



In-Home Supportive Services

Descriptive Data, Costs and Cost-
Containment
Strategies/Alternative Programs

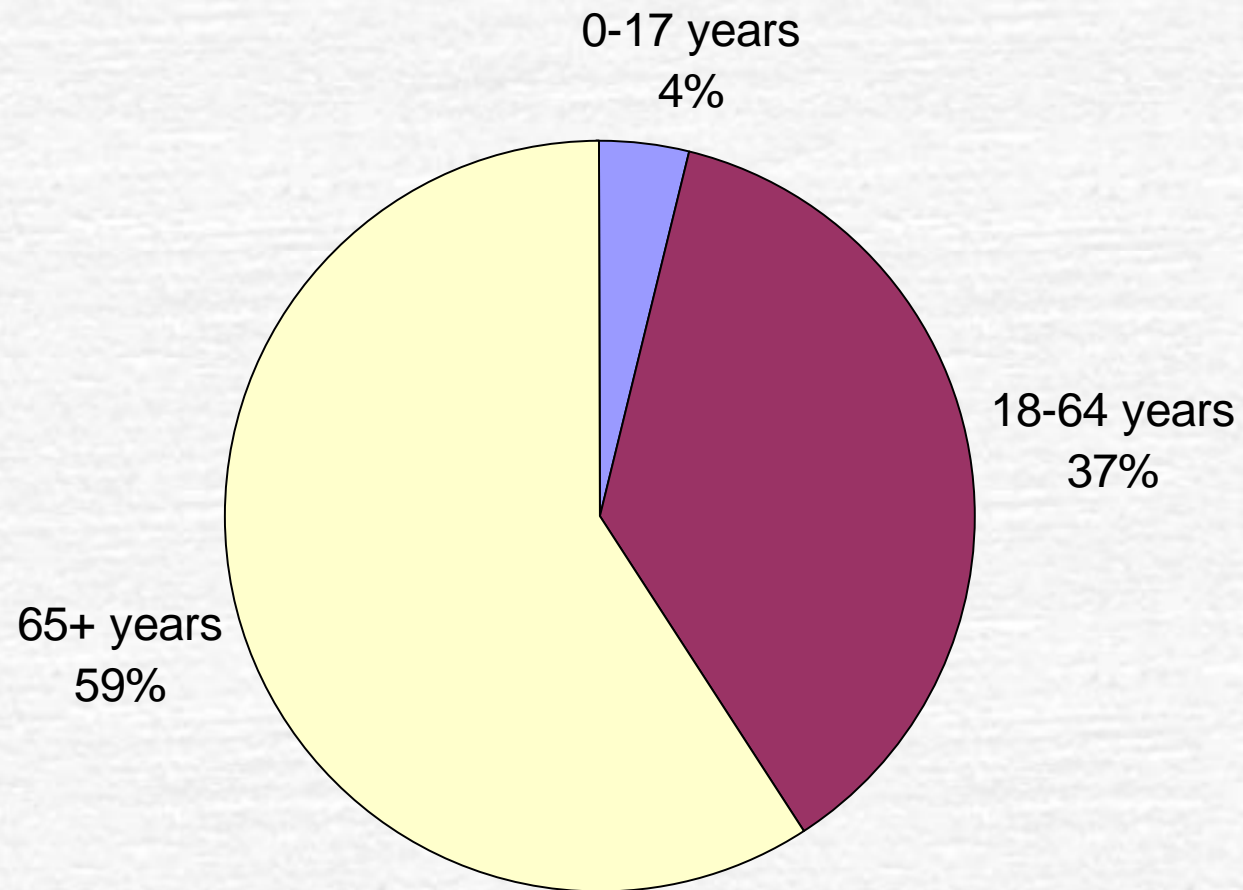
Presentation by:

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San Joaquin County Human Services

