April 22, 2015

Assemblymember Rob Bonta. Chair
Assembly Health Committee
State Capitol
Sacramento, California 95814

Re: AB 1235: Support

Dear Assemblyman Bonta:

Disability Rights California, a non-profit advocacy organization mandated to advance the human and legal rights of people with disabilities, is the sponsor of and enthusiastically supports AB 1235. This bill will help people who are in nursing homes return to the community if that is their preference. It is especially fitting that in this, the 25th anniversary year of the Americans with Disabilities Act (ADA), that California enact a Medi-Cal policy which mirrors the ADA’s guarantee of services delivered in the most integrated setting.

People trying to leave nursing homes face daunting challenges, and none is more daunting than lack of affordable accessible housing. Around a dozen tables, over a dozen years, state officials and stakeholders have hashed over ways to address this problem, usually concluding that new housing units are needed. And it’s true – new housing is needed. Yet, while California seeks federal funds to develop new housing, it also forces people to lose the homes they already have when they enter nursing homes, in a policy which hasn’t changed since the 1970’s. This means that people who can go home languish in facilities, with the state paying ever-rising Medi-Cal nursing home rates, in contradiction of the wishes of the residents, the civil rights of the residents, fiscal responsibility and common sense.
People who go into nursing homes, with Medi-Cal payment, have to turn over some of their income as a share of cost (SOC) if their income exceeds certain levels, and depending on whether there is a spouse living in the family home. Federal Medicaid law allows an alternative—people who intend to return home can use that SOC money to maintain their home. Federal law allows the states to set their own standards for the amount of the allowance. To qualify for the California Home Upkeep Allowance program, persons must: 1) intend to return home within six months of the date they began living in the nursing home; 2) get a written medical statement from a doctor certifying they may be able to return home within six months; 3) have no spouse or family living in the home; and 4) have a home being maintained for the person’s return.

The problem: the Allowance doesn’t work, because:

1) It’s only $209 a month, insufficient and unchanged since the 1970’s;  
2) The Allowance is widely unknown; and  
3) The Allowance does not help people who lost their homes but want to find a new home and leave the facility.

AB 1235 makes the Home Upkeep Allowance a useful tool, by:

1) Tying the allowance to the minimum amount actually needed to maintain the particular home, because anything less than that does not achieve the desired outcome;  
2) Extending the allowance to people who have lost their homes, so they can save income for up to three months to secure a place. They can accumulate up to $7,500 (chosen because it is the maximum grant amount in the California Community Transitions program), which shall not be a countable resource. If the money isn’t used, it reverts to the state General Fund.  
3) Requiring the state to widely publicize the Allowance to nursing home residents, prospective residents, discharge planners, and Medi-Cal offices, among others.

The state would make up the share of cost so the nursing homes would be made whole. This short-term cost will be far outweighed by the cost savings as people are able to leave facilities and use community-based services, which are almost always less costly.
The demand for long term services and supports grows daily. The preference to receive those services at home is unlikely to change. AB 1235 is one piece of a sensible Medi-Cal long term services and supports policy and is long overdue. We respectfully ask for your “aye” vote.

Please contact me if you have any questions about our position.

Sincerely,

Deborah Doctor
Legislative Advocate
Disability Rights California

cc: