IHSS Overview
Senate Budget - Sub 3 Hearing
March 2, 2017

California Department of Social Services
Will Lightbourne, Director
Pete Cervinka, Chief Deputy Director
Debbi Thomson, Deputy Director
The IHSS Program has a long rich history of service and has been in operation for over 40 years. It is the largest program of its kind in the United States.

Key tenets of IHSS:
- It affords recipients the ability to remain safely in their homes/communities in lieu of institutionalization.
- Recipients direct the care including: hiring/firing, scheduling, training and supervising their provider.

California is a national leader in providing home and community based services. It is one of only three states that has successfully “rebalanced” long-term supports and services to home and community based care.

- CA spends over 54% on long term care costs for home and community-based services (HCBS).
- IHSS represents over 95% of these services.
IHSS (continued)

» FY 16/17 estimates approximately 491,000 IHSS consumers are authorized an average of 105.2 hours per month at an average monthly cost of $1,408 (absent the cost impacts of overtime).

» These IHSS consumers:
  • 15% are 85 years of age or older
  • 41% are ages 65-84
  • 37% are disabled adults
  • 8% are under the age of 21
The Governor’s Budget projects the average monthly caseload for FY 2016-17 will increase 5.3 percent from the previous FY and the caseload for FY 2017-18 will increase by 5.3 percent from FY 2016-17. This reflects a return to historical rates of caseload growth after several years of budget reductions.
IHSS Budget

» Today -

• 98% of the IHSS Program receives federal funding:
  
  0 50% for the Personal Care Services Program (PCSP), 1993
  and IHSS Plus Option (IPO), 2009
  
  0 56% for the Community First Choice Option (CFCO),
  December 2011

• Less than 2% of the IHSS Program is the IHSS Residual
  Program (IHSS-R), which is state-and-county funded (65/35)

• Effective July 1, 2017, county MOE is eliminated and
  financial cost-sharing reverts to pre-CCI ratios
COST ASSUMPTIONS TO CALIFORNIA:

» Implementation of the U.S. Department of Labor regulations that require overtime pay for domestic workers is estimated to cost $921 million ($435.1 million GF) in FY 16-17.

» Increases of $796.2M are due to increase in caseload growth, higher cost per hour, and higher hours per case.

» The estimated IHSS budget for FY 17-18 is $10.6 billion:
  • $5.7B federal
  • $3.1B state
  • $1.8B county
IHSS and CCI

• Although the CCI demonstration project has ended, the pilot program for dual-eligibles (Cal MediConnect) will continue in the seven CCI counties:
  o Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Mateo, and Santa Clara

• CDSS continues to encourage the counties to participate in care coordination teams, and continues to collect monthly data on these teams.
Universal Assessment Tool (UAT)

- The requirement for the UAT became inoperative by law on January 1, 2017.

- CDSS plans to consider parts of the draft tool, related materials and lessons-learned from the UAT effort for possible use in the IHSS program.
The Statewide Authority

- The Statewide Authority was established to be the employer of record for collective bargaining with IHSS providers in the seven CCI counties. By operation of law, it ceased to exist effective January 10, 2017.

- The Statewide Authority did not negotiate any final agreements. Therefore, collective bargaining returned immediately to the seven CCI counties.

- The 13-member IHSS Stakeholder Advisory Committee also ceased to exist effective January 10, 2017.
  - Members were encouraged to continue their participation through other IHSS stakeholder processes.
IHSS and FLSA

The federal Fair Labor Standards Act (FLSA, aka “overtime”)

• California implemented payment for overtime, wait time, and travel time effective February 1, 2016.
• A three-month grace period allowed experience and training to occur, in recognition of the complexity of new rules and weekly caps on provider hours of work. Dedicated outreach continued during May and June 2016 to providers and recipients who continued to make errors.
• Limited exemptions from workweek limitations were established:
  • Exemption 1: As of 02/03/2017, there were 1,424 providers approved, 571 denied, and 8 pending.
  • Exemption 2: As of 01/17/2017, there were 56 providers approved, 70 denied, and 7 pending.
• Effective July 2016, violation notices began to be issued. Data is posted online monthly: http://www.cdss.ca.gov/inforesources/IHSS-New-Program-Requirements
# IHSS/WPCS Providers Paid Overtime

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</thead>
<tbody>
<tr>
<td>Providers Paid in the Month¹</td>
<td>419,622</td>
<td>426,062</td>
<td>427,798</td>
<td>429,887</td>
<td>429,619</td>
<td>429,554</td>
<td>427,090</td>
</tr>
<tr>
<td>Number of Providers Paid Overtime²</td>
<td>100,029</td>
<td>102,040</td>
<td>98,009</td>
<td>103,902</td>
<td>99,670</td>
<td>103,210</td>
<td>101,143</td>
</tr>
<tr>
<td>Percent of Providers Paid Overtime, Out of All Paid Providers³</td>
<td>24%</td>
<td>24%</td>
<td>23%</td>
<td>24%</td>
<td>23%</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>Overtime Hours Paid</td>
<td>6,355,735.7</td>
<td>6,422,288.2</td>
<td>5,532,723.4</td>
<td>6,931,553.0</td>
<td>5,675,818.6</td>
<td>6,311,621.0</td>
<td>6,204,956.6</td>
</tr>
<tr>
<td>Average Overtime Hours Paid per Provider⁴</td>
<td>63.5</td>
<td>62.9</td>
<td>56.5</td>
<td>66.7</td>
<td>56.9</td>
<td>61.2</td>
<td>61.3</td>
</tr>
</tbody>
</table>