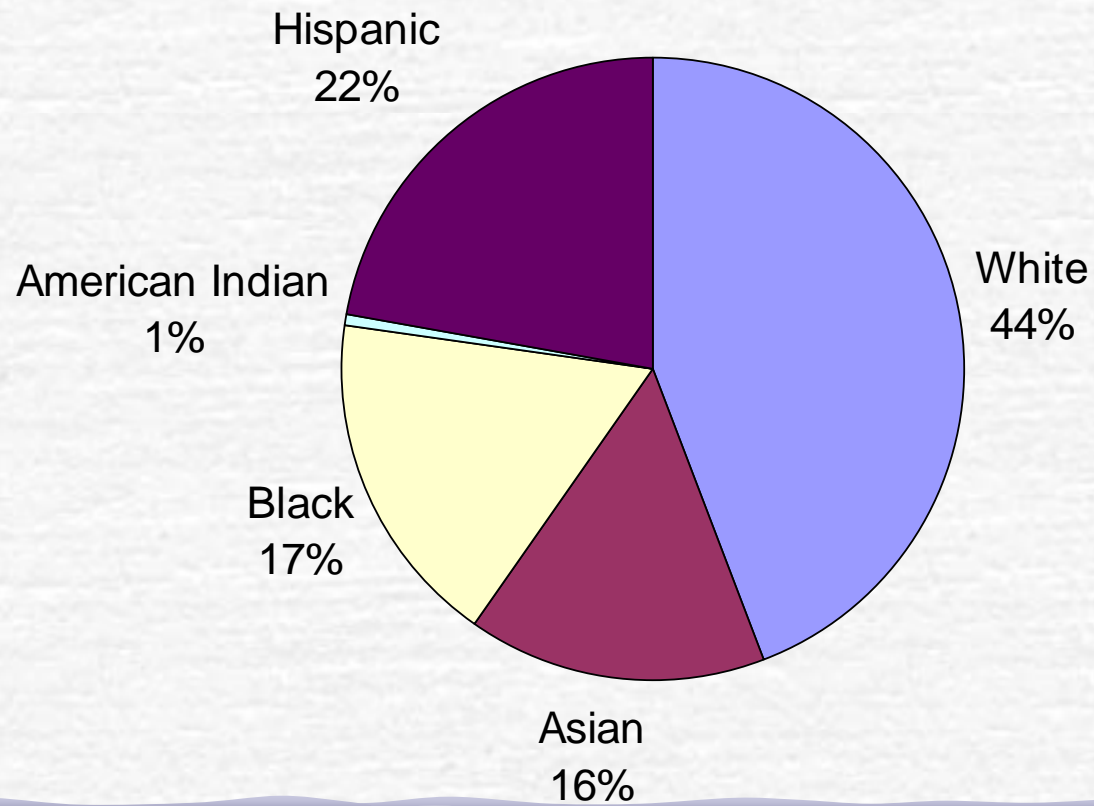
12/2004



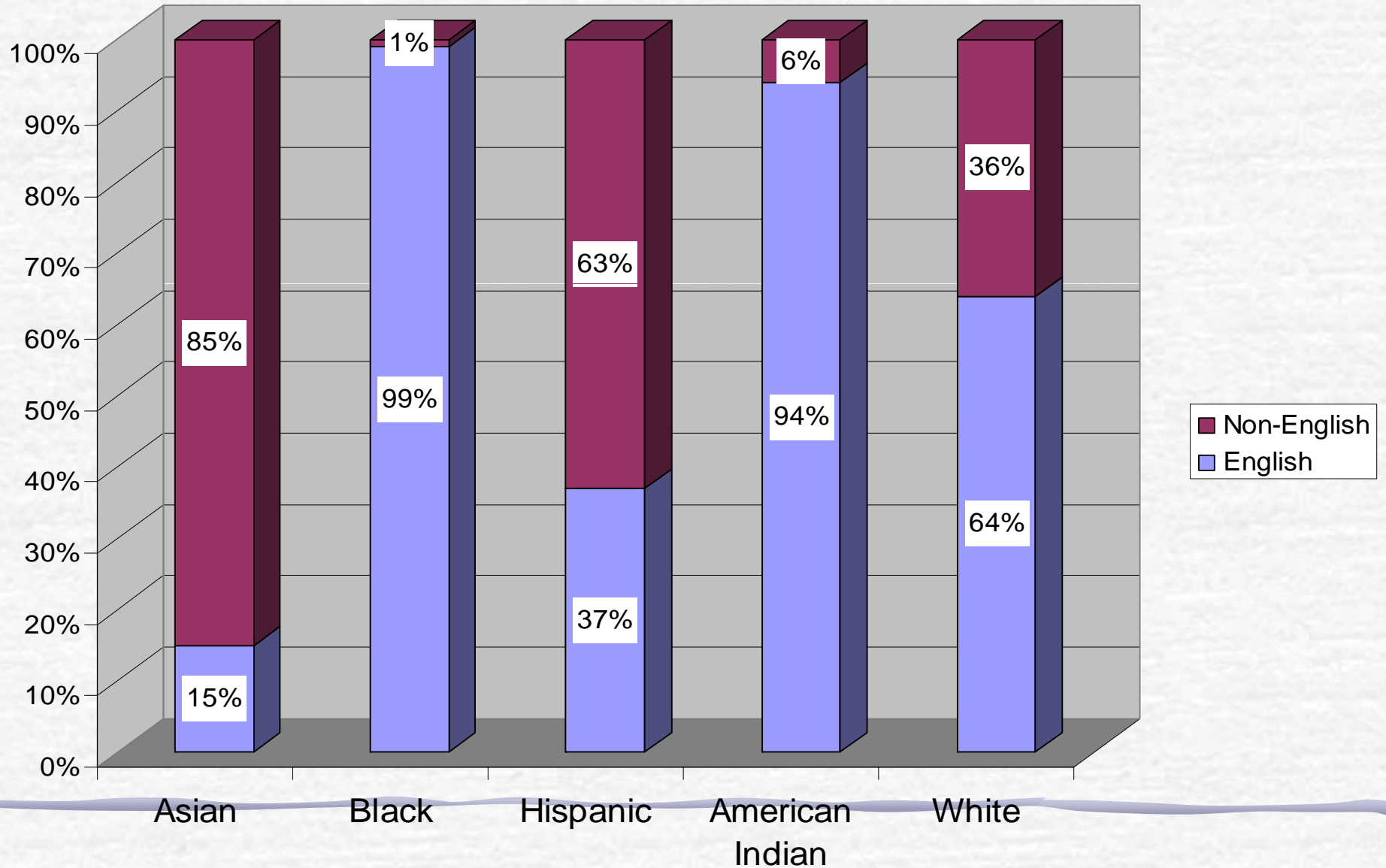
Age of Recipients



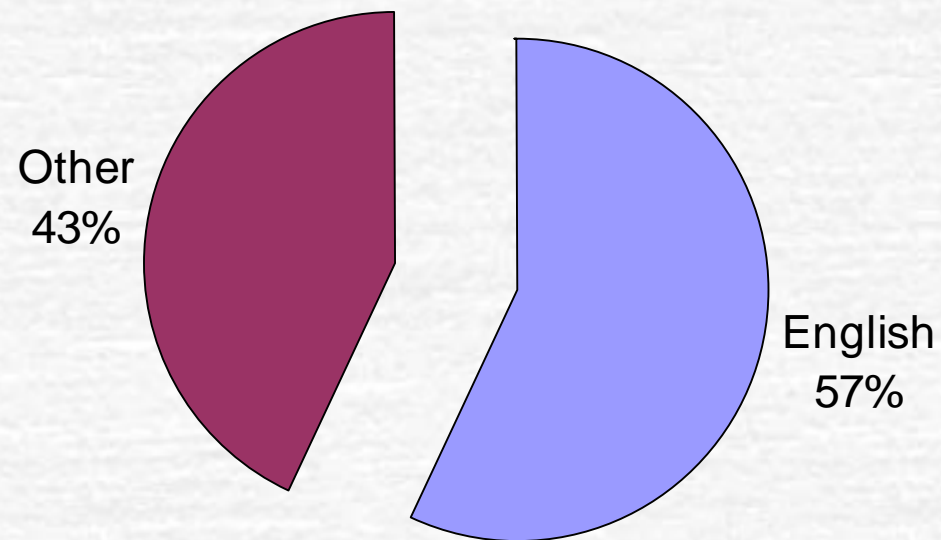
Ethnicity of Recipients



