



**California Collaborative for
Long Term Services and Supports**

February 19, 2016

Hon. Shirley Weber, Chair
Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

Hon. Mark Leno, Chair
Senate Budget Committee
State Capitol, Room 5019
Sacramento, CA 95814

Re: 2016-17 Budget on Aging and Disability – One-time Investments

Dear Assembly Member Weber and Senator Leno:

The California Collaborative for Long Term Services and Supports is a coalition of 30 statewide organizations that represent or serve seniors and people with disabilities. We meet regularly to discuss policy and budget issues.

Crucial service and income programs for seniors and people with disabilities were slashed during the years of lean budgets and we hope that many of the cuts will be restored. We were pleased to see some movement in this direction in the Governor's proposed budget, but more can and should be done. The Collaborative members will be pursuing restorations in the budget process.

The Collaborative does recognize and appreciate the reluctance to restore services with revenue which may fluctuate from year to year. None of us wants to relive the excruciating pain of the past several years when the business cycle depresses revenue once again. However, there are a number of one-time investments that could be made with current revenue which will reduce anticipated future costs caused by the increasing population of seniors and people with disabilities.

The demographic trends:

- In the next 15 years the number of Californians over 65 years will increase by 4 million, comprising one-fifth of the state population by 2030.
- Californians at least 85 years of age will increase by over 85%, to about 400,000. More and more, this population will be living alone.
- An increasingly aged population will include many more people with disabilities, some of whom will need supports and services to continue to live independently.
- This population notably includes persons at least 65 years old who are living with Alzheimer's. Medi-Cal costs for this population are expected to grow by nearly 60% in the next ten years. Appropriate home and community-based services are essential to manage these costs.
- The number of younger persons living with significant disabilities is also increasing. For example, the Department of Developmental Services caseload of adults with autism is projected to double in the next five years and triple in the next ten.
- Advances in medical care have increased the lifespan for persons with many disabilities, meaning these persons will require services for a longer period of time.

Ultimately, the safety net for these populations is taxpayer-funded institutional care. If they do not have the services and supports enabling them to continue to live in the community, they will most likely end up in expensive skilled nursing facilities sooner and for a longer period. Investing one-time revenues in the infrastructure that will keep them in the community as long as possible will prove to be fiscally prudent.

The Collaborative would like to work with the Legislature and the Administration to identify investments with the most potential, but would offer a framework and some specific proposals.

Supporting Unpaid Caregivers

People who need supports and services, including seniors, prefer to remain in their homes and communities, where friends and family can help with the support tasks

needed. Indeed, AARP estimates that over 6 million people in California are providing unpaid care for a friend or family member, at an estimated annual value of \$234 billion.

How can the state leverage this vast caregiving resource, which reserves public dollars until unpaid caregivers are unavailable? Invest in programs that provide caregivers respite and other services designed to support their efforts and prevent burnout. Grants for one-time expenditures for expansion and enhancement of these programs would leverage the largest caregiver resource in the state.

In-Home Supportive Services (IHSS) Program

Everyone does not have an available and willing unpaid caregiver to provide personal care services. One-time investments to the IHSS Case Management Information and Payrolling System (CMIPS) program are needed to 1) to convert to 26 two-week payroll periods to simplify compliance with new state and federal overtime rules; and 2) to resolve the issue of health plans not being able to pay for IHSS-like services as an optional benefit in Cal MediConnect.

Senior Centers

The out-of-date infrastructure of 750 senior centers are in need of one-time investments. These centers serve some 170,000 elderly persons who typically visit several times each week for nutrition, services and socialization. Some are not fully accessible; few have had energy or technology upgrades, others need earthquake retrofits. There is also a need to increase capacity to accommodate the growing older population and demand. The last state investment in senior centers was in 1984. We believe the time has come to make another investment to help communities prepare for five million more seniors.

CBAS and PACE

The current Community Based Adult Services (CBAS) Centers and Programs of All-Inclusive Care for the Elderly (PACE) are not enough to meet the needs of the current or expected population who qualify for their services. One time grants or low-interest loans could incentivize expansion of these programs that keep people in the community and out of nursing facilities.

Housing

Lack of affordable, accessible housing is a barrier to people remaining in their communities or returning to their communities from institutional care. One-time investments could include low-interest loans or grants for accessible housing, as well as additional specialized homes for persons with developmental disabilities authorized under SB 962.

Complying With New Rules on Person-Centered Services

Finally, new federal Home and Community-Based Services rules will require investments as providers across the aging and disability sectors are required to make programmatic changes to remain eligible for federal funding. One-time expenditures to support the required changes will build California's capacity for person-centered care among community-based providers and will position California to continue to be eligible for federal HCBS funding in the Medi-Cal program.

The Collaborative and its members look forward to working with you to create a plan for meaningful one-time investments that will provide a return to the state in dealing with the needs of the growing numbers of seniors and persons with disabilities.

Sincerely Yours,



Laurel Mildred
For the California Collaborative

cc: Hon. Holly Mitchell, Chair, Senate Budget Subcommittee 3
Hon. Tony Thurmond, Chair, Assembly Budget Subcommittee 1
Diana Dooley, Secretary, Health and Human Services Agency
Michael Cohen, Director, Department of Finance
Lora Connolly, Director, Department of Aging
Jennifer Kent, Director, Department of Health Care Services
Will Lightbourne, Director, Department of Social Services
Hon. Kevin de León, President pro Tempore, California State Senate
Hon. Anthony Rendon, Speaker, California State Assembly