¹ Provider paid in the month specified, regardless of services period.
² Same as 1.
³ Out of all providers paid in the month specified, regardless of service period.
⁴ Overtime hours paid in the month, regardless of services period, divided by the providers paid overtime in the month.
# IHSS/WPCS Providers Paid Travel Time

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</thead>
<tbody>
<tr>
<td>Providers Paid Travel Time in the Month&lt;sup&gt;5&lt;/sup&gt;</td>
<td>5,456</td>
<td>7,225</td>
<td>7,123</td>
<td>7,333</td>
<td>7,239</td>
<td>7,345</td>
<td>6,964</td>
</tr>
<tr>
<td>Travel Hours Paid</td>
<td>48,457.4</td>
<td>128,190.3</td>
<td>107,335.8</td>
<td>128,270.3</td>
<td>112,266.5</td>
<td>117,322.0</td>
<td><strong>106,973.7</strong></td>
</tr>
<tr>
<td>Average Travel Hours Paid per Provider&lt;sup&gt;6&lt;/sup&gt;</td>
<td>8.9</td>
<td>17.7</td>
<td>15.1</td>
<td>17.5</td>
<td>15.5</td>
<td>16.0</td>
<td><strong>15.1</strong></td>
</tr>
<tr>
<td>Average Travel Overtime Hours Paid per Provider&lt;sup&gt;7&lt;/sup&gt;</td>
<td>5.6</td>
<td>11.2</td>
<td>8.7</td>
<td>11.2</td>
<td>9.9</td>
<td>9.5</td>
<td><strong>9.4</strong></td>
</tr>
<tr>
<td>Percent of Travel Hours Paid as Overtime&lt;sup&gt;8&lt;/sup&gt;</td>
<td>63%</td>
<td>63%</td>
<td>58%</td>
<td>64%</td>
<td>64%</td>
<td>59%</td>
<td><strong>62%</strong></td>
</tr>
</tbody>
</table>

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<sup>5</sup> Providers paid travel time in the month, regardless of service period.

<sup>6</sup> Travel hours paid in the month, regardless of service period, divided by the providers paid for travel in the month.

<sup>7</sup> Overtime hours paid due to travel time.

<sup>8</sup> Travel overtime hours paid out of all travel hours paid.
## Compensation for Wait Time

<table>
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<tbody>
<tr>
<td>Recipients Authorized for Medical Accompaniment</td>
<td>442,561</td>
<td>464,348</td>
</tr>
<tr>
<td>Hours Authorized for Medical Accompaniment</td>
<td>1,025,885.1</td>
<td>1,227,447.3</td>
</tr>
<tr>
<td>Average Authorized Hours per Medical Accompaniment Recipient</td>
<td>2.3</td>
<td>2.6</td>
</tr>
<tr>
<td>Recipients Authorized for Accompaniment to Alternative Resources⁹</td>
<td>10,777</td>
<td>11,946</td>
</tr>
<tr>
<td>Hours Authorized for Accompaniment to Alternative Resources</td>
<td>66,127.7</td>
<td>78,479.7</td>
</tr>
<tr>
<td>Average Authorized Hours per Accompaniment to Alternative Resources Recipient</td>
<td>6.1</td>
<td>6.6</td>
</tr>
</tbody>
</table>

⁹ An example of an alternative resource at which in-home supportive services might be provided to the recipient in lieu of IHSS would be an Adult Day Health Care (ADHC) program site.
## IHSS/WPCS Providers Approved for Overtime Exemptions

<table>
<thead>
<tr>
<th></th>
<th>Jul-16</th>
<th>Aug-16</th>
<th>Sep-16</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Providers</td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>Approved for Exemption 1&lt;sup&gt;10&lt;/sup&gt;</td>
<td>1,107</td>
<td>1,174</td>
<td>1,267</td>
<td>1,312</td>
<td>1,336</td>
<td>1,354</td>
</tr>
<tr>
<td>Number of Providers</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Approved for Exemption 2&lt;sup&gt;11&lt;/sup&gt;</td>
<td>18</td>
<td>29</td>
<td>35</td>
<td>41</td>
<td>47</td>
<td>52</td>
</tr>
<tr>
<td>Number of Providers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Approved for WPCS Exemption</td>
<td>314</td>
<td>602</td>
<td>664</td>
<td>694</td>
<td>718</td>
<td>753</td>
</tr>
<tr>
<td><strong>Total Number of Providers Approved for Exemptions</strong></td>
<td>1,439</td>
<td>1,805</td>
<td>1,966</td>
<td>2,047</td>
<td>2,101</td>
<td>2,159</td>
</tr>
</tbody>
</table>

- Data represents total providers with exemptions on the last day of each month.