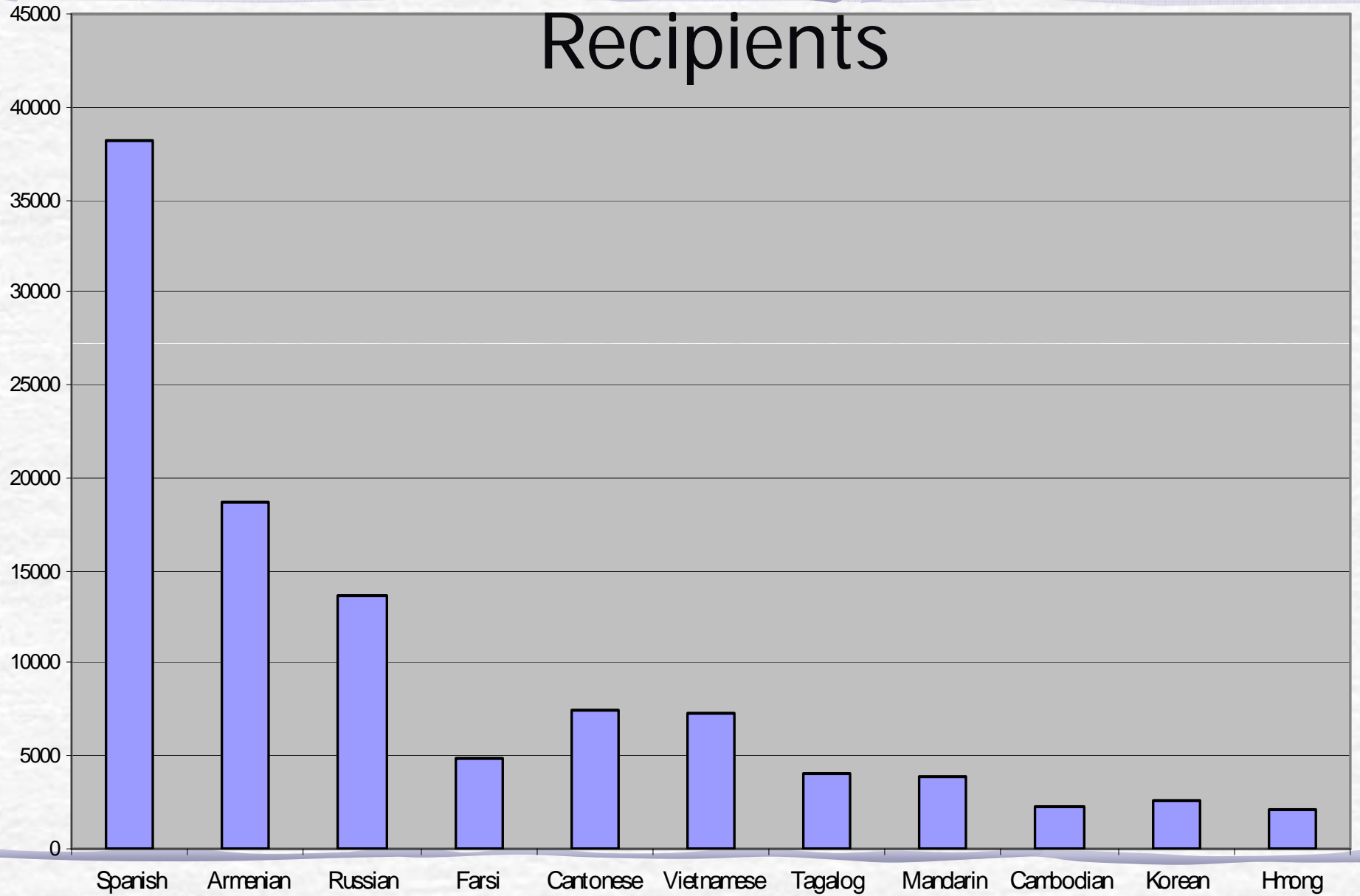
Primary Language by Ethnicity



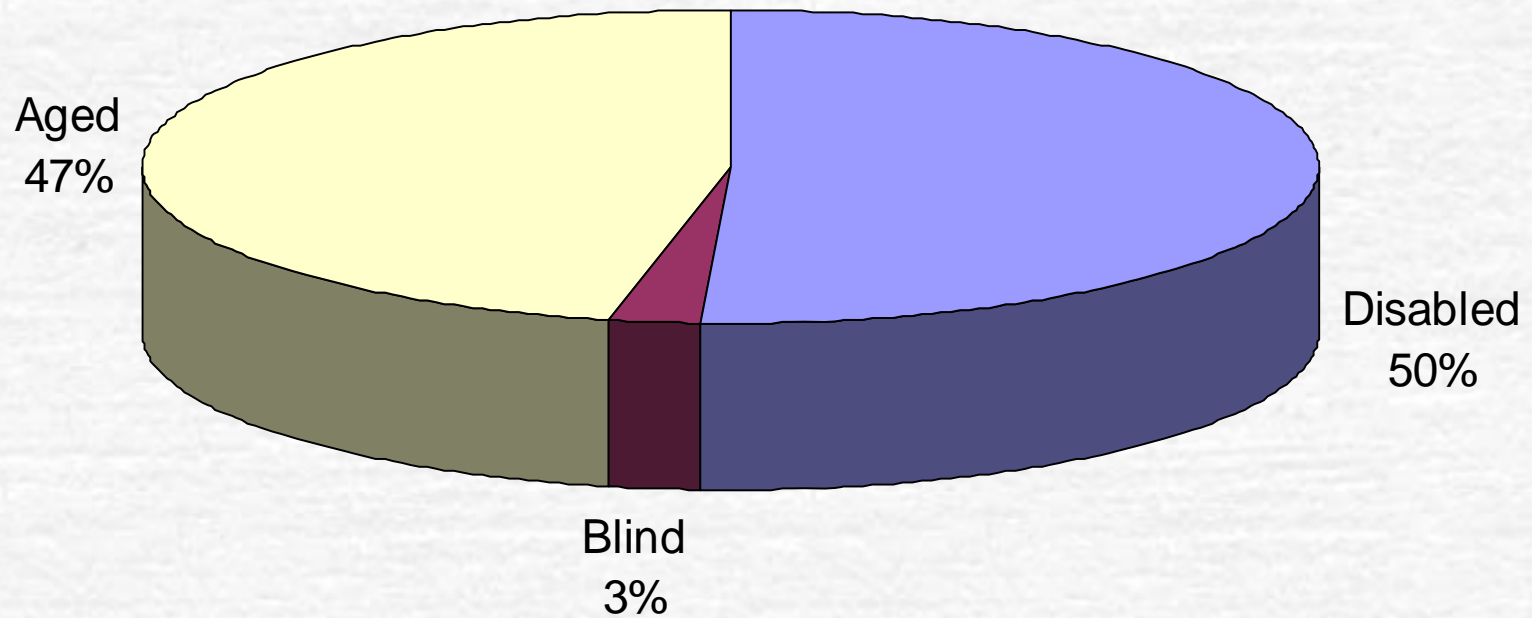
Primary Language of Recipients



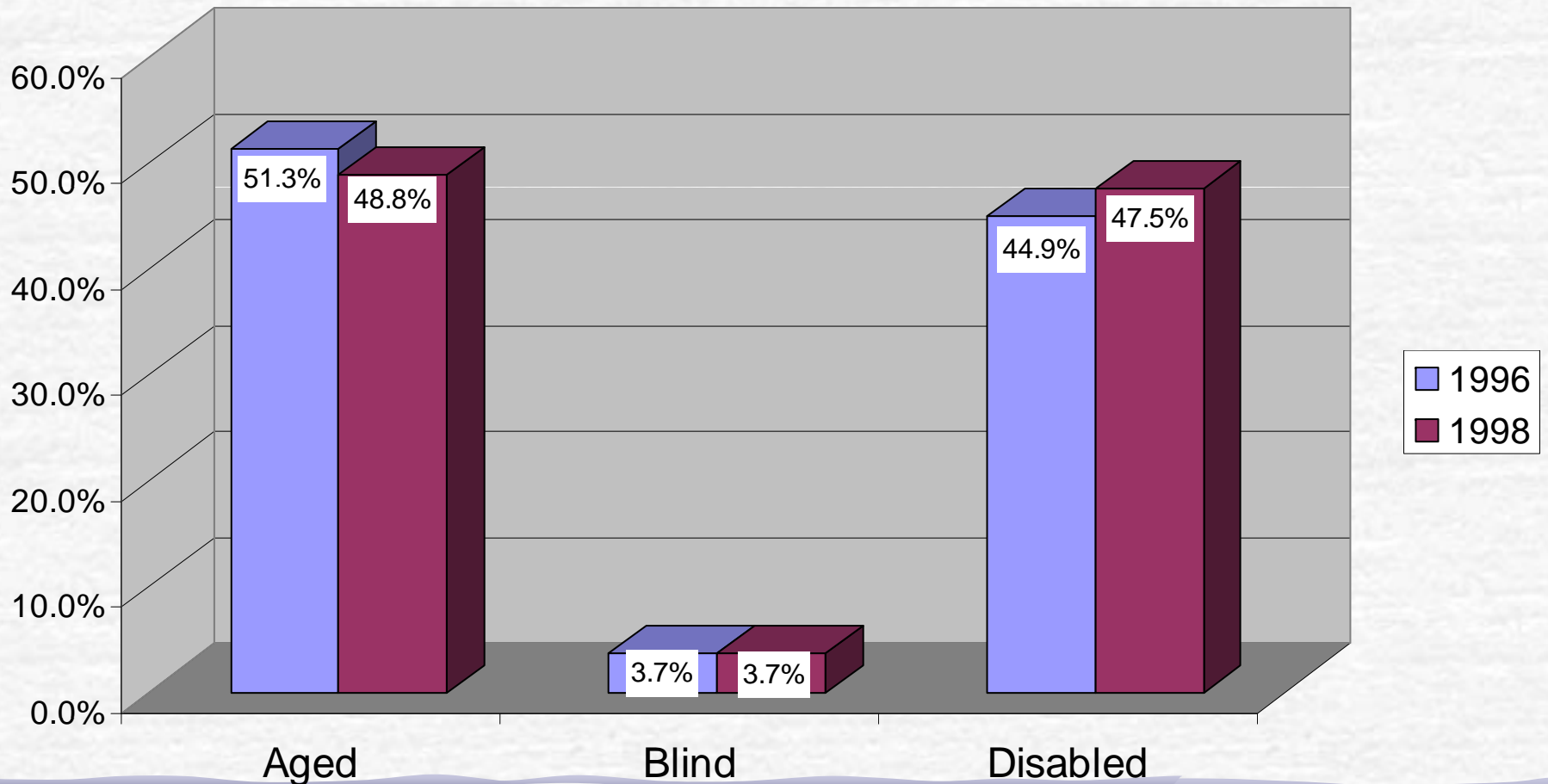
