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Overview of Recent Changes In the In-Home Supportive Services Program

LEGISLATIVE ANALYST'S OFFICE

Presented to:

Assembly Budget Committee

Hon. Noreen Evans, Chair

and

Senate Budget Subcommittee No. 3 on Health and
Human Services

Hon. Mark Leno, Chair



Overview of 2009-10 In-Home Supportive Services (IHSS) Reductions



Total Budget.

- The 2009-10 budget includes about \$5.5 billion (about \$1.3 million General Fund) for the support of IHSS. Although total funds decreased by about 3.8 percent compared to the prior year, General Fund spending decreased by about 21 percent.



Total Reduction.

- Relative to prior law requirements, the 2009-10 budget adopted reductions of about \$420 million General Fund (about \$366 million net of Federal Medical Assistance Percentage [FMAP] relief under federal stimulus).



Categories of Reductions.

- **Service Reductions and Eliminations.** The budget includes several changes to IHSS services and eligibility.
- **IHSS Anti-Fraud Initiatives.** The budget includes various anti-fraud activities that are expected to result in program savings.
- **Other Reductions.** Included in the 2009-10 budget is a reduction to state participation in IHSS wages and benefits, a reduction to public authority administration, and the elimination of the Share-of-Cost Buyout program.



Service Reductions and Eliminations



Reductions Are Based Upon Functional Index (FI) Rankings and Scores.

- **The FI Rank.** A FI rank is assigned for 11 individual IHSS tasks.
- **The FI Score.** The FI score is the weighted average of all of the individual FI ranks.



Elimination of Domestic and Related Care Services for Certain Recipients.

- The budget eliminates domestic and related care services for IHSS recipients with FI rankings below 4 on those tasks.
- Originally, this reduction was to occur on September 1, but had been delayed by the administration until November 1, 2009. This reduction was recently enjoined by a federal judge.
- This reduction is expected to impact about 97,000 recipients who receive an average of 14 hours of domestic and related care services each month.



Elimination of IHSS Eligibility for Certain Recipients.

- The budget eliminates all IHSS services for recipients with FI scores below 2.
- Based on current law, this reduction was to occur on September 1, but had been delayed by the administration until November 1, 2009. This reduction was recently enjoined by a federal judge.
- This reduction is expected to impact about 36,180 individuals.



Service Reductions and Eliminations

(Continued)



Legislative Exemptions. The Legislature exempted three categories of recipients who would be exempt from these reductions. These categories are recipients receiving:

- Paramedical Services
- Protective Supervision
- Over 120 hours of authorized services per month

The legislation authorized the Director of the Department of Social Services (DSS) to waive these exemptions if, after consultation with the Department of Health Care Services, he determines that they put federal funding at risk. To date the Director has waived the 120 hour exemption.



Major IHSS Anti-Fraud Initiatives Effective November 2009 or Upon Enactment



New Provider Enrollment Requirements. Providers must complete four main steps to be enrolled as an IHSS provider. New providers must complete the process by November 1, 2009 and current providers have until June 30, 2010.

- ***Step 1: Provider Enrollment Form.*** Providers complete and sign an IHSS provider enrollment form and return it in person to the county or public authority.
- ***Step 2: Criminal Background Check.*** Providers must be fingerprinted and pass a criminal background check.
- ***Step 3: Program Orientation.*** New providers must complete the provider orientation as developed by the department in consultation with the counties. Existing providers must receive and review the orientation training materials.
- ***Step 4: Provider Enrollment Agreement.*** After completing orientation, providers must sign the provider enrollment agreement, which states that they understand and agree to the rules of the program.



Targeted Enforcement.

- ***Targeted Mailings.*** In consultation with county welfare departments and stakeholders, DSS will develop protocols for the implementation of mailings to providers to convey program integrity concerns.
- ***Unannounced Home Visits.*** To verify the receipt of services, in targeted cases, recipients may receive an unannounced home visit. It is also required that the department consult county welfare departments to develop the protocol for follow-up visits.



Major IHSS Anti-Fraud Initiatives Effective After November 2009

- ☒ ***List of Approved Tasks Shared With Providers.*** Effective January 2010, recipients will be informed that providers will be given a list of their authorized services and hours. On or before December 2011, the department and stakeholders will develop a process to ensure that the provider receives the list of authorized services.
- ☒ ***Timesheets to Include Fingerprints.*** Effective July 2011, recipients and providers must record their fingerprint on the timesheet in order to be eligible for payment.
- ☒ ***Recipient Fingerprinting.*** Beginning April 2010, new recipients will be fingerprinted at their initial assessment. Existing recipients will be fingerprinted at their reassessment.