal year the Legislature may want to consider providing additional funding for training.

Questions. The Subcommittee has requested CDSS respond to the following:

1. Please provide an overview of the budget for the APS program, including federal COVID-19 relief funding and how the COVID funding was used.

2. Since the start of the COVID-19 pandemic the number of reports received and the number of cases opened has declined. What are the department and/or local agencies doing to ensure that adults who may be victims of abuse or neglect are protected?

3. The federal government requires California to submit an operational plan for its APS programs by January 31, 2022. Please provide an overview of this plan and describe how it will ensure consistency of services across counties.

4. The 2021 Budget Act required the development of a stakeholder workgroup to explore the development of a statewide automated APS case management system. What is the status of that

workgroup? What stakeholders are included in the group? What is the time frame for deploying a statewide automated case management system?

5. How has the updated data collection tool helped the department better understand elder abuse? What steps is the department taking to better address abuse and neglect in response to this data?

6. With the changes made in the 2021 Budget Act to expand the age of eligibility and the expected increase in the older adult population in the coming years, it is expected that the number of reports received and investigations by APS will only increase. How is the state preparing to handle that increase and ensure that all reports are sufficiently investigated?

5180 DEPARTMENT OF SOCIAL SERVICES – COMMUNITY CARE LICENSING (CCL)

Issue 8: CCL Budget Overview

Governor's Proposal. The Governor's budget includes $1.3 million General Fund ongoing for eight permanent positions to support and provide expertise to the Community Care Licensing Division Regional Offices.

Background. The CCL Division oversees the licensure or certification of licensed facilities that include childcare centers; family child care homes; adult daycare facilities; foster family homes; child, adult, and senior residential facilities; and certified family homes and home care organizations. CCL is responsible for protecting the health and safety of individuals served by those facilities. Licensing program analysts investigate any complaints lodged, and conduct inspections of the facilities. The CCL division has a total of 1,532 staff. As of June 2021, there are 67,622 CCL licensed facilities and a licensed capacity of approximately 1.4 million across the state.

Capacity Changes. In June 2021 there were 14,552 licensed facilities (an increase of 2.2 percent over the last 12 months) and a licensed capacity of 300,468 (an increase of 2.6 percent over the last 12 months) for adult and senior care facilities. For children's residential facilities there were 11,991 licensed facilities (a decrease of 11.8 percent over the last 12 months) and a licensed capacity of 46,179 (decrease of 8.9 percent over the last 12 months) at the same time point.

For childcare facilities, there were 41,079 licensed facilities (decrease of 1.4 percent over the last 12 months) and a licensed capacity decrease of about 1 million (decrease of 0.4 percent over the last 12 months) in June 2021. However, licensed and unlicensed pop-up facilities helped to fill this childcare gap during the pandemic with 188 facilities and 6,232 slots becoming permanent. The table below depicts new licenses, permanent closures, and temporary closures of childcare facilities during the pandemic. Temporary closures refer to facilities that close but remain licensed and could reopen at any time.

Childcare Facilities		
New Licenses (March 2020 to September 2021)	Permanent Closures (March 2020 to September 2021)	Temporary Closures as of September 30, 2021
5,643 facilities	5,372 facilities	5,440 facilities
87,776 capacity	88,148 capacity	210,966 capacity

Complaints. The table below shows complaints received and complaints pending more than 90 days for the CCL Division.

Facility Type	Number Complaints received	Complaints Pending More than 90 Days
Adult & Senior Care	5,841	3,329 (increase of 123 %)
Children's Residential	3,419	445 (increase of 14 %)
Child Care	3,050	27 (decrease of 86 %)

Total	12,310	3,801 (increase of 83 %)

There was a large uptick in complaints pending for more than 90 days for adult and senior care facilities. The CCL division has attributed this increase to shifting priorities during the pandemic. The division shifted to providing COVID-related technical assistance to licensees and increased collaboration with internal and external stakeholders to support licensees and residents.

Inspection Tool Updates. All facilities licensed by CCL must meet minimum licensing standards, as specified in California's Health and Safety Code and Title 22 regulations. DSS conducts pre- and post-licensing inspections for new facilities and unannounced visits to licensed facilities under a statutorily required timeframe.

CCL has developed the Compliance and Regulatory Enforcement (CARE) inspection tools to improve the effectiveness and quality of the inspection process. The CARE Tools focus CCL's efforts in the three priority areas: prevention, compliance, and enforcement. The full CARE tools are being used in Adult and Senior Care facilities. However, the Adult and Senior Care program is currently focusing its annual inspections on COVID-19 infection control through the use of an infection control domain within their CARE tool.

The Child Care program is using the full CARE tools for their annual inspections. As of November 2021, the Children's Residential Program was using the full CARE tools for inspections in its five largest facility categories and was in the process of developing CARE tools for their remaining, smaller facility categories. CCL is also working to update its legacy system to a new Field Management System and is refining the CARE tools over time based on inspection data and feedback from staff and licensees.

COVID-19 Response. In response to the COVID-19 pandemic, the CCL division has adjusted many of its operating procedures. To receive clearance for on-site inspections all field staff is required to test for COVID-19 weekly, regardless of vaccination status. Field staff must also submit a daily COVID-19 symptom self-assessment and affirmation form. Caregivers working in qualified facilities were granted Hero Award stipends of $500. $20 million from the Disaster Response-Emergency Operations Account (DREOA) was used for staff augmentation and stabilization at facilities licensed by CCL. Residential Alternate Care Sites were developed to deflect the surge in acute settings such as hospitals. Residents could obtain services needed when COVID-19 positive at these sites. CCL also provides technical assistance, conducted daily calls with facilities with an active COVID-19 case, and holds statewide information calls with licensees.

Staff Comment and Recommendation. Hold open.

Questions.

1. Please provide an overview of the proposed 2022-23 budget for the CCL Division, briefly describing the significant funding augmentations included in the Governor's budget.

2. Please provide an update on the rollout of the CARE inspection tools. When does the Administration expect the CARE tools for all facility types will be implemented?

3. There was a large uptick in complaints pending more than 90 days for adult and senior care facilities within the past year. The department has indicated that shifting focus to the COVID-19 response was part of the reason for this increase. What changes has the department made to address the issue and lower that number?