Other Languages Spoken by Recipients



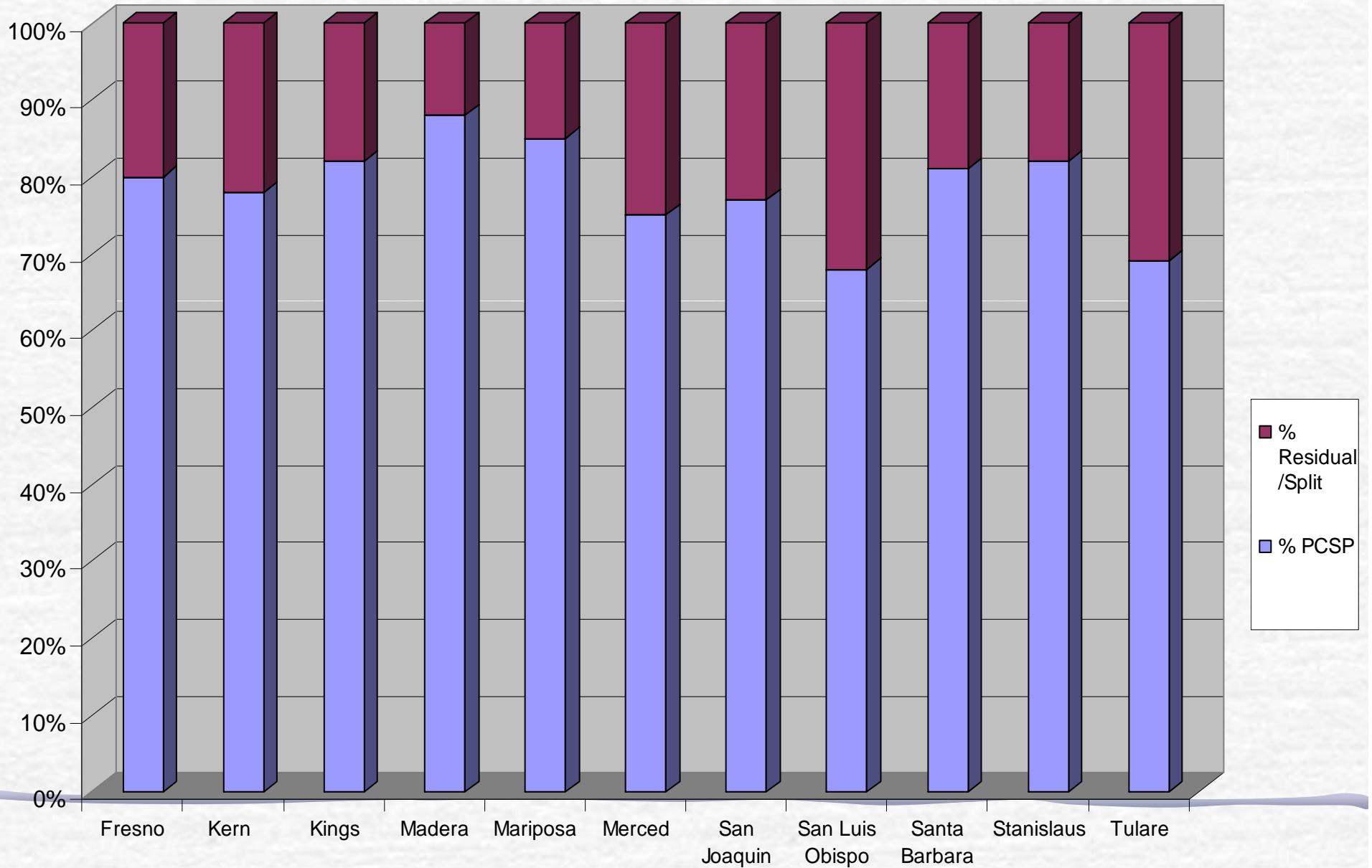
Consumer Type of Recipients



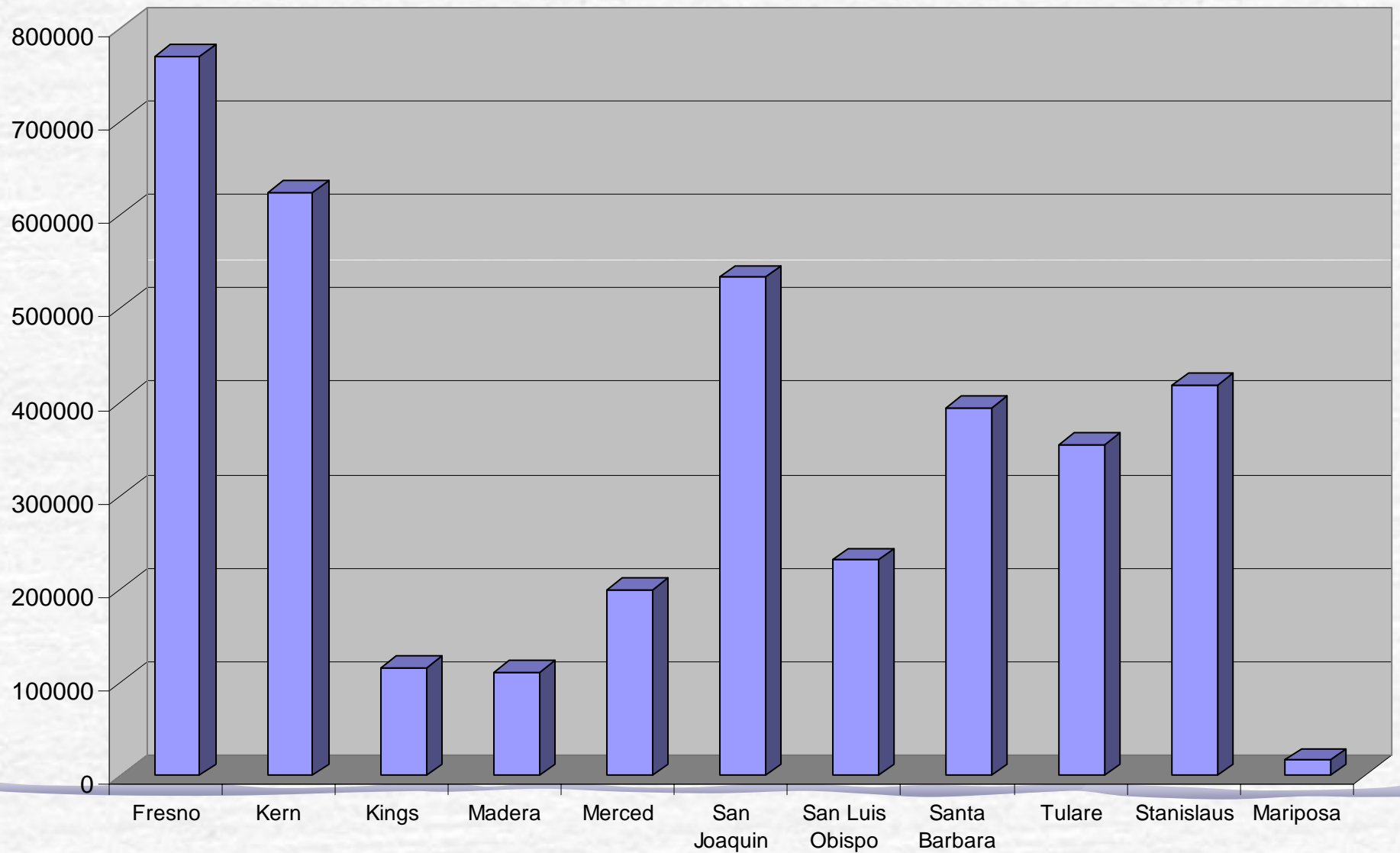
Change in Consumer Type from 1996 to 1998



