



December 13, 2019

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Mark Ghaly, Secretary  
California Health and Human Services Agency  
1600 9<sup>th</sup> Street  
Sacramento, CA 95814

Kim McCoy Wade, Director  
California Department of Aging  
1300 National Drive, Suite 200  
Sacramento, CA 95834

**Re: Master Plan for Aging: In-Home Supportive Services Sustainability**

Dear Secretary Ghaly and Director McCoy Wade:

On behalf of the California State Association of Counties (CSAC), I write to share our comments on the In-Home Supportive Services (IHSS) program as it relates to the Master Plan for Aging. The Governor's Executive Order established the Long-Term Services and Supports (LTSS) Subcommittee and required that Subcommittee to draft an LTSS report by March 2020 that includes recommendations related to the sustainability of the IHSS program. As the LTSS Subcommittee begins to identify recommendations, CSAC writes to share overall views related to county fiscal sustainability for this important program.

Counties have proudly partnered with the state and administered the IHSS program since it was realigned in 1991. The IHSS program provides critical services to seniors and disabled individuals to help them remain in their own homes rather than in more expensive institutional care. County social workers, Public Authority workers, and IHSS providers are the backbone of this social services program which has proven to reduce care costs and improve the well-being of residents.

From the outset of the 2017 County IHSS MOE, there was recognition that the IHSS fiscal structure created in 2017 was not sustainable and would soon have detrimental impacts to the vital services that counties provide to residents on behalf of the state. CSAC and counties worked in partnership with the Administration, the Legislature, and stakeholders for two years to identify a more sustainable fiscal structure for counties to manage IHSS costs and continue to deliver other important health and behavioral health services. In January 2019, the Governor proposed to revise the County IHSS Maintenance of Effort (MOE) and that proposal was ultimately enacted into law in Senate Bill 80 (Chapter 27, Statutes of 2019), which created a more sustainable county IHSS fiscal structure. CSAC and counties strongly supported the Governor's proposal and are grateful to the Governor and the Legislature for this outcome.

The Governor's proposal was based on the recommendations in the Department of Finance 1991 Realignment Report that was required in January 2019. That report found that 1991 Realignment revenues could not support the costs of programs that were realigned and that this resulted from changes that have occurred to realigned programs, primarily IHSS. The report recommended restructuring the County IHSS MOE so that counties do not have to use significant county General Fund for IHSS costs and so that the Health and Mental Health subaccounts can receive general growth. The primary goals of the Governor's proposal were to make IHSS costs sustainable for counties and prevent the negative

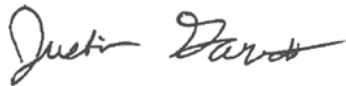
impacts that would occur to health and mental health programs that counties administer on behalf of the state. It is important to stay consistent with these goals when the LTSS Subcommittee considers any recommendations related to the sustainability of the IHSS program.

As the LTSS Subcommittee is examining the long-term sustainability of the IHSS program, CSAC does want to share some concerns related to a change that will occur in two years. On January 1, 2022 or the date that state minimum wage reaches \$15 per hour, the county share for any locally negotiated wage and benefit increases for IHSS providers will increase from 35% of the non-federal share to 65% of the non-federal share. This change could result in increased pressures on Realignment growth. It could also have potential impacts related to the IHSS workforce as it adds additional challenges in reaching local agreements for wage and benefit increases for IHSS providers.

CSAC will continue to engage and share feedback on specific IHSS recommendations as the LTSS Subcommittee examines them in the coming weeks and months. We look forward to continuing to partner on this vital social services program and the overall Master Plan for Aging.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Justin Garrett". The signature is written in a cursive, flowing style.

Justin Garrett  
Legislative Representative

cc: Kim Johnson, Director, California Department of Social Services