<sup>10</sup> Exemption 1 eligibility is permanent, and ongoing.

<sup>11</sup> Exemption 2 eligibility is for a 6-month or 1-year duration, renewable if conditions remain met.
## IHSS/WPCS Providers Receiving Violations

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</thead>
<tbody>
<tr>
<td>Number of Paid Providers Serving Multiple Recipients⁷¹³</td>
<td>82,177</td>
<td>83,244</td>
<td>83,273</td>
<td>83,551</td>
<td>83,638</td>
<td>83,576</td>
<td>83,243</td>
</tr>
<tr>
<td>Number of Providers with Multiple Recipients Who Have Received Violations⁷¹⁴</td>
<td>1,694</td>
<td>1,657</td>
<td>2,081</td>
<td>2,660</td>
<td>1,599</td>
<td>1,834</td>
<td>1,921</td>
</tr>
<tr>
<td>Percent of Providers with Multiple Recipients Who Have Received Violations</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>3%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Number of Paid Providers Serving One Recipient⁷¹⁵</td>
<td>329,790</td>
<td>334,114</td>
<td>334,508</td>
<td>336,697</td>
<td>337,071</td>
<td>334,905</td>
<td>334,514</td>
</tr>
<tr>
<td>Number of Providers with One Recipient Who Have Received Violations⁷¹⁶</td>
<td>1,076</td>
<td>1,728</td>
<td>2,372</td>
<td>3,383</td>
<td>1,935</td>
<td>2,737</td>
<td>2,205</td>
</tr>
<tr>
<td>Percent of Providers with One Recipient Who Have Received Violations</td>
<td>0%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
</tbody>
</table>

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⁷¹² Enforcement of violations began 7/1/2016. Only the Part A timesheets are included for July 2015.
⁷¹³ Providers paid in the month, regardless of the service period. Approximately 1% of paid providers were in transition at the time the CMIPS data download was run. Not all of the paid providers are counted as either serving multiple recipients or one recipient.
⁷¹⁴ All violations incurred by these providers in the month, regardless of the service period. A provider can only incur one violation each month.
⁷¹⁵ Same as 13.
⁷¹⁶ Same as 14.
### IHSS/WPCS Providers with Violations

<table>
<thead>
<tr>
<th></th>
<th>Jul-16(^{17})</th>
<th>Aug-16</th>
<th>Sep-16</th>
<th>Oct-16</th>
<th>Nov-16</th>
<th>Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Providers with 2 violations(^{18})</strong></td>
<td>0</td>
<td>1</td>
<td>526</td>
<td>912</td>
<td>796</td>
<td>1,114</td>
</tr>
<tr>
<td><strong>Providers with 3 violations(^{19})</strong></td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>119</td>
<td>196</td>
</tr>
</tbody>
</table>

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\(^{17}\) July Methodology: Enforcement of violations began 7/1/2016. July 2016 data only includes providers who incurred violations in the first half of the month. Violations for services provided July 16-July 31 are represented in August data.

\(^{18}\) These are providers who triggered a violation in the month and currently have two or more violations.

\(^{19}\) Same as 18.
CDSS has been working with stakeholders including providers, recipients, labor organizations, counties, CWDA and CAPA to implement a voluntary electronic timesheet option. This will expedite provider payments by eliminating mailing time for timesheets. It also will support accurate timesheet completion, and prevent provider overtime violations by giving immediate feedback to the provider while they are completing a timesheet.

The electronic timesheet functionality can benefit all providers, even those who do not enroll in the electronic timesheet service, because they will be able to create an online account and view the history of processed timesheets including payment information, hours submitted and any exception messages.
Electronic Timesheets – Timeline and Activities

- **December 2016** – User group sessions were conducted with IHSS providers and recipients to solicit direct feedback from them on the new electronic timesheet service.
- **January 2017** – Conducted stakeholder group sessions to provide an overview of the electronic timesheet service to counties, public authorities and the labor organizations.
- **March 2017** – Draft ACL is scheduled to be released for stakeholder review.
- **April 2017** - CDSS will send outreach mailing to the recipients and providers in the pilot counties.
- **May 2017** – Implement in the three pilot counties – Sacramento, Yolo and Riverside.
- **July 2017** – Target date for statewide implementation pending the outcome of the pilot.
The Federal 21st Century Cures Act was signed December 2016. It mandates all states to require Electronic Visit Verification (EVV) by January 2019.

» EVV requires capturing daily start and stop time, and the type of each service provided. Neither are currently captured in the IHSS Program.

» CDSS is assessing these new requirements and their impact to the IHSS program. Any approach for implementation will include extensive stakeholder participation.