Distribution of County IHSS Cases by Program



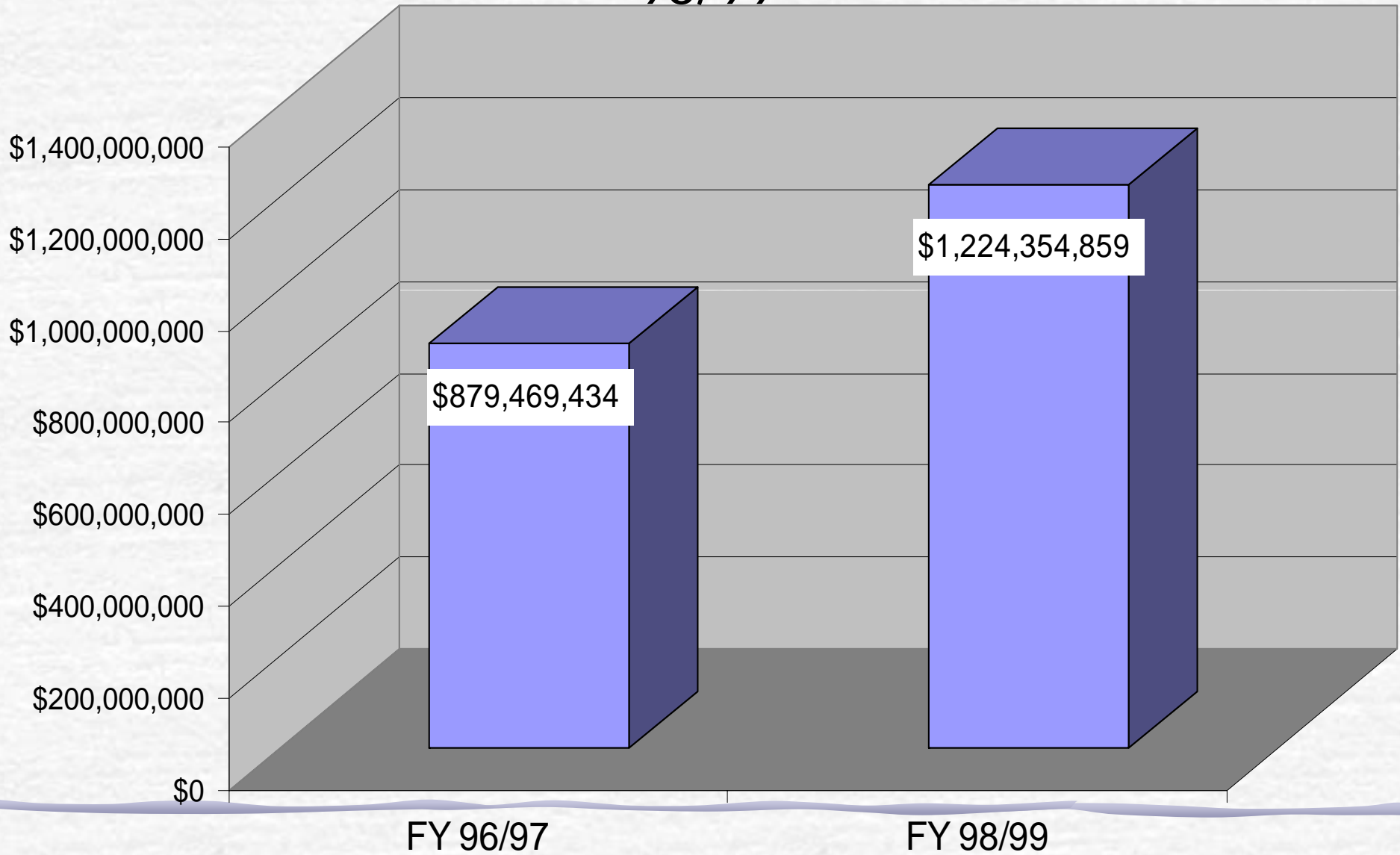
Total IHSS Caseload by County



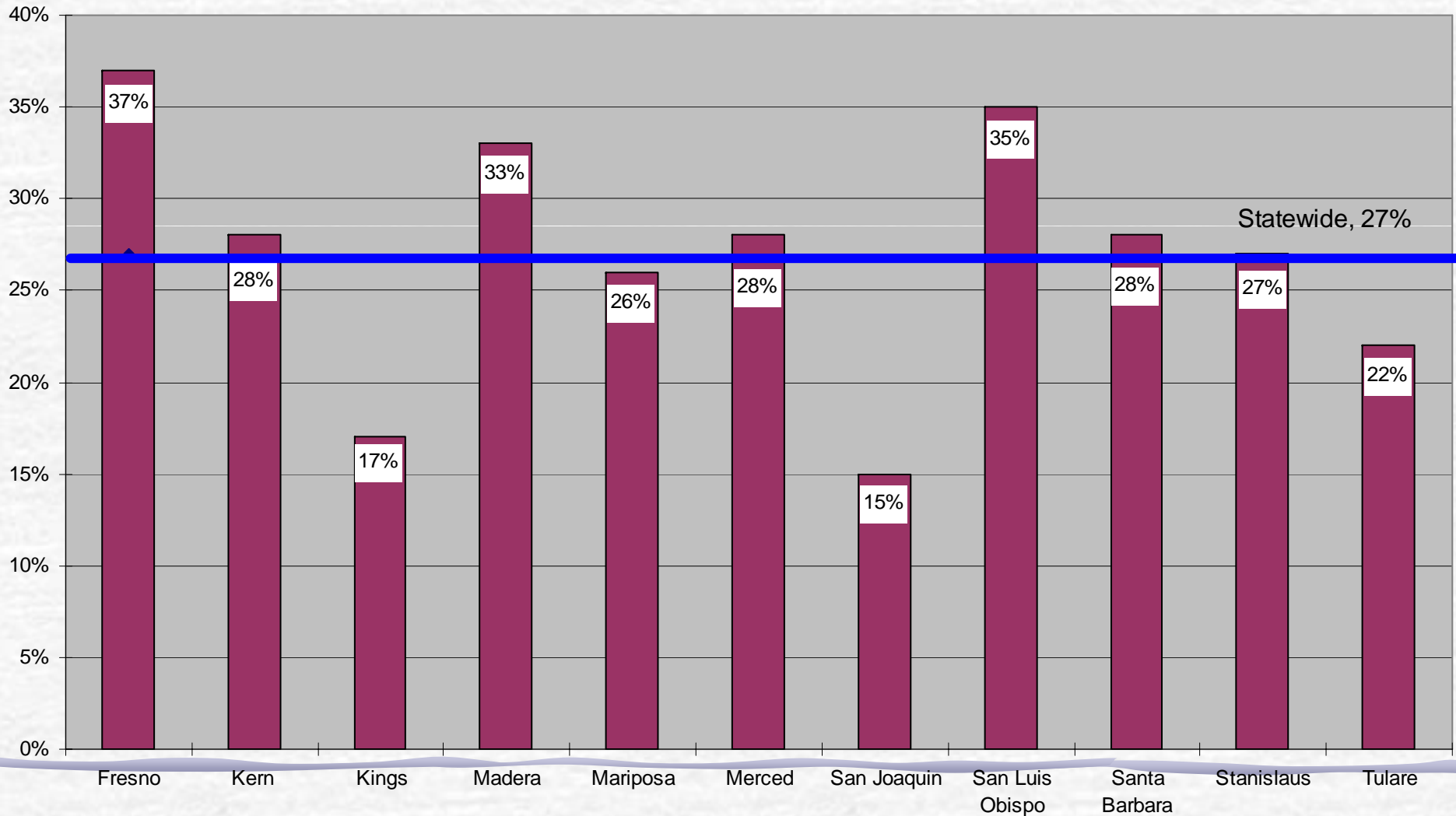
IHSS Cost Drivers

- From FY 1998-99 to 2002-03, IHSS program costs nearly doubled (from \$1.4 billion in 1998-99 to \$2.3 billion in 2002-03).
- Due to Realignment pressures, counties are being forced to transfer revenue (up to 10%) from the Mental Health Account and the Health Account to subsidize the Social Service Account.
- The overall cost per authorized case has increased 27% on a statewide level from FY 1996-97 to 98-99.

Costs for Authorized Cases, FY 96/97 to FY 98/99



Percent Change in Average Monthly Cost Per Authorized Case from FY 96/97 to FY 98/99



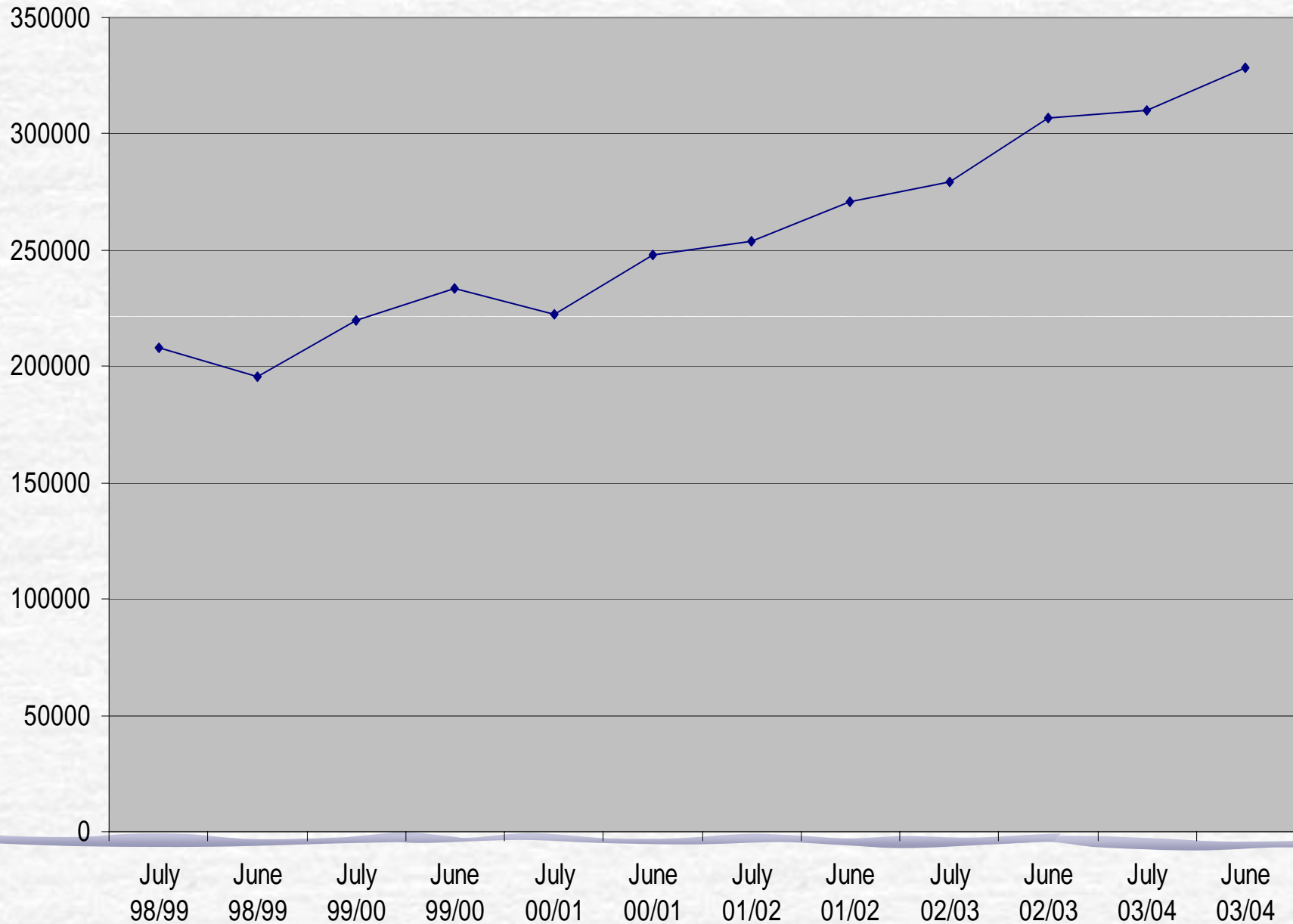
Cost-Related Concerns

1. Caseload growth/Overall population growth
2. Provider wage increases/Addition of provider benefits
3. Lack of uniform assessment process

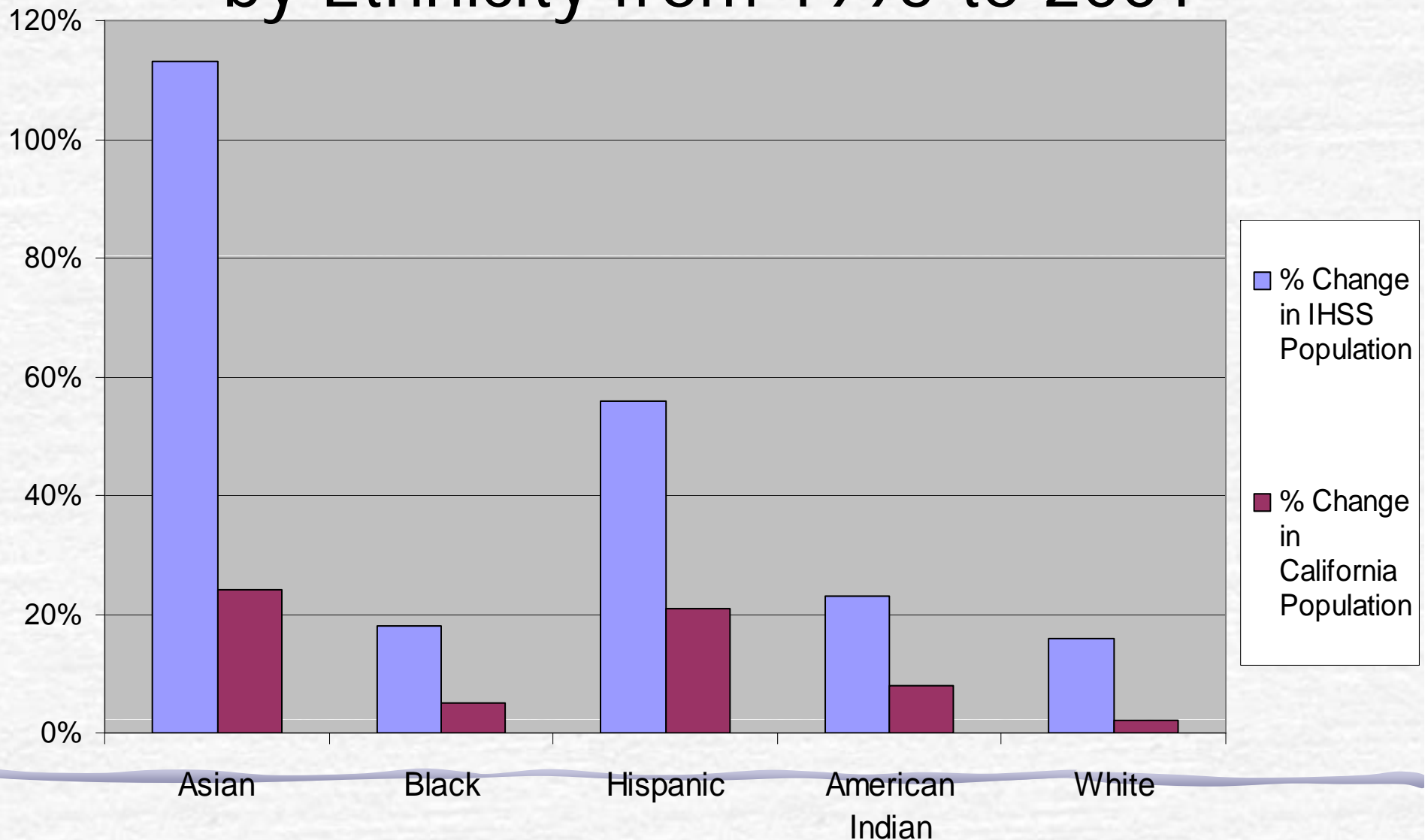
1. Caseload Growth/General Population Growth

- In 1995-96, IHSS consumed 2.7% of the Realignment funds. In 2001-02, IHSS consumed 52% of the Realignment funds.
- Overall population growth has increased IHSS caseloads.
 - IHSS paid cases have increased 58% from July 98-99 to June 03-04.

IHSS Paid Cases, July 1998 - January 2004



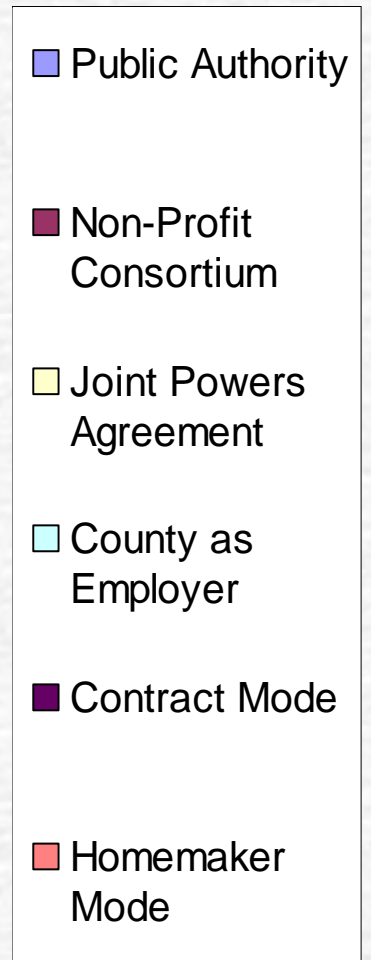
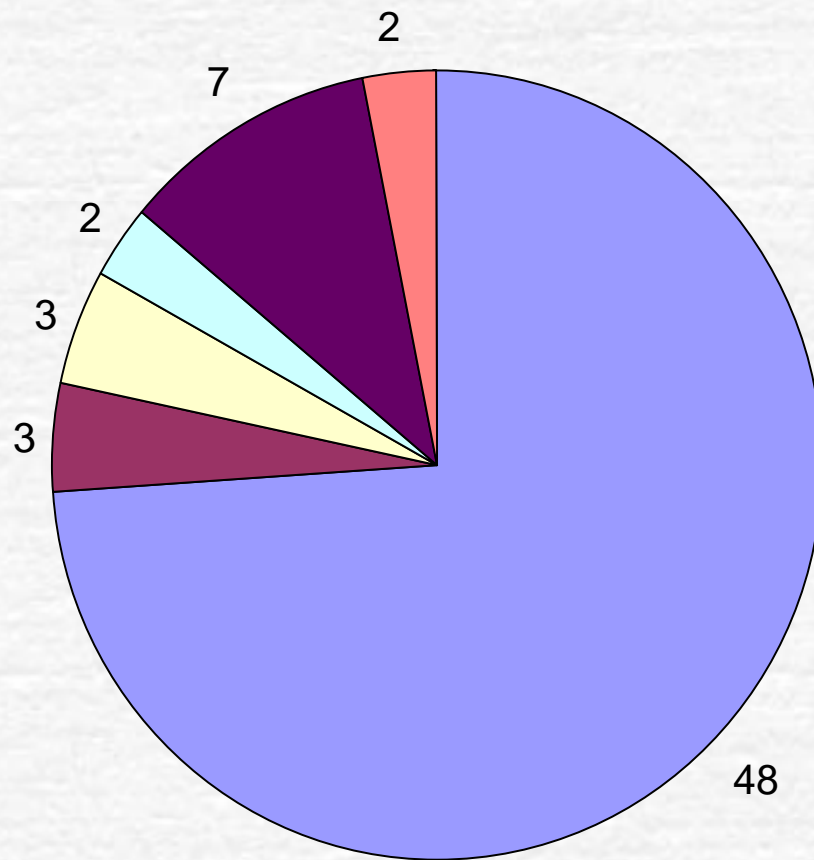
Percent Change in IHSS Population by Ethnicity from 1995 to 2001



2. Provider Wage Increases/Addition of Provider Benefits

- ☛ Governor Davis increased the number of counties utilizing Public Authorities by signing AB 1632
 - The primary focus of this bill was for California counties to establish an “Employer of Record” system for IHSS providers to have collective bargaining.
- ☛ To satisfy the “Employer of Record” mandate, most counties (74%) have established Public Authorities

Employer of Record Delivery Modes



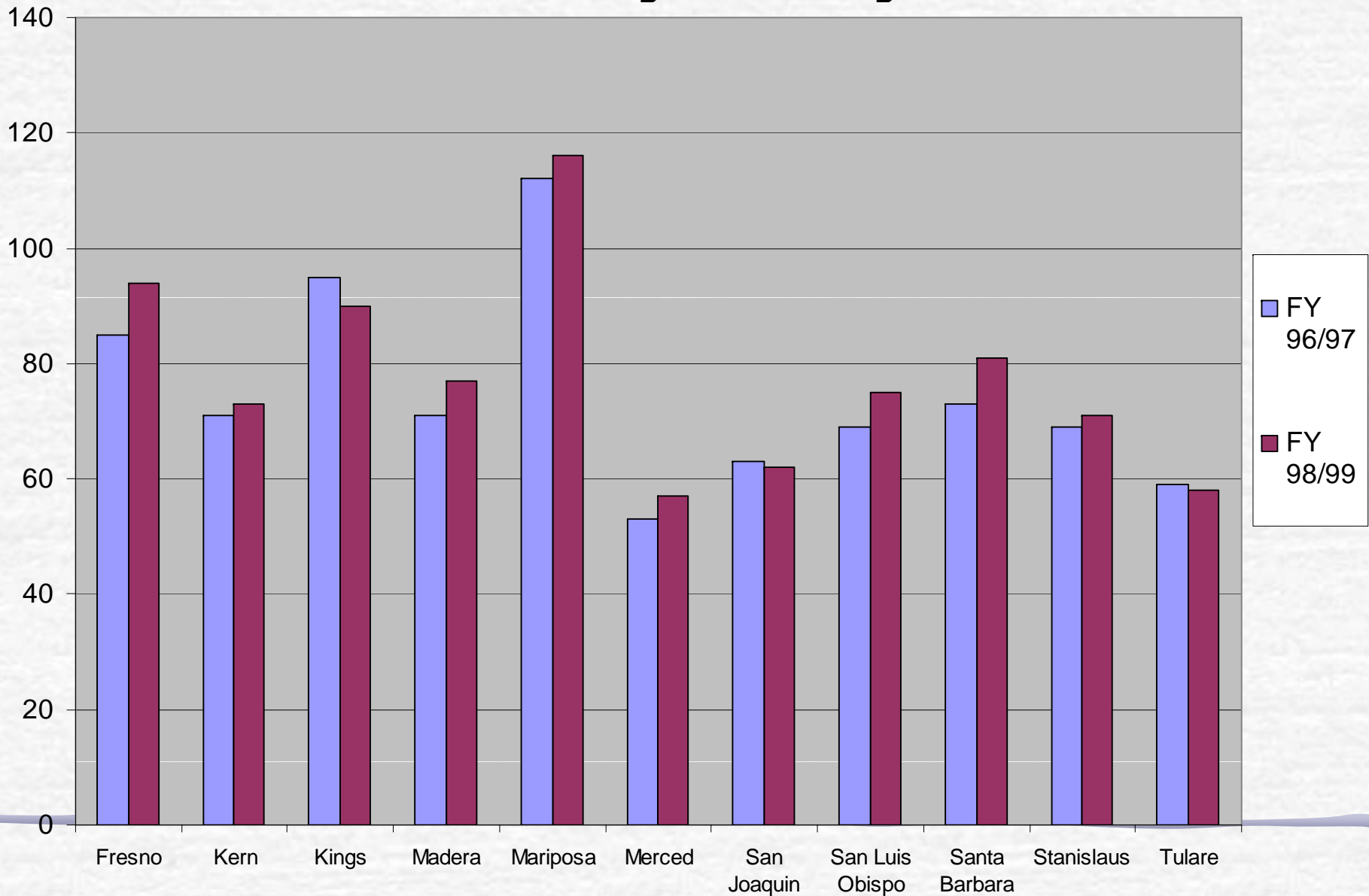
2. Provider Wage Increases/Addition of Provider Benefits, Continued

- Public Authorities have the following responsibilities:
 - maintaining caregiver registries
 - giving IHSS consumers provider referrals
 - providing trainings for both the caregiver and the recipient.
- AB 1682 mandates that counties establish an advisory committee to assist with the implementation of public authorities.
 - Advisory Committee members include IHSS providers, advocates from nonprofit community-based organizations for home care employees, and one county employee
 - Many Public Authorities and Advisory Committees are overseen by the County Board of Supervisors

3. Lack of a Uniform Assessment Process

- Currently, there is large variability between counties on the number of authorized IHSS provider hours per case.

Average Monthly Paid Hours Per Case, by County



3. Lack of a Uniform Assessment Process

- A research project by the University of California, Berkeley determined that IHSS outcomes were similar across counties despite the number of authorized hours per case.
- To facilitate a uniform assessment process, Barnes et. al. (1996) tested the CDSS IHSS Functional Index and determined that this instrument was highly reliable and could prevent the unnecessary over-authorization of IHSS hours.

Cost-Containment Strategies/Program Alternatives

1. Cash and Counseling
2. Governor's recent budget proposal
3. Medicaid waiver

1. Cash and Counseling

- ☛ Cash and Counseling is a consumer-directed approach to supportive services that enables consumers to purchase individualized care rather than receiving it through an agency.
- ☛ It provides consumers with the following:
 - Cash: A cash allowance is provided to consumers. The consumers are given the flexibility to spend the cash allowance to hire their own providers or pay for goods/materials that will improve quality of life (i.e. hands-free phones)
 - Counseling: Consumers are also given counseling and fiscal assistance to help them manage their cash allowance and their responsibilities as employers.

1. Cash and Counseling, Continued

- Cash and Counseling was implemented in three states: Arkansas, Florida and New Jersey.
- Mathematica Policy Research, Inc. conducted a study to examine the effectiveness of the Cash and Counseling programs in these three states.

1. Cash and Counseling, Continued

Mathematica Policy Research, Inc. made the following observations:

- Cash and Counseling did not increase overall costs
- Across all three states, consumers were highly satisfied (96% in Arkansas would recommend the program; 97% in New Jersey)
- Most consumers hired family members or friends as personal caregivers
- Many consumers found the fiscal counseling helpful.
- There have been no major instances of fraud/abuse.
- All three states have already decided that they want to make the program permanently available to consumers.

2. Governor's Recent Budget Proposal

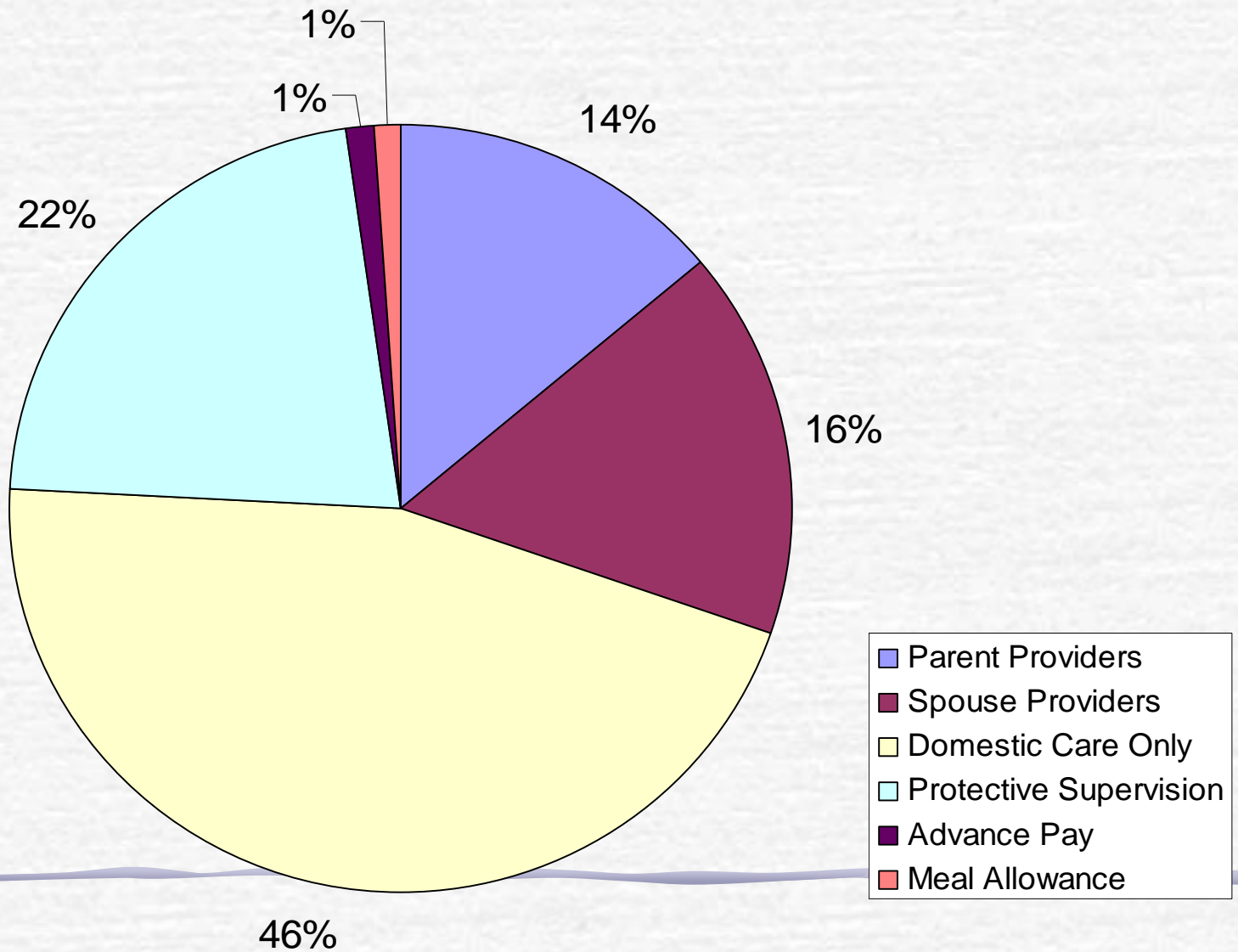
- Governor Schwarzenegger's preliminary 2004-05 Budget Bill proposed to eliminate the Residual Program of IHSS.
- IHSS is currently composed of two independent programs: Personal Care Services Program (PCSP) and the Residual Program

2. Governor's Recent Budget Proposal, Continued

- Personal Care Services Program
 - Funded by Federal funds (Medicaid), State Funds, County Funds
 - Services include:
 - Paramedical
 - Non-medical personal assistance

- Residual Program
 - Funded by State Funds and County Funds
 - Services include
 - Any service by a responsible relative
 - domestic and related services only
 - protective supervision
 - Advance Pay
 - Restaurant/Meal Allowance

Residual and Split Recipients by Service Subgroup



2. Governor's Recent Budget Proposal, Continued

- ☞ The proposed elimination of the Residual program was estimated to provide the state budget a net savings of \$366 million dollars.
- ☞ However, through legislative analysis, it was determined that the net savings would be much lower:
 - A large number of Residual Program recipients would qualify for the IHSS PCSP. Therefore, these consumers would simply switch programs.
 - Additionally, other Residual program recipients would turn to 24-hour care facilities.
 - Finally, the elimination of the Residual program could spark a number of expensive *Olmstead*-related litigation cases for the state to fund.

3. Medicaid Waivers

- Finally, the state administration withdrew the proposed reductions to the IHSS program and opted to pursue waivers from existing Medicaid regulations.

3. Medicaid Waivers, Continued

- ☛ The Medicaid waiver would enroll all existing Residual Program recipients
- ☛ The waiver is designed to offer self-directed service components. These services include:
 - Person-Centered Planning: recipients are allowed to utilize their personal long-term resources (I.e. they can hire their relatives)
 - Individual Budgeting: recipients are either given an allocation of service hours or and advance cash payment